

**Statement "Apply or explain" - March 2012
Corporate Governance Code of the Bucharest Stock Exchange**

Principle / Recommendation	Question	YES	NO	IF NO, EXPLAIN:
P19	Is the issuer managed based on a dual system?		No	BRD - Groupe Société Générale S.A. ("BRD" or "the Bank") has adopted a unitary system of administration which meets the current needs of the Bank in terms of good administration and management of the company. By complying with the principles of clear separation of responsibilities between the Board of Directors and the executive management, by avoiding to involve the Board of Directors in the daily management of the bank, by having a majority number of non-executive directors, the management system of BRD is in full harmony with the objective of corporate governance, ensuring the transparency of information, the protection of the interests of both the shareholders and of other categories of concerned persons, as well as an efficient operation on the banking market.
P1	R1 Has the issuer elaborated Corporate Governance Statutes / Regulations which would describe the main corporate governance aspects?	Yes		
	R2 Are the Corporate Governance Statutes/ Regulation posted on the company website, with an indication of the latest update?	Yes		
	R3 Are the corporate governance structures, the positions, the powers and responsibilities of the Board of Directors (BoD) and of the executive management defined in the Corporate Governance Statutes / Regulations? Does the issuer's Annual Report include a chapter dedicated to corporate governance, describing all the relevant elements related to corporate governance, occurred during the previous financial year? Does the issuer disseminate on the company's website information regarding the following aspects related to its corporate governance policy: a) Description of its corporate governance structures? b) Updated articles of incorporation? c) Internal regulations / essential aspects thereof for each speciality commission / committee?	Yes		
		Yes		Corporate Gouvernance, the Annual Report and the Articles of Incorporation published on the bank website include relevant information regarding the organisation / operation and the

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	a) the decisions made within the GMS?			
	b) the detailed results of the vote?	Yes		
	Do the issuers disseminate, through a special section on their website, which is easily identifiable and accessible:	Yes		
	a) current reports / releases?	Yes		
	b) the financial calendar, annual, half-yearly and quarterly reports?	Yes		
R9	Is there within the issuing company a specialised department / person dedicated to the relation with the investors?	Yes		
P4, P5	R10 Does the BoD meet at least once a quarter to monitor the issuer's activity?	Yes		
	R12 Does the issuer hold a set of rules regarding the behaviour and the obligations to report the transactions with the shares or other financial instruments issued by the company ("the securities of the company") made in their own account by the directors and other involved natural persons?	Yes		
	If a member of the BoD or of the executive management or another involved person makes, on his/her own account, a transaction with the securities of the company, is this transaction communicated through the company website, according to the related Rules?	No		The members of the Board of Directors have the obligation to declare to the Bucharest Stock Exchange and to the National Securities Commission any transaction (buying or selling) they make with the securities of the bank and, thus, this information becomes public.
P6	Does the structure of the issuer's Board of Directors ensure a balance between the executive and the non-executive members (particularly, the independent non-executive directors) so that no person or limited group of persons can dominate, in general, the decision-making process of the BoD?	Yes		
P7	Does the structure of the issuer's Board of Directors ensure a sufficient number of independent members?	Yes		
P8	R15 Does the BoD have, in its activity, the support of advisory committees / commissions to examine specific themes chosen by the BoD and to advise it on such themes?	Yes		
	Do the advisory committees / commissions submit to the	Yes		

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		BoD activity reports regarding the themes assigned by it?				
	R16	Does the Board of Directors use the evaluation criteria specified in Recommendation no. 16 to evaluate the independence of its non-executive members?	Yes			The independent, non-executive director of the bank meets the evaluation criteria specified by Law 31.
	R17	Do the members of the BoD permanently improve their knowledge by training in the field of corporate governance?	Yes			
P9		Does the election of the BoD members rely on a transparent procedure (objective criteria regarding their personal / professional qualification, etc.)?	Yes			
P10		Is there a Nomination Committee within the Company?		No		The evaluation of the potential candidates and the nominations for the position of BoD member are made by the Board of Directors.
P11	R21	Does the Board of Directors analyse at least once a year the need to set up a remuneration committee / policy for the directors and members of the executive management?	Yes			The Board of Directors has set up a Remuneration Committee. The Committee meets up once a year, on which occasion it also analyzes the remuneration policy.
		Is the remuneration policy approved by GMS?		No		The BRD remuneration policy is approved by the Board of Directors. The GMS approves the non-executive directors' remuneration for the current financial year, as well as the general limits for the additional remunerations due to the directors and officers.
	R22	Is there a Remuneration Committee made up exclusively of non-executive directors?	Yes			
	R24	Is the remuneration policy of the company presented in the Corporate Governance Statutes / Regulations?		No		The remuneration policy is formalised through a distinct document, approved by the Board of Directors of the bank.
P12, P13	R25	Does the issuer disseminate in English the information subject to the reporting obligations: a) periodic information (period supply of information)? b) continuous information (continuous supply of information)?	Yes			
		Does the issuer prepare and disseminate the financial reporting according to IFRS?	Yes			

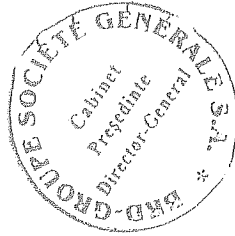
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	R26	Does the issuer promote, at least once a year, meetings with financial analysts, brokers, rating agencies and other market specialists, in order to present to them the financial elements which are relevant for making investment decisions?	Yes		
	R27	Is there an Audit Committee within the company?	Yes		
	R28	Does the BoD or Audit Committee, as applicable, regularly examine the efficiency of financial reporting, internal control and risk management system adopted by the company?	Yes		
	R29	Is the Audit Committee formed exclusively of non-executive directors and does it have a sufficient number of independent directors?	Yes		
	R30	Does the Audit Committee meet at least twice a year, with the specific purpose of preparing and disseminating to the shareholders the half-yearly and annual results?	Yes		In 2011, the Audit Committee had 2 meetings, mainly dedicated to the analysis of the internal control activity. Starting with 2012, the Audit Committee has two more meetings dedicated to the evaluation of the financial results. There took place a first meeting for the reporting of the annual financial results of 2011.
	R32	Does the Audit Committee make recommendations to the BoD regarding the selection, appointment, reappointment and replacement of the financial auditor, as well as the terms and conditions of remuneration of the financial auditor?	Yes		Starting with the reporting of the financial results for 2011, the Audit Committee makes recommendations to the Board of Directors regarding the financial auditor.
P14		Has the BoD adopted a procedure for the purpose of identifying and properly solving the cases of conflicts of interests?	Yes		
P15	R33	Do the directors inform the BoD on the conflicts of interests as and when they occur and do they abstain from debating and voting on such matters, in compliance with the applicable legal provisions?	Yes		
P16	R34/ R35	Has the BoD adopted specific procedures in order to ensure the procedural correctness (criteria for identifying transactions with material impact, of transparency, objectivity, non-competition, etc.) and to identify transactions with involved parties?	Yes		The internal regulatory framework specific to financial reporting, the risk management policies ensure the conditions for identifying the transactions with involved parties.

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P17	R36	Has the BoD adopted a procedure regarding the internal circuit and the disclosure to third parties of the documents and information regarding the issuer, by paying special attention to the information that can influence the evolution of the market price of its securities?	Yes	The professional ethics rules within the bank, as well as the instruction regarding insiders set rules and obligations regarding the flow of the information that can influence the evolution of the market price of the shares issued by BRD.
P18	R37/ R38	Does the issuer carry out activities with regard to the company's social and environmental responsibility?	Yes	

Chairman - CEO
Guy POUPEL

Deputy CEO
Petre BUNESCU

