



# Annual Report 2009



**BRD**  
GROUPE SOCIETE GENERALE





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## Message of the Chairman & CEO

After an intense development, which covered the period elapsed since privatisation, 2009 was a year of consolidation. The BRD network gained the dimensions targeted at the start of the densification project, and the offer of products and services reached maturity. The integration of the bank's three main business lines, as well as of the financial group built around BRD is at its peak, enabling the group to support the effects of the crisis.

The versatility of our organization allowed us to reorient our business on the background of a very low demand for loans from our private customers, a market on which BRD has been extremely active in the "Prima Casă" programme.

Our universal bank model has thus proven its qualities in the context of a strongly deteriorated economic environment. Although the banking sector suffered in 2009 the effects of the high increase of the risk cost, the prudent policy of BRD kept it under the system average, at a manageable level.

At the same time, we have adjusted to the context, remaining close to our customers in difficulty, through varied measures of loan restructuring applied both to our retail, and SME and corporate customers.



The same flexibility was adopted at the internal management level, where the general expenses, as well as the bank's investment strategy were adapted to the economic condition.

These performances did not go unnoticed. The prestigious publications specialised in the financial and banking field, Euromoney and Global Finance, awarded the bank in 2009, as well, the "Bank of the Year" award, a distinction that marked the 10-year anniversary of the privatisation of BRD.

2009 is also the year in which Patrick Gelin ended his mandate as manager of the bank. If BRD-Groupe Société Générale has had remarkable performances in the past 10 years, this is largely his merit, and I would like to take this opportunity to thank him once again.

There is no doubt, the main 2010 challenge will be maintaining the profitability of the operations in the conditions of a low demand for banking products and services.

Nevertheless, our capacity to innovate and the skills of our commercial teams will offer us the necessary resources to successfully face the challenges of this year. We will continue our development on all the markets, identifying and exploiting the niches with potential.

Consequently, we have sufficient reasons to look confidently to the future, based on the quality and commitment of the BRD team, on the tight connections with our customers and partners, who will always find in BRD reliable support.

Guy POUPET



## 1999 - 2009. 10 years of successes

- 1999** ■ Soci t  G n rale buys the majority block of shares of Banca Rom n  pentru Dezvoltare from Fondul Propriet ţii de Stat, thus making the first privatization in the Romanian banking system after 1989.
- The "Privatization International" magazine awards the bank the prize for "The Most Successful privatization in Central and Eastern Europe".
- 2000** ■ Set-up of SG Asset Management BRD, the asset management subsidiary, the current BRD Asset Management.
- 2001** ■ BRD is listed on the Bucharest Stock Exchange.
- The network restructuring process begins and it will end 18 months later.
  - Set-up of BRD Sogelease, the leasing subsidiary.
  - BRD is the financial intermediary of the first Romanian issue of government bonds in 60 years, made by the Predeal City Hall.
- 2002** ■ The network of branches and agencies of the bank is reorganized and restructured, and the first commercial and marketing structures are created. The network is organised in groups. The project was implemented by a team of 12 persons whose average age was 28.
- Set-up of the BRD call-Centre, with an initial staff of 5 persons. Today, the Call Centre counts 80 persons.
- 2003** ■ The rebranding of the bank takes place. Banca Rom n  pentru Dezvoltare becomes BRD-Groupe Soci t  G n rale.
- Inauguration of the new headquarters of the bank, the BRD Tower in Victory Square in Bucharest.



The Night of the New Leu



- 2004**
- Implementation of the proximity bank concept. 33 BRD Express agencies were opened on the same day, under the slogan “Ever easier”, the new institutional signature of BRD.
  - The bank inaugurates the first private banking agency.
  - Set-up of BRD Finance, the subsidiary specialised in extending consumer loans at the place of sale.
- 2005**
- 120 BRD Express agencies were opened – an unprecedented development in the Romanian banking system. The opening of the first BRD Express 24H agency and of a banking café.
  - Appearance of the BRD Blitz concept, a modular point of sale, of small dimensions, installed in the rural areas.
  - Issue of the card no. 1,000,000.
  - The bank launches the campaign “Unique Cards Worldwide”, centred upon the three great champions Nadia Comăneci, Gheorghe Hagi and Ilie Năstase, which set a world record for issuing within VISA organization: 500,000 cards in 2 months.
  - Romania adopts the new leu, celebrating it with an event organised at the BRD Tower, in Bucharest.
  - Launch of ALD Automotive, the first company that provides complete car fleet management services.
- 2006**
- The BRD network counts 600 agencies – the peak is reached: each day a new agency is opened.
  - BRD launches the first complete offer for the SMEs, which includes credit, investment and current business financing products.
  - Celebration of the customer no. 2,000,000.
- 2007**
- 3 new subsidiaries start their activities: BRD Fond de Pensii, Sogeprom and ECS Romania.
  - BRD inaugurates its new IT centre, an investment of EUR 15 million.
  - BRD issues in June the card no. 2,000,000.
  - Robo BRD – the automated machine for the payment of invoices has a tremendous success.
- 2008**
- BRD sells its equity interest in the insurance company Asiban to the French insurer Groupama.
  - BRD becomes the leader of the Romanian factoring market and is ranked third worldwide in the “Best Factor” category by Factors Chain International.
  - BRD launches “Noir”, the first real black card in Romania.
  - The bank issues the first chip cards.
  - Apparition of the concept Banco BRD – an outlet shaped as a cube that includes an ATM, a Robo and an LCD screen, which can be installed and moved depending on the traffic.
- 2009**
- In March, BRD launches a communication campaign to celebrate 10 years since its privatization.
  - Euromoney and Global Finance award the bank the title of “Best Bank in Romania”.
  - BRD is ranked 5th worldwide in the factoring top of Factors Chain International.
  - Patrick Gelin, Chairman – CEO, who ran the bank between 2001 and 2009, retires. He receives from the “Piața Financiară” magazine the title of “Banker of the Year in Romania”.



## Société Générale Profile

The Société Générale Group is one of the largest groups of financial services in the Euro Zone, in terms of market capitalisation.

In 2009, the Group had 157,000 employees in 83 countries, a net banking income of EUR 21 billion, and a net profit of EUR 678 million.

### **Retail & Financial Services Network**

The Group has over 30 million private customers both in France and in other countries. In France, the Group has two distribution networks: Société Générale and Crédit du Nord. Internationally, the retail bank is present in 37 countries.

The financial services activities have recorded a strong development over the past 7 years and have quickly become a major player in Europe.

### **Asset management and investor services**

The Asset Management and Investor Services Arm includes asset management (Société Générale Asset Management), private banking (SG Private Banking), intermediation of derivative products (Newedge) and direct banking (Boursorama), with 24,000 employees worldwide.

The Société Générale Group is the fifth asset manager in the Euro zone.

### **Financing and Investment Banking**

Société Générale Corporate & Investment Banking offers solutions of capital raising, financing, risk management and placement for issuers and investors on the bonds and equity markets.

With a net banking income of EUR 6.9 billion, SG CIB ranks among the main groups of financial services in the Euro Zone.



BRD – Groupe Société Générale is a universal bank that offers services both to individuals and to companies.

Through our network of agencies that covers the entire country, we are close to our customers, wherever they are.

- 930 agencies: the widest territorial network
- 9,100 employees

#### 2009 awards:

“Best Bank in Romania”

From Euromoney and Global Finance

#### Retail

- 2,400,000 customers
- 360,000 customers on the youth market
- RON 17 billion loans to the population
- 2 million banking cards included in the 3D Secure system

#### Corporate

BRD offers customised services to the Romanian corporate customers, to the subsidiaries of large multinational companies, to SMEs, micro-enterprises and local authorities.

- 150,000 customers
- RON 18 billion loans extended

#### Investment Banking

Brokerage, market operations, asset management, deposit and custody of securities and consulting services. We are one of the large players on the Romanian investment banking market.

#### Specialised Services

- International operations: More than 1,000 banking correspondents in 100 countries
- Factoring: operations totalling RON 1,560 million
- BRD Finance – consumer loans. 3,900 partner stores
- BRD Pensii – pension fund administration company. 116,000 customers (Pillar II)
- BRD Asigurări de Viață
- BRD Sogelease – ranks 3rd in Romania. Financed goods worth RON 1,100 million
- ALD Automotive – complete operational leasing and car fleet management. Number 1 in Romania. 5,100 vehicles and 700 suppliers countrywide
- BRD Corporate Finance – consulting in privatizations and mergers & acquisitions
- BRD Asset Management – RON 300 million of managed assets.

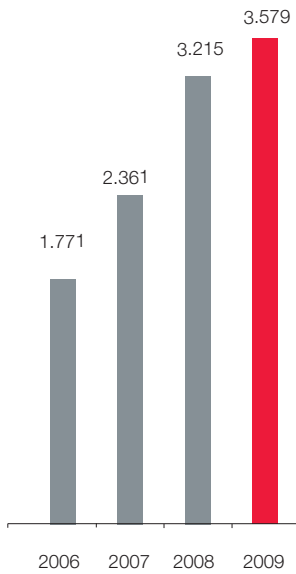
## BRD - Groupe Société Générale Profile



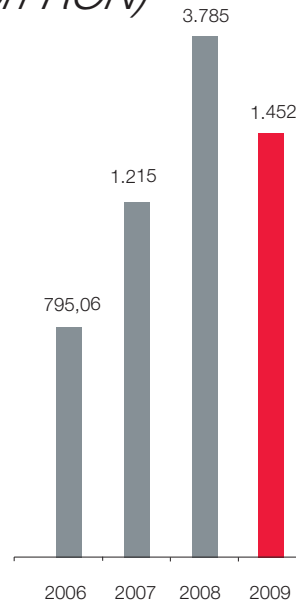


## Key Figures

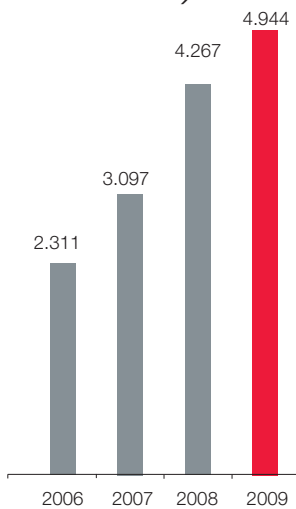
Net Banking Income  
(million RON)



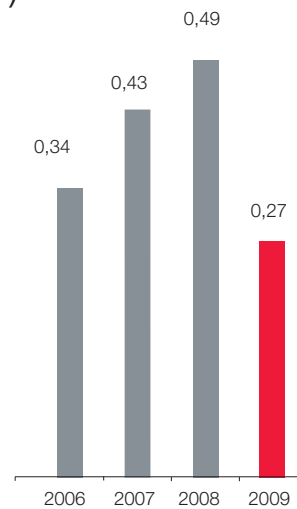
Gross Operating Income  
(million RON)



Net assets  
(million RON)



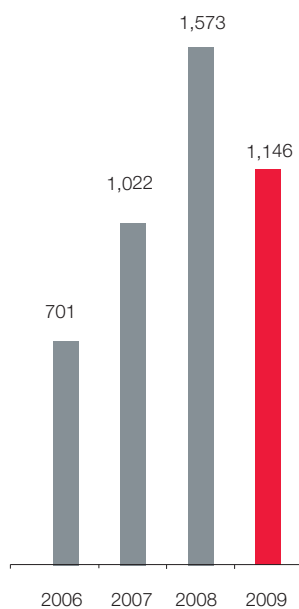
Return on Equity  
(ROE)



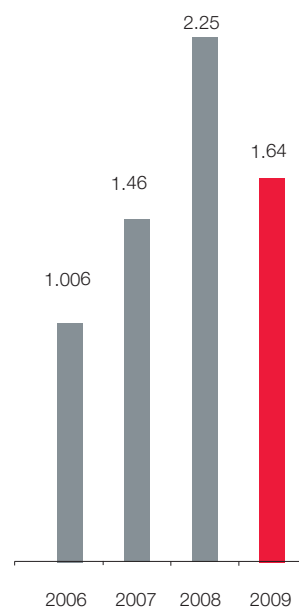


## Key Figures

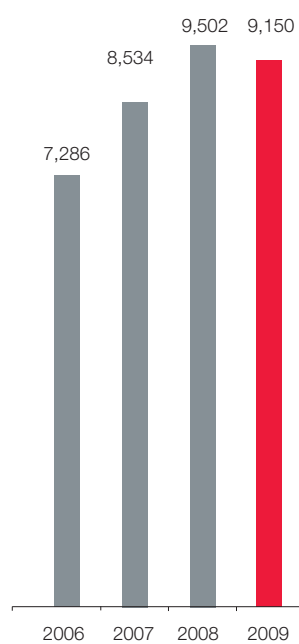
Net Profit



Net income / share



Number of employees



Figures in accordance with IFRS



## BRD shares

### Stock exchange data

The market capitalisation of the bank was of RON 9.06 billion (EUR 2.1 billion) at the end of 2008, as compared to RON 5.75 billion (EUR 1.4 billion) in December 2009.

BRD is the second issuing company, in terms of market capitalisation, and the first company in the banking system.

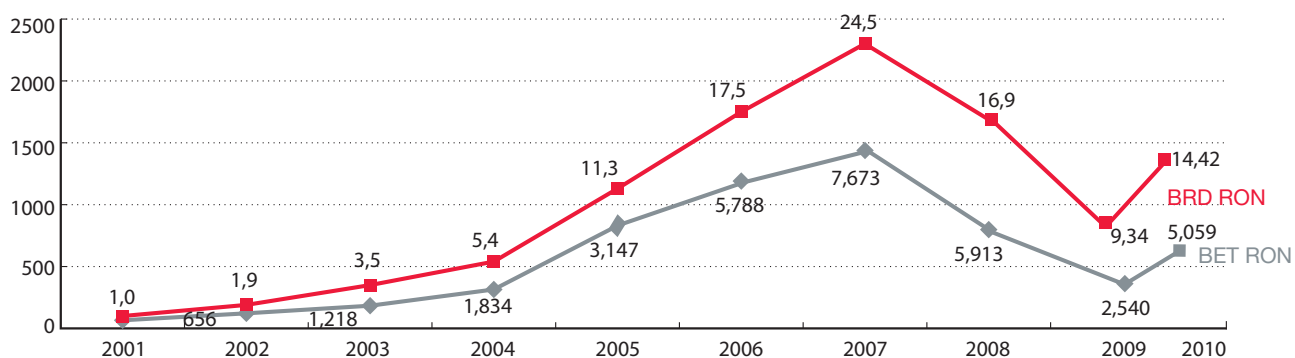
Starting with January 2001, the date of its listing on the stock market, the evolution of the BRD share has been better than that of the BET index.

### Relationship with Shareholders and Investors

BRD is concerned with providing all its shareholders, as well as the financial analysts, rigorous, homogenous and high-quality information, in compliance with the best practices on the market and with the recommendations of the stock market authorities.

### Financial Communication Calendar for 2010

The financial calendar, the presentations and the quarterly, half-yearly and annual financial reports can be consulted on the institutional site: [www.brd.ro](http://www.brd.ro)



### Evolution of the dividend

The table below presents the evolution of the paid dividend for the past three years.

	2007	2008	2009
Number of shares (x 1000)	696.902	696.902	696.902
Total dividends (million RON)	412	508	195
Dividends per share (RON) nominal	0,59205	0,72828	0,27947
Dividends rate	45%	37% (*)	25%

Distribution rate from profit before the sale of ASIBAN was 45 %.



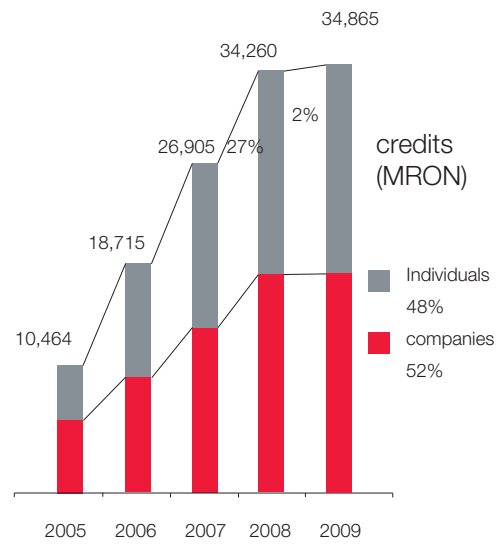
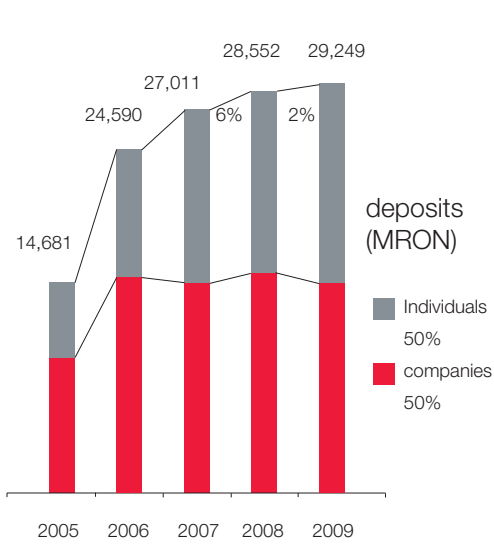
## Commercial Activity

BRD – Groupe Société Générale is the private bank with the largest network both in the large and average cities, and in the high-potential rural areas

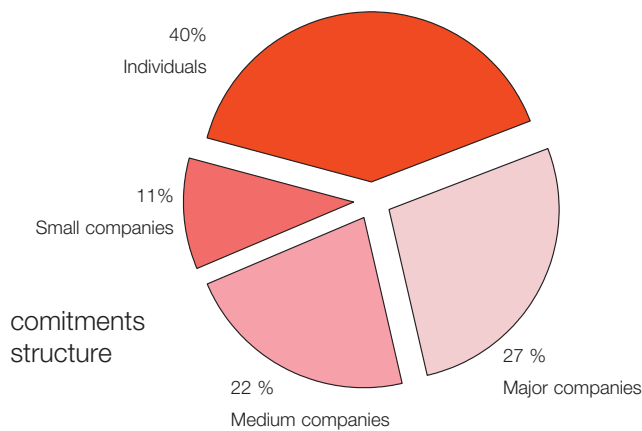
The year 2009 also marked the opening of new agencies addressed to the private banking customers, in Sibiu, Timișoara and Iași.

After 5 years of development and modernisation of the agency network, by the introduction of new and innovative concepts on the Romanian market (BRD Express, BRD 24H, BRD Blitz, BRD Café), BRD started in 2009 a period of business optimisation.

The evolution of deposits and loans proves that BRD has maintained a good business level in 2009, as well.



In 2009, the commitments value at the bank level amounted to RON 44 billion, divided on market segments as follows:



BRD permanently develops and optimises the fast and practical remote banking channels: the customer relations centre Vocalis, the Mobile Banking, Internet Banking and e-Commerce services. At the end of December 2009, the total number of subscribers of the internet banking service, BRD-Net, was of 250,000, and the total amount of the transactions was of RON 1 billion, 15% higher than at the end of the previous year. At the same time, the number of subscribers to the mobile banking service, Mobilis, more than quadrupled, from 23,000 to 95,000.

In 2009, BRD won the E-Impact award, offered by e-Fin@nce magazine for the contribution to the development of remote banking services.





## Retail

Building the customers' loyalty, maintaining the quality of the existing portfolio, as well as attracting new customers were the 2009 priorities for BRD.

The commercial offer was adapted to the market conditions, in order to provide the customers with customised solutions of loan restructuring and rescheduling. Measures have also been taken to reduce the risks, either by revaluating the guarantees, or by eliminating floating interest rates. A national campaign with prizes was organised, to encourage and reward the on time payment of credits.

BRD also continued to develop and promote the offers of products and services adapted to the various customer categories.

The bank continued to organise national commercial campaigns of its own or in collaboration with its traditional partners, in order to consolidate the customers' loyalty and to activate the use of the held products.

As for attracting new customers, the bank completed its offer, while also taking advantage of the new opportunities.

*"Prima Casă": The governmental program of stimulation of the real estate market represented for BRD the occasion to launch a dedicated credit. BRD granted the first credit within this governmental program.*

At the end of the year, the bank held a market share of 30% and more than EUR 100 million outstanding loans, thus ranking first among the banks involved in the program.

The bank also used the experience of the specialised subsidiaries of the group and diversified the offer of placement, private pensions and bank insurance products.



## Corporate

In 2009, BRD tried to meet the needs of its corporate customers, affected by the difficult economic conditions.

Despite a slight decrease of the number of active customers in 2009, on the segment of liberal professions and certified freelancers, as compared to the previous year, there was an increase of the number of active customers.

The customers' preference for remote banking services resulted in a growth by 32% of the number of subscribers to the BRD@office service, compared to the previous year. The utilisation rate of this channel increased considerably in 2009, and the volume of transactions through this channel went up by 56% in 2009 against 2008.

BRD is the leader of the e-commerce market, with a processed volume of more than EUR 80 million, and a market share of over 90%. At the 2009 E-Commerce Awards Gala, the bank was awarded the title of "Bank of the Year in E-Commerce".

The year 2009 was characterised by:

- Customer support actions, by restructuring or rescheduling the outstanding commitments held; In 2009, the restructured and rescheduled loans represented 10.5% of the total commitments;
- Financing out of EBRD and EIB sources, mainly intended to support the development of the SME segment;
- Financing of investment projects that benefit from non repayable European funds, through the EUROBRD program. The range of services includes: pre-financing and/or co-financing the customer's own contribution, financing non-eligible expenses, covering the working capital needs for carrying out the current business and new investments.

## SMEs and Liberal Professions







## Major Corporate Customers

The year 2009 gave BRD the occasion to strengthen its market share on the large corporate segment, of both private and public Romanian companies, and multinationals.

The main aspects to be underlined, among others, on the major corporate segment concern:

- making offers more flexible and adapting them to the conditions of the economic environment;
- continuing the strategy of supporting with products and services the major actors from the main economic sectors, such as supermarket distribution, energy, constructions and infrastructure, automotives, food industry, hotels, institutional investors, local public authorities;
- increasing financing in the public field;
- favouring club loans with BRD acting as leader or coordinator;
- getting actively involved in eligible projects for co-financing from European funds, by adapting the banking products and services to the customers' needs.

A few significant facts:

- **Infrastructure:** Signing a club loan of EUR 187 million, for a duration of 7 years, the part financed by BRD being of 50%;
- **Oil & gas:** Participation with EUR 22.5 million along with the Société Générale Group under a long term loan: EBRD Environmental B Loan
- **Public sector:** Participation with EUR 250 million to a medium-term Club Loan Facility of EUR 1.2 billion;
- **Energy:** Participation with a long term EUR 22 million financing under an EBRD B loan
- **Large distribution / retail:** Long term loan of EUR 20 million for the refinancing of investments
- **Cement industry:** Signing a contract of factoring without recourse for a ceiling of RON 112 million
- Signing several cash pooling contracts with multinational groups



## Specialised Services

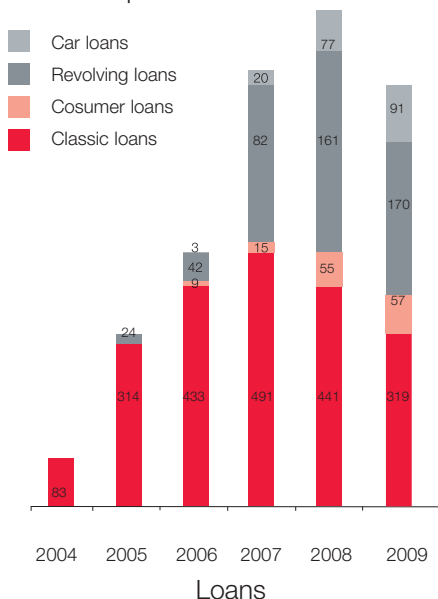
### Financing for private customers

#### Consumer loans: BRD Finance

Present on the Romanian market since 2004, BRD Finance has rapidly become the leader of the in-store consumer loans market.

After an accelerated period of growth, the results of 2009, a difficult year, met the bank's expectations. The adopted strategy aimed to maintain the market share and the leader position, through a more cautious risk policy, focusing on the profitability of operational costs.

The long-term relations developed with important partners in the retail field (Carrefour, Real), electronics and household equipment, DIY (Praktiker, Dedeman), PVC carpentry (Aplast), IT&C (Diverta), automotive (Renault, Dacia), furniture (Staer) and publications (Reader's Digest) are the guarantee that the company will maintain a dominant position on the market.



### Private pensions: BRD Fond de pensii

In 2009, the subsidiary BRD Fond de Pensii launched the first two optional private pension funds: BRD Primo and BRD Medio. The two products gave the customers access to a varied range of saving solutions aimed to ensuring the private pension.

### Life insurance: BRD Asigurări de Viață

In 2009, there was set up the BRD insurance subsidiary that provides insurance solutions attached to consumer loans and real estate loans.

### Financing for companies

#### International operations

The total volume of international operations decreased by 13% in 2009 as compared to 2008. This decrease was caused by the fall in the volume of documentary operations, generated by the decline of the foreign trade activity of economic agents. Nevertheless, the operations related to the issuance of international letters of guarantee kept their rising trend of the past few years, and increased, in terms of value, by 41%. The same positive situation was registered in the case of fast money transfer operations (Western Union), which augmented by 8%.

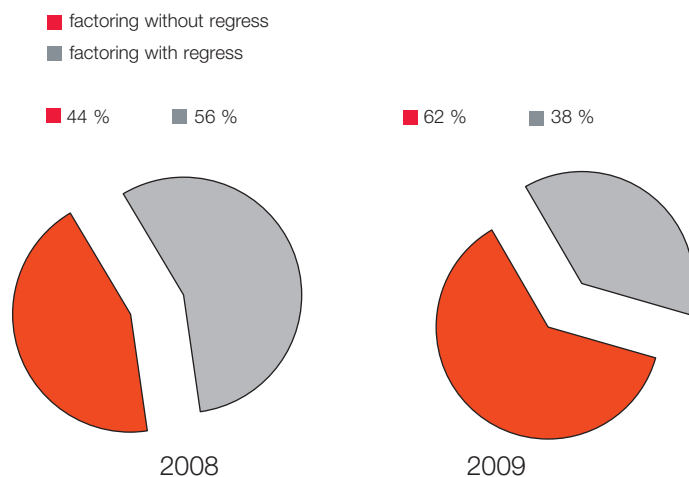
#### Factoring services

The factoring operations volume dropped by 29% as compared to 2008, being directly influenced by the significant reduction of the economic agents' sales. The bank continued to provide to its customers a whole range of factoring products: domestic and international, both with and without regress. The operations that were most requested and accessed by our customers (62% of all the operations) were the operations of factoring without regress, proving the economic agents' concern to cover the risk of default by their debtors.

The bank was constantly concerned with improving its factoring services and in 2009 it managed to maintain its place among the world's best import and export factors of Factors Chain International.

#### Awards:

The bank ranked 5th worldwide as the "Best import-export factoring company" within Factors Chain International.

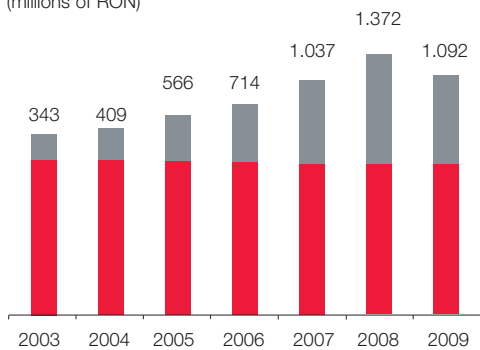


### Leasing: BRD SOGELEASE

In an increasingly competitive environment, BRD Sogelease, the leasing subsidiary of BRD-Groupe Société Générale, ended the year 2009 with more than 1,200 leasing contracts, the financed goods amounting to EUR 74 million.

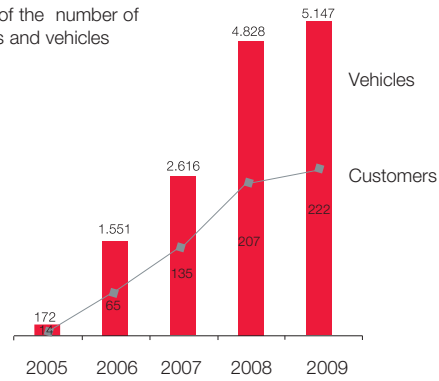
The structure of the BRD Sogelease portfolio as at December 31, 2009 was the following: Commercial vehicles – 39%, cars – 14%, construction equipments – 18%, medical, industrial and agricultural equipments – 22%, IT and office equipments – 5%, real estate 2%.

Balance of debt receivables (millions of RON)



### ALD Automotive – operational leasing and car fleet management

Evolution of the number of customers and vehicles



ALD Automotive is the subsidiary specialised in the complete operational leasing of car fleets, a product that enables companies to fully or partially outsource the management of their car fleets, reducing the car fleet related costs.

ALD's strategy is to develop the company's own channels for the sale of used cars, for which purpose the company also launched a dedicated website.

The subsidiary has a team of more than 60 employees and a network of more than 700 suppliers throughout the country. ALD Automotive ended 2009 with a fleet of more than 5,100 vehicles and over 200 customers managed.





# Investment Banking

## Brokerage

In January 2009, the activity of the subsidiary BRD Securities was taken over by the Financial Markets Division of BRD-Groupe Société Générale.

This measure was taken after BRD had obtained, in August 2008, the CNVM authorisation to make directly intermediation activities on the capital market.

## Market operations

In 2009, BRD strengthened its position on the financial markets.

BRD actively promoted the products of cover against the interest rate and foreign exchange risks, the results of this activity being significantly better than the previous year, considering the high volatility of the foreign exchange and monetary markets.

Beside the placement products proposed to the customers, the weight of the deposits whose return varies according to the evolution of certain financial assets, government bonds and Eurobonds increased.

## Asset management

BRD Asset Management ranked 3rd in the UCITS sector in Romania at the end of 2009.

The Simfonia 1 investment fund recorded a significant increase, of almost 200% of its net asset. Simfonia 1 thus remains one of the most important funds on the Romanian market, with a net asset of RON 238 million (EUR 56 million).

The diversified fund Concerto, launched in 2006 to meet the needs of individual investors, managed to increase its assets by almost 205% and to have a positive performance of almost 18%, despite an extremely volatile market.

In 2009, the fund was redirected mainly towards placements on the bonds and fixed-interest instruments markets.

In order to meet the investors' increasingly various needs, two new investment funds were launched in March 2009: Diverso Europa Regional and Acțiuni Europa Regional.

Performance of the funds:

Diverso Europa Regional – 9.34% ;

Acțiuni Europa Regional – 9.41% .

## Deposit / custody of securities

The experience of over 12 years as a depositary / custodian bank, as well as the expertise of the Société Générale group (the third depositary bank in Europe and the seventh worldwide, with a network of correspondents that covers 73 countries) enabled BRD to develop these services. In 2009, BRD became the first depositary bank on the Romanian market.

## Consulting services

BRD Corporate Finance, the BRD subsidiary that carries out these activities, has been involved for more than 12 years on the local M&A and privatizations market, benefiting from the expertise of the Société Générale Group.





# Risk Management

## General framework

The risk management policies and activities are in line with those of the Société Générale group and focus on identifying and assessing the risks as soon as they appear. The risk management function is independent from the commercial structures.

## Credit Risk

In a difficult economic sector, it is particularly important to avoid an excessive concentration of counterparty risks.

From this point of view, the BRD portfolio is adequately diversified both on markets and on business sectors.

## Market risk

For the financial markets perimeter, BRD strengthened its risk control and management device. New management principles, and new control methodologies were developed in order to cover as many risk types as possible.

## Risk cost

Despite the effects of the crisis, which were visible as soon as the last part of 2008 and especially in 2009, the net risk cost of BRD was maintained in the parameters set by the risk policy of the bank, under the banking average.

## Portfolio Analysis

As at December 31, 2009, out of the total commitment portfolio of the Bank, the corporate customers represented 22%, small and medium-sized enterprises (SMEs) 38%, and private customers 40%.

Out of the total loans to private customers, 80% were consumer loans, while real estate and mortgage loan represented 20%.

As for the quality of the balance sheet commitments portfolio, the classification categories Doubtful and Loss (according to BNR regulations) represented 11% of the total, compared to the 15% of the entire banking system at the same date.

## Business Continuity

In order to reduce the operational risks to which the bank is exposed, and to ensure the continuity of the vital and critical operations, the bank implemented a plan that defines the organisation and resources required in a crisis situation.

To this purpose, at the level of the organisational structures of the bank, both in the head office and in the network, cells were set up, coordinated by the managers of the respective structures.

## Operational Risk and Permanent Supervision

BRD has a strong system for steering the operational risk and the permanent supervision, both benefiting from a sound control, a coherent normative framework and well trained personnel.





# Corporate Governance



**The Board**

## 1 Guy Marie Charles POUJET

■ Chairman of the Board of Directors of BRD ■ CEO of BRD - Chairman of the Board of Directors of BRD Finance IFN ■ Member of the Board of Directors of ALD Automotive SRL

## 2 Petre BUNESCU

■ Member of the Board of Directors of BRD ■ Deputy CEO of BRD ■ Vice-Chairman of the Romanian Banking Association ■ Member of the Board of Directors of Transfond S.A.

## 3 Sorin Mihai POPA

■ Member of the Board of Directors of BRD ■ Deputy CEO of BRD ■ Member of the Board of Directors of BRD Sogeleas IFN ■ Member of the Board of Directors of BRD Societate de Administrare a Fondurilor de Pensii Private SA ■ Member of the Board of Directors of BRD Asigurari de Viata S.A.

## 4 Didier ALIX

■ Member of the Board of Directors of BRD ■ Adviser to the Chairman of Société Générale Group

## 5 Bogdan BALTAZAR

■ Member of the Board of Directors of BRD

## 6 Aurelian DOCHIA

■ Member of the Board of Directors of BRD ■ Member of the Board of Directors of BRD Corporate Finance

## 7 Anne FOSSEMALLE

■ Member of the Board of Directors of BRD ■ Director, Financial Institutions, Equity Funds, EBRD

## 8 Jean-Louis MATTEI

■ Member of the Board of Directors of BRD ■ General Manager of the International Retail Banking Division of Société Générale Group

## 9 Dumitru D. POPESCU

■ Member of the Board of Directors of BRD

## 10 Sorin Marian COCLITU

■ Member of the Board of Directors of BRD ■ Chairman & CEO of the Romanian Loan Guarantee Fund for Private Entrepreneurs

## 11 Ioan CUZMAN

■ Member of the Board of Directors of BRD ■ Chairman of SIF Banat Crisana

## The Management of the Bank

The Board of Directors of the Bank is made up of 11 administrators, elected by the General Meeting of the Shareholders, and as of January 1st, 2010, it has been presided over by Guy POUJET.

Until December 31, 2009, the Board was presided over by Patrick GELIN.

## Audit Committee

The Audit Committee is made up of three members of the Board of Directors, who are not

part of the Management Board: Jean-Louis MATTEI (Chairman), Aurelian DOCHIA (Member), Sorin Marian COCLITU (Member).

The Audit Committee meets at least once a half-year. The Committee analyses, independently from the executive management of the bank, the pertinence of the accounting methods and of the internal procedures for the collection of information, assesses the quality of the internal control, especially with regard to measuring, supervising and controlling risks, and, when applicable, proposes the measures to be taken.



## Corporate Governance



### Executive Committee

#### 1 Guy Marie Charles POUPET

- Chairman & CEO

#### 2 Petre BUNESCU

- Deputy CEO

#### 3 Sorin Mihai POPA

- Deputy CEO

#### 4 Hervé BARBAZANGE

- Deputy CEO

#### 5 Alexandru Claudiu CERCEL DUCA

- Deputy CEO

### Executive Committee

This Committee ensures the executive management of the bank, under the authority of the Chairman & CEO. The Executive Committee generally meets once a week. Its members are mandated to manage and coordinate the daily activity of the bank, except for the activities that devolve on the Board of Directors and on the General Meeting of the Shareholders.

The members of the Executive Committee are empowered to bind the bank, according to the law.

### Financial Auditor

The financial statements of the bank are certified by an independent audit company.

The company entrusted with the certification of the financial statements is Ernst & Young Assurance Services SRL.

### Risk Management Committee

Presided over by the CEO, the Risk Management Committee meets on a quarterly basis or more often, if necessary. Its objective is to manage the major risks of the bank, such as the credit risk, the market risk, the operational risk and the trademark / reputation risk.

### Credit Committee

Presided over by the Deputy CEO who coordinates the network activity, its objective is to analyse the credit files (for both private and corporate customers) that exceed the executive managers' powers of approval.

### Assets and Liabilities Management Committee

The Committee meets every Monday or any time this is necessary. The meetings are presided over by the CEO. The Committee follows up especially the exposure to the interest rate risk, to the liquidity risk and the compliance with the main regulatory indexes.



## Human Resources

### Key Figures:

- 9100 employees
- 500 new employees
- 75% of the personnel attended at least one professional training course

The Human Resources activity was focused on 2 priority directions:

- adapting the policies to the new economic context and integrating the new competences promoted by Group Société Générale;
- improving the efficiency of the activities by reorganising the HR line, optimising the processes and increasing the control over them.

In the field of HR policies, our medium-term objectives remain related to training, motivating and offering attracting career perspectives to all our employees.

The training programs were correlated with the career paths and enriched with new traineeships, meant to meet the current needs of development of the employees' competences.

In parallel, we continued the actions of professionalization of the HR line personnel, through specific training programs.

The implementation of a new personnel management software, as well as the mutualisation of the HR services between BRD and the Romanian subsidiaries of Group Société Générale represent milestones in improving the efficiency of the internal activities and, especially, in facilitating the career management for all the 9,100 employees of the BRD Group.

2009 marked an increase of the personnel retention and loyalty rate, and, implicitly, a decrease of the voluntary turnover to only 3%.

The internal mobility of the personnel remained significant (20%), reflecting the structures' capacity to adapt to the requirements of the macroeconomic context.

At the same time, the promotions hold 7% of the entire personnel, in equal percentages for both men and women.





## Corporate Responsibility

Corporate Social and Environmental Responsibility at BRD is clear internally through a responsible management of the employees, and externally through its will to minimize the impact of the bank's activities on the environment and through community involvement projects.

### The Environment

Concerned about its impact on the environment, BRD is committed, along with the Société Générale Group, to a plan of neutralization of the carbon dioxide emissions produced by its own activity.

For several years now, BRD has tried to reduce its environmental foot print, by limiting its energy consumption (energy efficiency in buildings, consumption monitoring, Green IT, etc.). For the second consecutive year, the bank uses certified FSC(\*) paper for its internal consumption.

### Community Involvement

The priorities are: education, the fight against dropping out of school and the professional insertion of the persons excluded from the labour market.

### A few projects of 2009:

- "Change a destiny. Give value to a life" - the salary donation program of the BRD employees. Through this program, 450 underprivileged

children and teenagers have the chance of a better future.

- "Solidarity Week" – a project in which BRD convinced 4,000 customers to become UNICEF donors.
- [www.cautamoamenimari.ro](http://www.cautamoamenimari.ro), a program launched upon the 10th anniversary of the BRD privatization, through which 6 talented young persons were helped to see their dreams come true.
- Supporting a team of Romanian scientists who envisage sending the first Romanian rocket on the Moon, by 2012.

### Cultural Patronage

BRD is involved in supporting modern and contemporary art, the Romanian cultural patrimony and classical music, being the partner of prestigious cultural institutions.

### Sports Partnerships

For 10 years, BRD has been the Official Partner of the Romanian Cycling and Triathlon Federation and the sponsor of the Romanian Cycling Tour.

In 2009, the bank signed a partnership with the Gheorghe Hagi Football Academy, to support a program dedicated to talented children, and backed up the participation of the Romanian feminine handball team in the World Championship in China.

(\*) FSC (Forest Stewardship Council) is a NGO promoting and guaranteeing a responsible and sustainable management of the world's forests.

## Citizen Commitment Week





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