



GROUPE SOCIETE GENERALE



BRD AND IFC JOIN FORCES WITH INAUGURAL TRANSACTION TO BOOST SUSTAINABLE FINANCE IN ROMANIA

Press release

Bucharest, April 4, 2024

- **Innovative synthetic significant risk transfer (SRT) transaction will help free up capital for sustainable projects, enhance financial inclusion**
- **First SRT for both IFC and BRD in Romania**

BRD Groupe Societe Generale and IFC, a member of the World Bank Group, have closed a landmark synthetic significant risk transfer (SRT) transaction that will free up capital for BRD to boost the financing of impactful sustainability-related projects in Romania.

Under the transaction, IFC will provide a risk guarantee on an up to €700 million BRD portfolio of small and medium enterprise (SME) and corporate loans. Capital freed up by the SRT will enable the bank to lend up to €315 million to fund climate-related initiatives and women-owned smaller businesses.

SRTs are a widely used capital management tool for banks. IFC has played a key role in their introduction in emerging markets, including Central and Eastern Europe. Capital resources freed up by such transactions can be reallocated toward financing projects with strong developmental impact.

“BRD is committed to building a sustainable economy in Romania and environmental, social and governance commitments are at the heart of our strategy. We have demonstrated this in recent years by delivering growing momentum in positive impact finance. We are delighted to partner with IFC on this new agreement, which will enable us to accelerate our expansion in this important area,” said Maria Rousseva, Chief Executive Officer of BRD Groupe Societe Generale.

This transaction is part of [the agreement signed in early 2024 between Societe Generale group and IFC](#) to strengthen collaboration between the two institutions to accelerate their support for sustainable finance projects. While Societe Generale group is already a user of SRTs redeploying capital to sustainability-related lending, this is a first time that BRD resorts to such an instrument.

Makhtar Diop, IFC’s Managing Director, said: “This transaction marks an important milestone in our longstanding partnership with Societe Generale, showcasing our

shared commitment to developing innovative financing solutions. With this SRT—a first for both IFC and BRD in Romania—we are investing in the country’s future to accelerate sustainable and inclusive economic growth.”

The SRT is one of two key IFC deals aimed at catalyzing Romania’s green transition, boosting financial inclusion, and driving sustainable growth, announced during Diop’s first visit to the country this week.

BRD has a successful track record in sustainable finance, including investing more than €800 million in sustainable financing over the last three years, and organizing two climate change summits in Romania.

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About BRD Groupe Societe Generale

BRD Groupe Societe Generale is one of Romania’s major banks. It operates a network of 423 units across Romania. Its total assets amounted, end December 2023, at RON 81.4 Bn.

BRD is part of Societe Generale, a top tier European bank with more than 126,000 employees serving about 25 million clients in 65 countries across the world. The Group runs three complementary sets of businesses, embedding ESG offerings for all its clients:

- French Retail, Private Banking and Insurance
- Global Banking and Investor Solutions
- International Retail, Mobility & Leasing Services

About IFC

IFC — a member of the World Bank Group — is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2023, IFC committed a record \$43.7 billion to private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity as economies grapple with the impacts of global compounding crises. For more information, visit www.ifc.org.

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