



BNP PARIBAS



BNP PARIBAS

MARCH 2024

CORPORATE PRESENTATION OF THE GROUP

BNP PARIBAS BANK POLSKA S.A.

Key information

Consistent building of BNP Paribas position on the Polish market



Strategy GO beyond 2022-2025 (#together, #stronger, #up, #positive)

- Aspiration to be a dynamically growing and efficient bank, engaging satisfied Customers & employees, that will lead the process of changing the world towards sustainability
- Key targets for 2025: **ROE ~12%, C/I max. 48%, 50% dividend payout**

BNP Paribas Bank Polska among the 6 largest banks in Poland

- Strong, committed for development in Poland, BNP Paribas Group with recognizable global brand
- Sufficient scale of business, organic growth in a dynamically changing environment
- Uncertainty in business operations has become a new normal – the need to respond quickly and adequately to changes

Open & responsible transformation

- Increased digitization of the bank's processes and customer interest in remote services
- Sustainability rooted in culture. Increase in sustainable financing volume and introduction of new "green" products
- Culture of cooperation - Agile@Scale model supporting further transformation

Business development

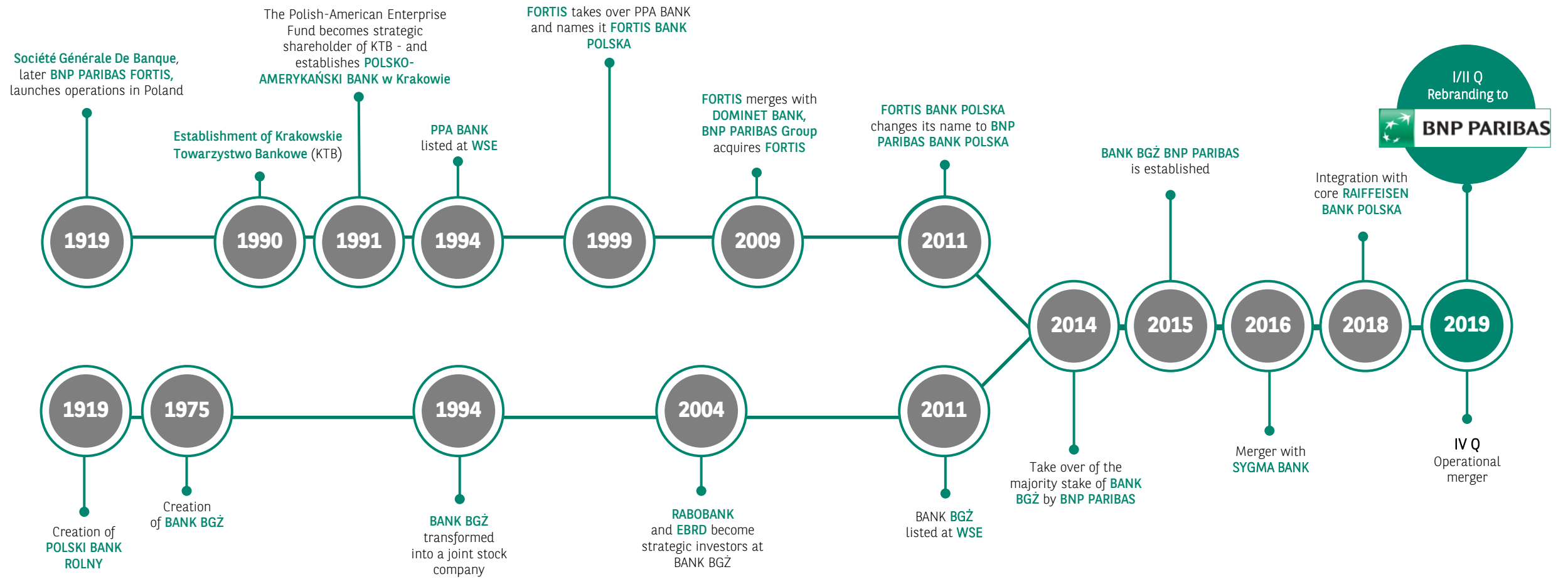
- Scale of operations and the business model proven in challenging circumstances
- Continuous support of the Customers, the society and economy
- Business growth in line with the strategic directions
- 2023 – stable market share in loans, rebound in sales of investment products, high liquidity in both Customer segments

Profitability

- Solid level of the Bank's financial results in recent years, however, impacted by significant external factors: COVID-19 pandemic, war in Ukraine, high inflation and interest rates, regulatory risk (credit holidays and legal risk of the mortgage loan portfolio)
- 2023 - growth of core revenues significantly above costs, significant impact of CHF portfolio legal risk on the Bank's results in 2023 (~PLN 2 billion created in 2023)

History of M&A driven growth, organic growth from 2019 onwards

We have strong roots on the Polish market



Business model

Strong foundations of the Bank to generate Shareholder value growth and benefits for the economy and communities

A local bank with global coverage

We are a bank with **over 100 years of history** on the Polish market. Affiliation to BNP Paribas, a global financial group, enables us to apply best international practices to the needs of the local market and expectations of the bank's customers.

Completeness and availability of the offer

A **full range of financial products and services** for customers, provided by the bank and the group's companies and direct access to the offers of BNP Paribas entities functioning in Poland.

As **a bank close to the Customer**, we provide services through: a network of bank branches, including partner branches, digital services channels, cooperation with partner stores and selected car dealers.

over 100 years
of history

culture of compliance
and careful risk
management



BNP PARIBAS

full range of financial
products & services

reacting challenges
of the civilisation

Responsible risk management

The pillar of our business activity in order to provide services of the highest quality to our customers is a culture of compliance and careful risk management. One of the elements of the risk management framework is incorporating the ESG criteria into the overall risk assessment.

Addressing challenges of the civilization

In our activity, we constantly analyse and consider the regulatory and economic aspects, as well as the dynamic development of digitalisation or social and climate changes, which affect both the national and global economy. We react to challenges of civilisation through development and adjusting our offer to the changing environment and needs of our customers.

In a changing world – by taking care of their financial needs, providing professional services and innovative solutions, we support our customers in sustainable development, we build professional development and employee involvement and generate shareholder value growth and benefits for the economy and local communities

BANK SUBSIDIARIES

- BNP Paribas Towarzystwo Funduszy Inwestycyjnych S.A. (*asset management*)
- BNP Paribas Leasing Services Sp. z o.o.
- BNP Paribas Group Service Center S.A. (*IT development for PF entities, financial intermediation services*)

BNP PARIBAS GROUP ENTITIES IN POLAND

- BNP Paribas Lease Group Sp. z o.o.
- Arval Service Lease Polska Sp. z o.o.
- BNP Paribas SA Oddział w Polsce (CIB)
- BNP Paribas Faktoring Sp. z o.o.
- BNP Paribas Real Estate Poland Sp. z o.o.
- Towarzystwo Ubezpieczeń na Życie Cardif Polska S.A.



BNP PARIBAS

Strategic shareholder

BNP Paribas Group – European leader in the field of financial services

Key areas of activity

Commercial, Personal Banking & Services
for the Group’s commercial & personal banking
and several specialized businesses;

Investment & Protection Services
for savings, investment and protection solutions;

Corporate & Institutional Banking,
focused on corporate and institutional customers.



200 years
of banking history



63 countries
in the world



~183,000
employees



2,591.5 bn €
assets

Leading bank in the Eurozone



11.4 bn € net income
45.9 bn € revenues



128.9 bn € equity
859.2 bn € gross loans*
* loans measured at amortised cost

Euromoney Awards for Excellence 2023

Two Euromoney Awards for Excellence
2023 for BNP Paribas Group:
World's Best Bank and World's Best
Bank for Sustainable Finance



data as at the end of 2023



BNP Paribas Bank Polska Group in figures

Strong position among the largest players in Poland

Key areas of activity

BNP Paribas Bank Polska S.A. is a universal bank with a comprehensive product offer, addressed to Polish and international corporations, the SME segment, farmers and retail customers. It is present in local communities but has global reach. The bank has a leading position in the agri-food, consumer, large enterprise and international corporation segments.



4.2 m

Customers

1.6 m

using digital channels



371

Customers' Centers



~8,200

employees (FTEs)



PLN 161.0 bn

assets

6. bank in Poland in terms of assets



PLN 1.0 bn

net profit

PLN 7.3 bn

net banking income



PLN 12.9 bn

equity

PLN 88.1 bn

gross loans*

* loans measured at amortised cost

Euromoney Awards for Excellence 2023

Two Euromoney Awards for Excellence 2023 for BNP Paribas Bank Polska:

The best bank in Poland for Corporate clients and The best bank in Poland supporting ESG



data as at the end of 2023

Management Board

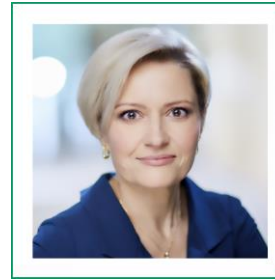
Strong and stable management team



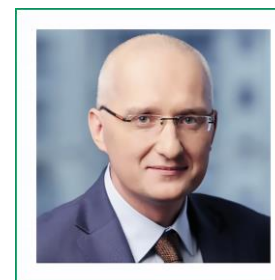
Przemek Gdański
CEO



André Boulanger
Vice President
CIB Area



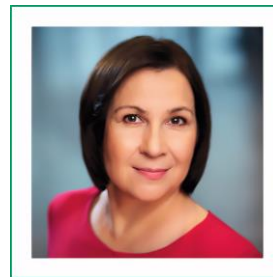
Małgorzata Dąbrowska
Vice President
Operations and Business Support Area



Wojciech Kembłowski
Vice President, CRO
Risk Area



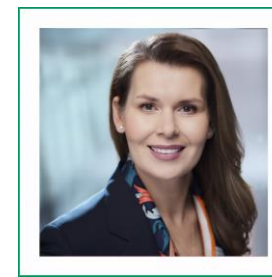
Piotr Konieczny
Vice President, CFO
Finance Area



Magdalena Nowicka
Vice President
New Technologies and Cybersecurity Area



Volodymyr Radin
Vice President
Personal Finance Area &
Retail and Business Banking Area

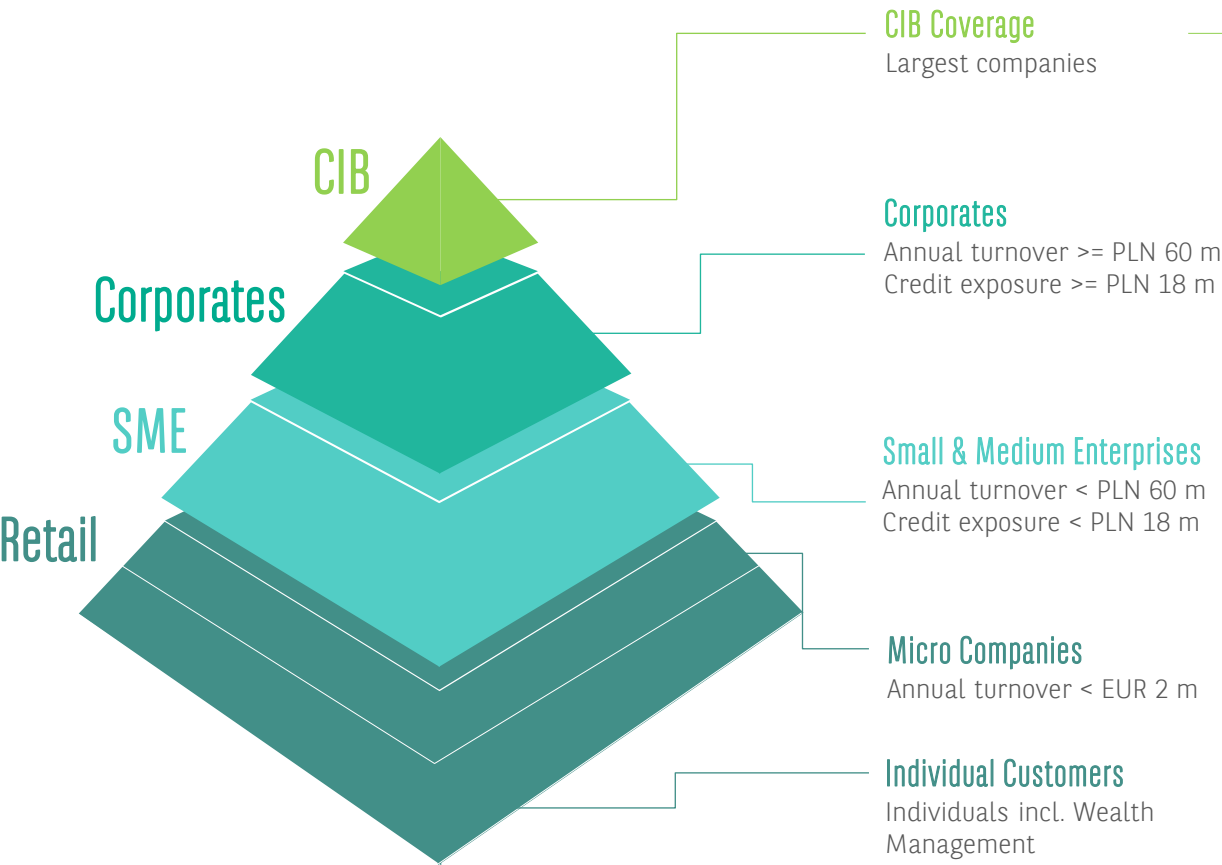


Agnieszka Wolska
Vice President
SME & Corporate Banking Area

Full market coverage

We serve all Customers segments

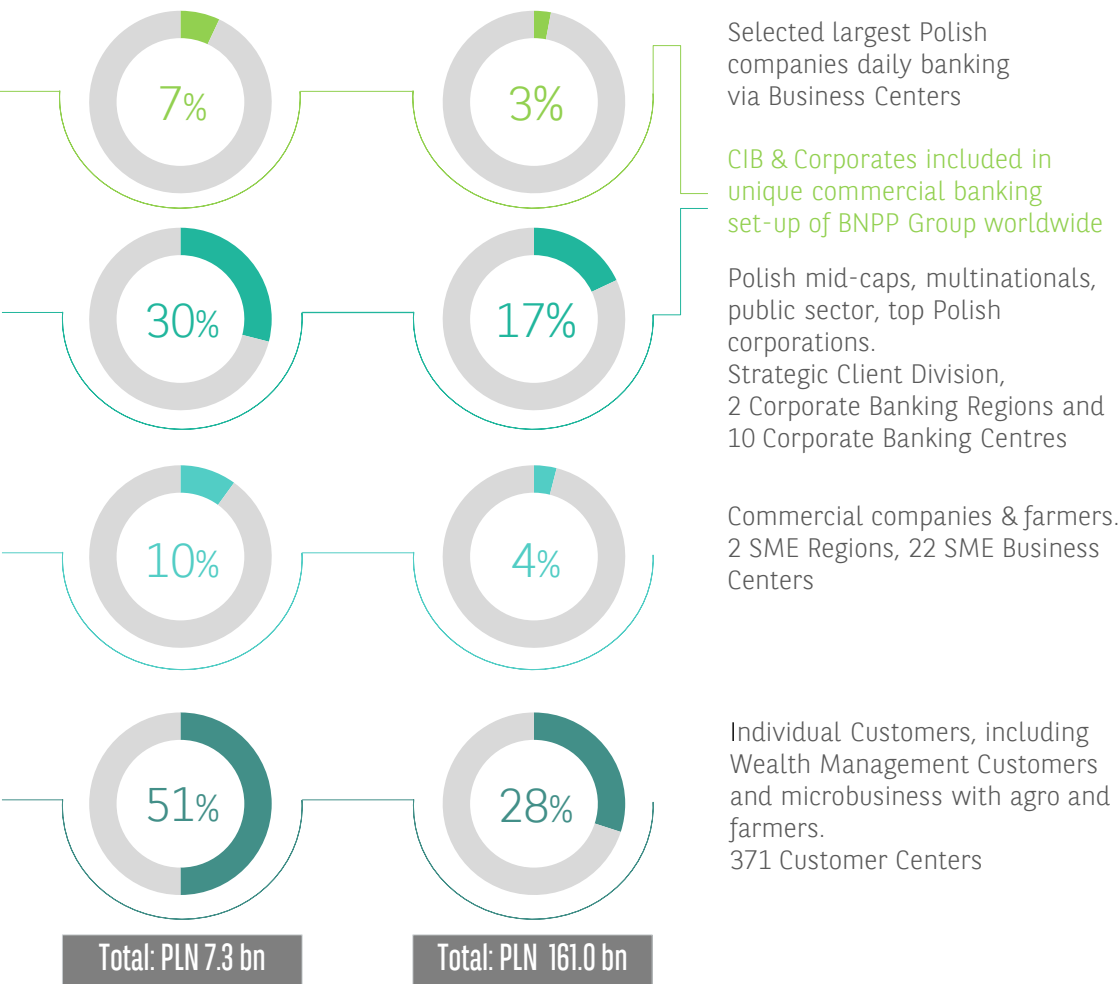
Business segments*



NBI contribution**

Assets contribution**

Description



* simplified criteria of segmentation
 ** consolidated data as at the end of 2023; other banking activities accounted for 2% of NBI and 48% of assets

Our GObeyond Strategy for 2022-25

GObeyond to deliver more



#POSITIVE

Responsible & trusted financial partner, supporting positive and sustainable development of Clients, businesses and the society. Guiding Clients in the world of digital and sustainable transformation

#UP

Offering high quality banking & beyond banking products & services, as a key to larger Client base in omnichannel world. Delivering excellent experience through personalized Customer journeys

#STRONGER

Global BNP Paribas Group strength & dynamic technological development, coupled with E2E process optimization as a backbone for organic growth and high Client satisfaction

#TOGETHER

People first: engaged & satisfied employees drive delighted Customers. Agile@Scale and new corporate culture allowing for diverse, inclusive work environment characterized by trust, courage & creativity

GObeyond

Challenge the status quo
Question bank and market
realities to deliver more

beyond

Deliver a selection of convenient & tailored products & solutions that will exceed Customer expectations and market standards, while being at a forefront of sustainable transformation

beyond

Dynamic implementation of changes on a scale that goes beyond incremental development, creating a solid foundation for effective and efficient operations. Allow our employees to act to their potential, by setting up constructive and empowering work environment



Key goals of the Strategy

Business performance on the right track. Execution of the strategic priorities of the Bank in conditions of persistent instability and unpredictability

STRATEGIC TARGETS FOR 2025

4.5 million

[+0.5 m vs 2021]

Clients in Retail & PF
[incl. Micro]

>18%

[vs 2021]

Increase number of active
Clients in Corporate & SME

Top 3

NPS
market position

PLN 1.5 billion

Total investments
in technology

90%

Key individual Client
processes available
in digital

>22%

[vs 2021]

Increase in number of active
multinational Clients

20

eNPS
(Net Promoter Score)

50%

[aspiration for 2025]
Dividend
payout ratio

2023 – a year of solid financial results and implementation of the GObeyond strategy goals

Growth of core revenues significantly above costs increase. Significant impact of CHF portfolio legal risk on the Bank's results

STRATEGY & TRANSFORMATION

Consistent implementation of key strategic goals:

- #UP – new solutions going beyond the world of banking
- #POSITIVE – setting market standards
- #STRONGER – Bank's transformation acknowledged on the European arena
- #TOGETHER – achieving strategic goals in the area of diversity and employee satisfaction

BUSINESS ACTIVITY

- Stable market share in loans despite marginal sales of mortgage loans in 2023. Slight increase of Institutional Customers' loans despite the continued low demand for loans from enterprises throughout the year
- Rebound in sales of investment products (balance increase by 51% y/y) along with a moderate increase in deposits in both Customer segments (+6% y/y in total)
- Increase in Retail Customer transactionality (cards, mobile transactions, digital wallets) and digital sales
- Finalization of the main phase of the transformation of the GOBiznes ecosystem for Institutional customers. Increase in the number of GOMobile Biznes users (+28% y/y)

FINANCIAL RESULTS

- Growth in revenues in key core income categories, increase in NIM
- Improvement of the cost/income ratio despite the moderate increase in operating expenses
- Continued very good quality of the loan portfolio, low cost of risk
- The issue of CHF loans material for the Bank's financial results – almost PLN 2 billion impact in 2023
- Improved capital position resulting from lower RWA (i.a. change to IFRS 9) allowing for dividend payout from 2023 net profit

net profit

PLN 1.0 bn

+129% y/y

ROE

8.2%

+4 pp y/y

gross loans

PLN 88.9 bn

-1% q/q
-3% y/y

NIM

3.6%

+31 bps y/y

NBI

PLN 7.3 bn

+36% y/y

expenses

PLN 3.1 bn

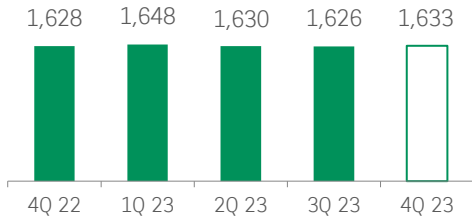
+2% y/y

#G0digital - statistics

Constant development of mobile banking. Further growth in the number of transactions and users



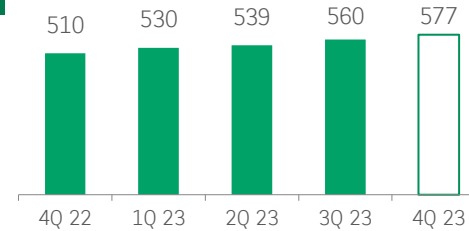
Customers using digital channels [thous.]



+0.4% q/q
+0.3% y/y



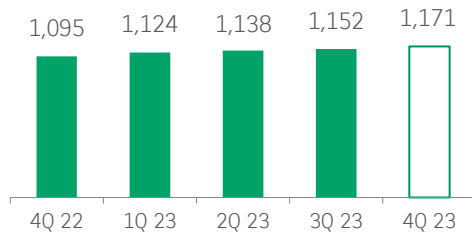
Number of tokens in digital wallets [thous.]



+3% q/q
+13% y/y



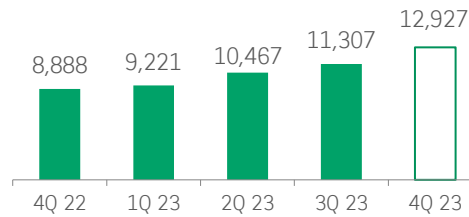
G0mobile users [thous.]



+2% q/q
+7% y/y



BLIK transactions quarterly [thous.]



+14% q/q
+45% y/y

#G0digital



Open
banking



G0dealer
application



G0invest
service



#Sustainable finance #positive banking

Strategic management of ESG (Environmental, Social, Governance) issues

STRATEGIC ROLE OF ESG MANAGEMENT

GOeyond Strategy 2022-2025 aggregating business goals with sustainability aspects.

Sustainability Area – an area established to strengthen the Bank's strategic role in building a sustainable economy.

Sustainability Community – structure supporting ESG commitments realization.

SUSTAINABLE FINANCING

PLN 9.6 billion of sustainable (mainly green) financing granted by the Bank at the end of 2023.

In 2017, the Bank quit from financing coal mines and coal-fired power stations.

In 2017, the Bank limited and in 2020 quit from financing fur farming.

LIMITING OWN IMPACT

Since 2021, 100% of energy used by the Bank comes from sustainable sources.

Our CO₂ emissions under constant scrutiny. Target to reduce CO₂ emissions from own operations by 55% by 2025 (vs. 2019).

Since 2018, increasing paperless approach all across the bank (cooperation with Autenti).

PROMOTING DIVERSITY AND INCLUSION

Accessible, inclusive, diverse & minority groups friendly bank (134 Clients' Centers and headquarter with „Facility without barriers” certificate, OK SENIOR® certificate for all branches).

Bottom-up employee communities: BNP Paribas Pride; Women changing BNP Paribas; „Tato, masz to jak w banku”, „Wiek Agawy”, „Neuronauts”, „OzNacza Mogę”.

MARKET RECOGNITION

Leader of the Responsible Companies Ranking overall and by industry (banking, financial and insurance sectors) for the fourth time in history.

Best ESG rating among Polish banks: ESG Risk Rating awarded by Sustainalytics at 10.2, indicating a low risk of a material negative impact of environmental and social impact management factors on the business.

STRATEGIC PARTNERSHIPS



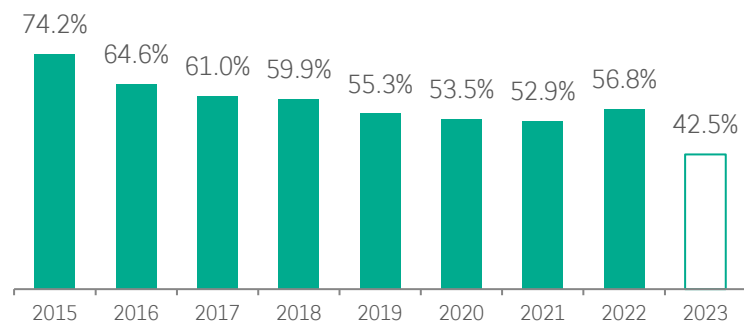
Contribution to UN Sustainable Development Goals



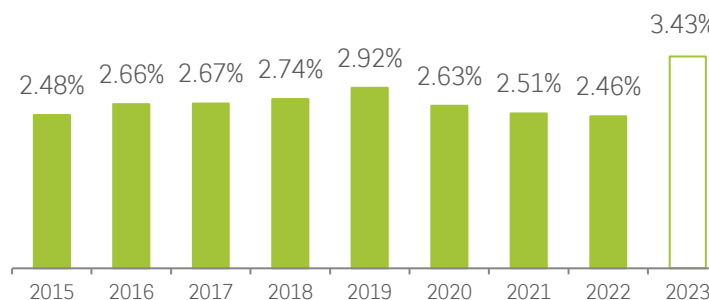
Financial performance

Improved operational efficiency achieved mainly due to higher net interest margin and cost control.
Increase in net profit despite significant impact of CHF portfolio legal risk on the results

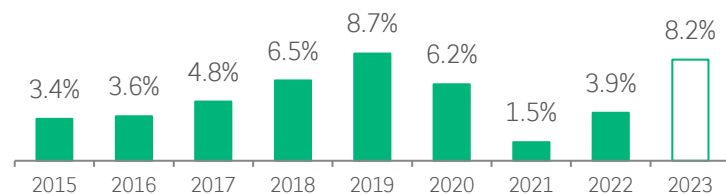
> Cost / Income [%]



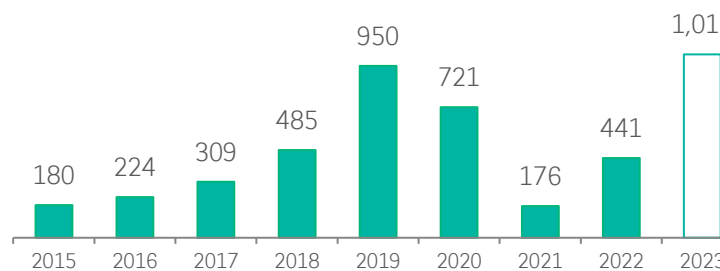
> Net interest margin [%]



> ROE [%]



> Net profit [PLN million]



Adjusted values - all calculations based on consolidated reported data, excluding:

- for 2015-2020 – integration costs associated with the merger processes carried out by the bank since 2015
- for 2018 – gains from the bargain purchase of Core RBPL and recognition of the expected credit losses/ECL (related to the purchase of Core RBPL)

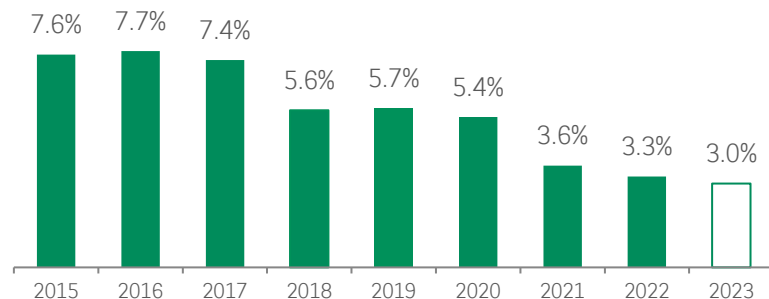
In 2020-2023, financial results impacted by the CHF portfolio legal risk (PLN -168 million, PLN -1,045 million, PLN -740 million and PLN -1,978 million in 2023, respectively).

The result for 2022 was determined by the negative impact of credit holidays in the amount of PLN 895 million (PLN +56 million in 2023).

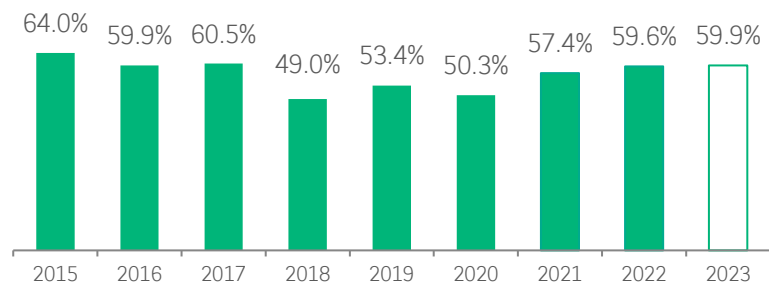
Financial performance

Cost of risk confirming very good quality and resilience of the loan portfolio, supported by the impact of positive one-offs in 2023. Safe and stable capital position

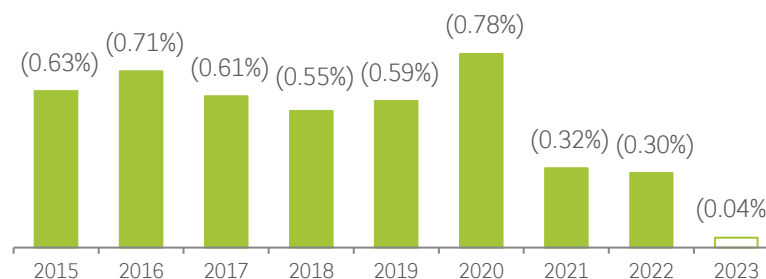
> Share of Stage 3 receivables in the loan portfolio (AC) [%]



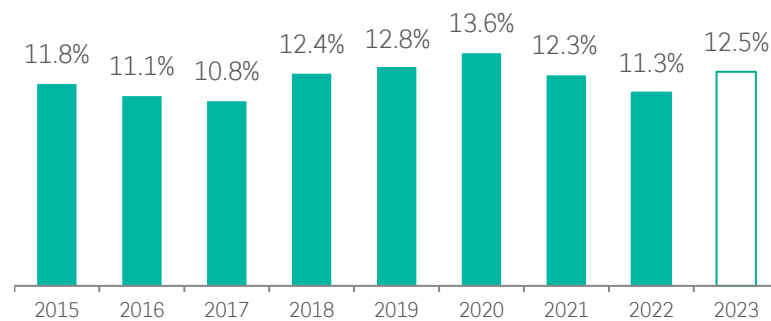
> Stage 3 provision coverage [%]



> Cost of risk [%]



> Tier I ratio [%]



Adjusted values - all calculations based on consolidated reported data with the following remarks:

- NPL ratio (share of Stage 3) calculated for loan portfolio measured at amortised cost only
- coverage – starting from 2018 POCI portfolio acquired as a part of Core RBPL is included (net value of PLN 681.5 million as at 31.12.2018)
- cost of risk in 2018 – recognition of the expected credit losses/ECL (related to the purchase of Core RBPL) is excluded from the calculation

NBI & operating expenses

NBI continuous improvement while maintaining costs under control



Net banking income [PLN million]

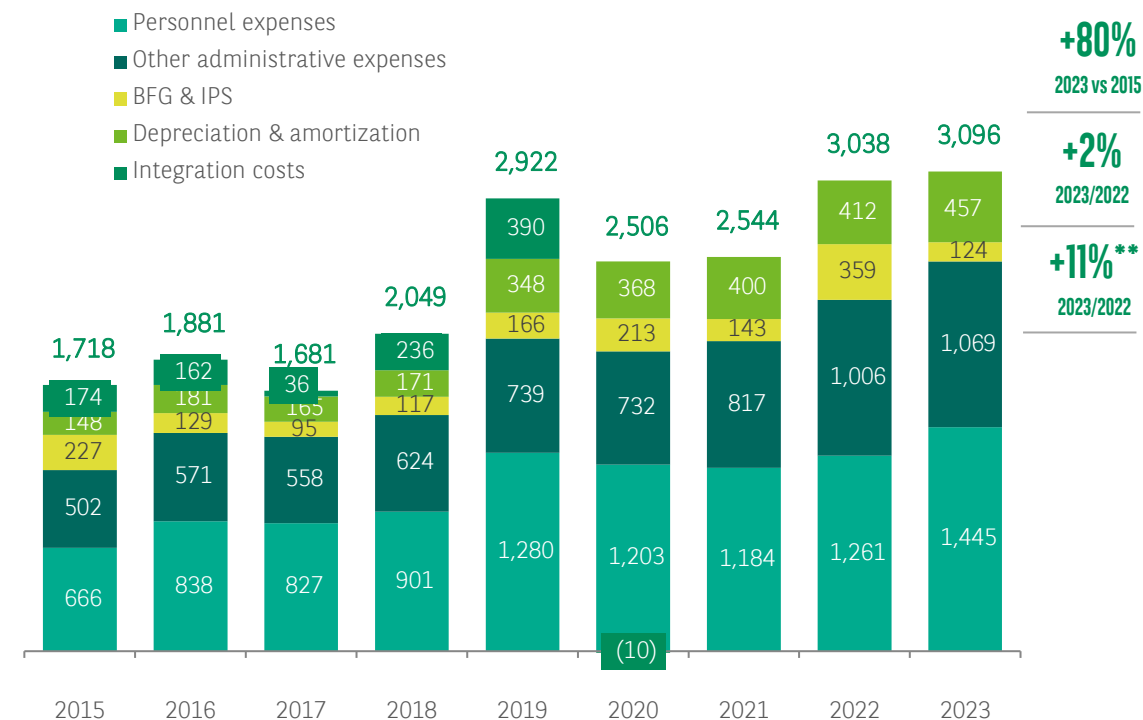


Core revenues growth despite the impact of COVID-19 in 2020-2021. Increase in core revenues. Maintaining stable level of core income in 2022 despite impact of credit holidays. In 2023, improved performance in key core NBI categories.

*net investment income, dividend income, other operating income and expenses, result on hedge accounting



Operating expenses [PLN million]



In 2020 and 2021, synergies on track coupled with the effects of additional savings measures. In 2022, normalisation of BFG fees (increase) and additional costs of IPS creation. In 2023, operating expenses under control despite inflationary pressure (increase in personnel and administrative costs). Improvement of C/I ratio.

** excluding BFG & IPS costs

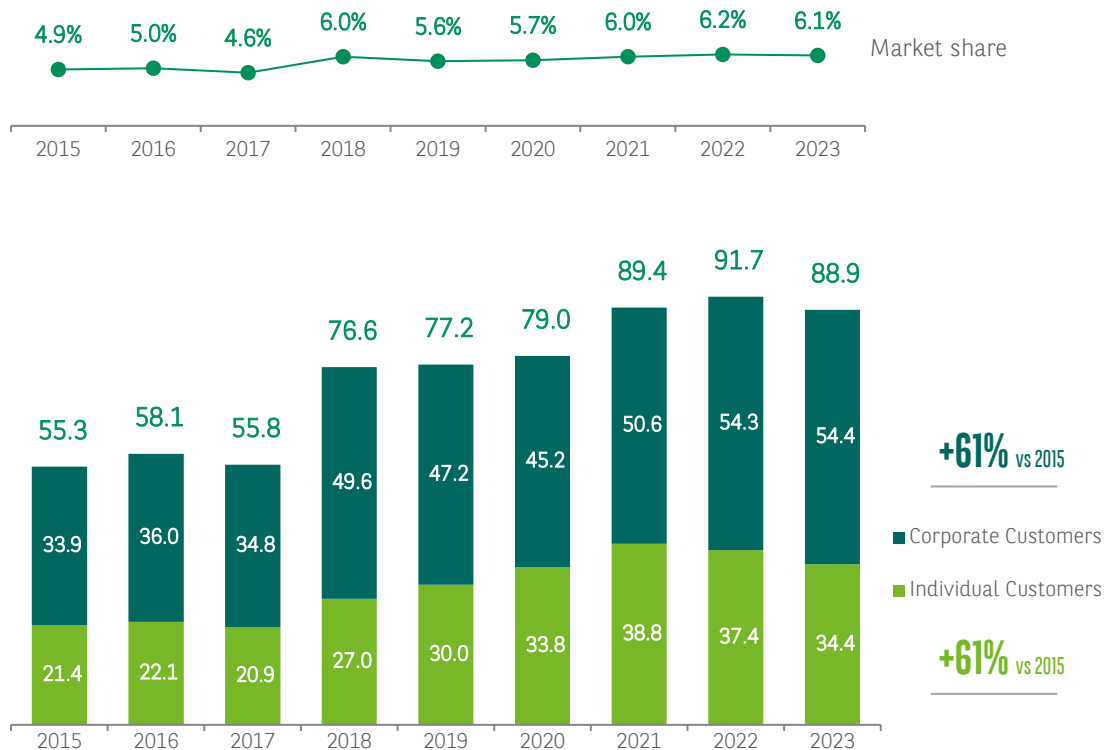


Commercial volumes split by Customers

Continued limited demand for loans. Further growth of deposit volumes in both Customer segments



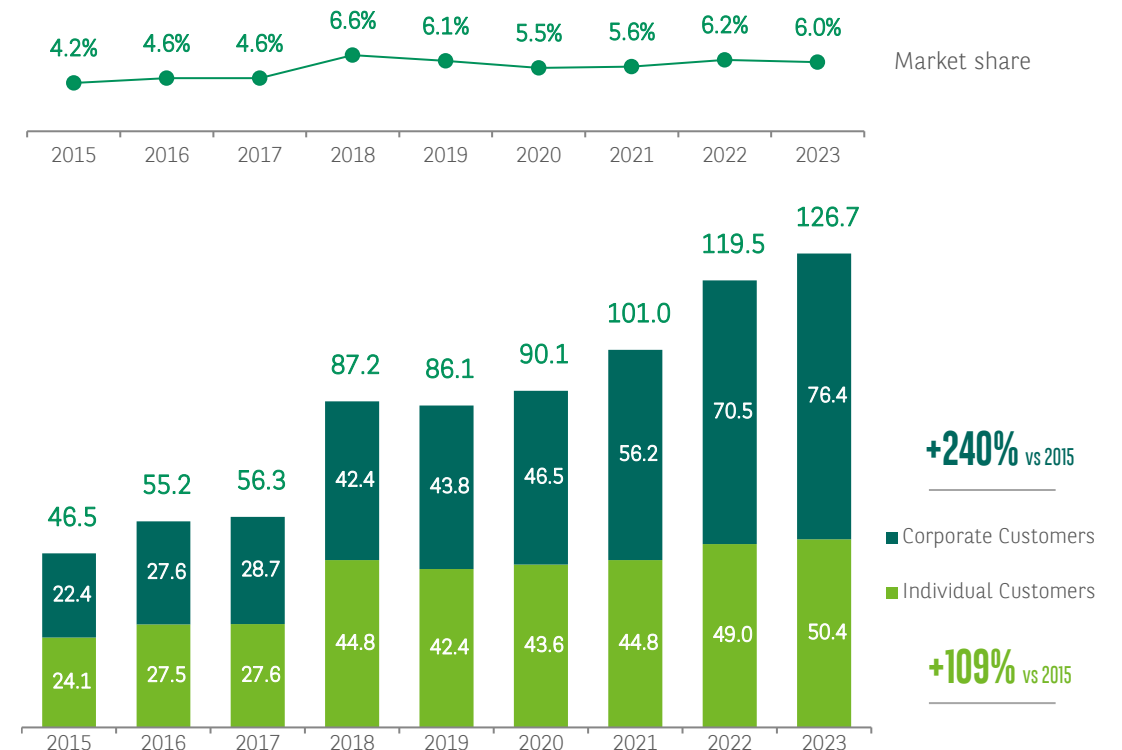
Gross loans* and market shares [PLN billion, %]



* since 2018 the sum of portfolio measured at amortised cost and measured at fair value. Due to the change in the recognition of the impact of legal risk arising from CHF mortgage litigation from 1 January 2023 in accordance with IFRS 9, restated values are presented for, Loans and advances to Customers in 2022



Deposits and market shares [PLN billion, %]



Shares of BNP Paribas Bank Polska S.A.

Better results translating into the growing Bank's book value level and an attractive P/BV level.
Banks' shares in an upward trend in the 4Q 2023

>

Change in the share price

27.05.2011 = PLN 61.25 (100%)
(IPO of Bank Gospodarki Żywnościowej SA)

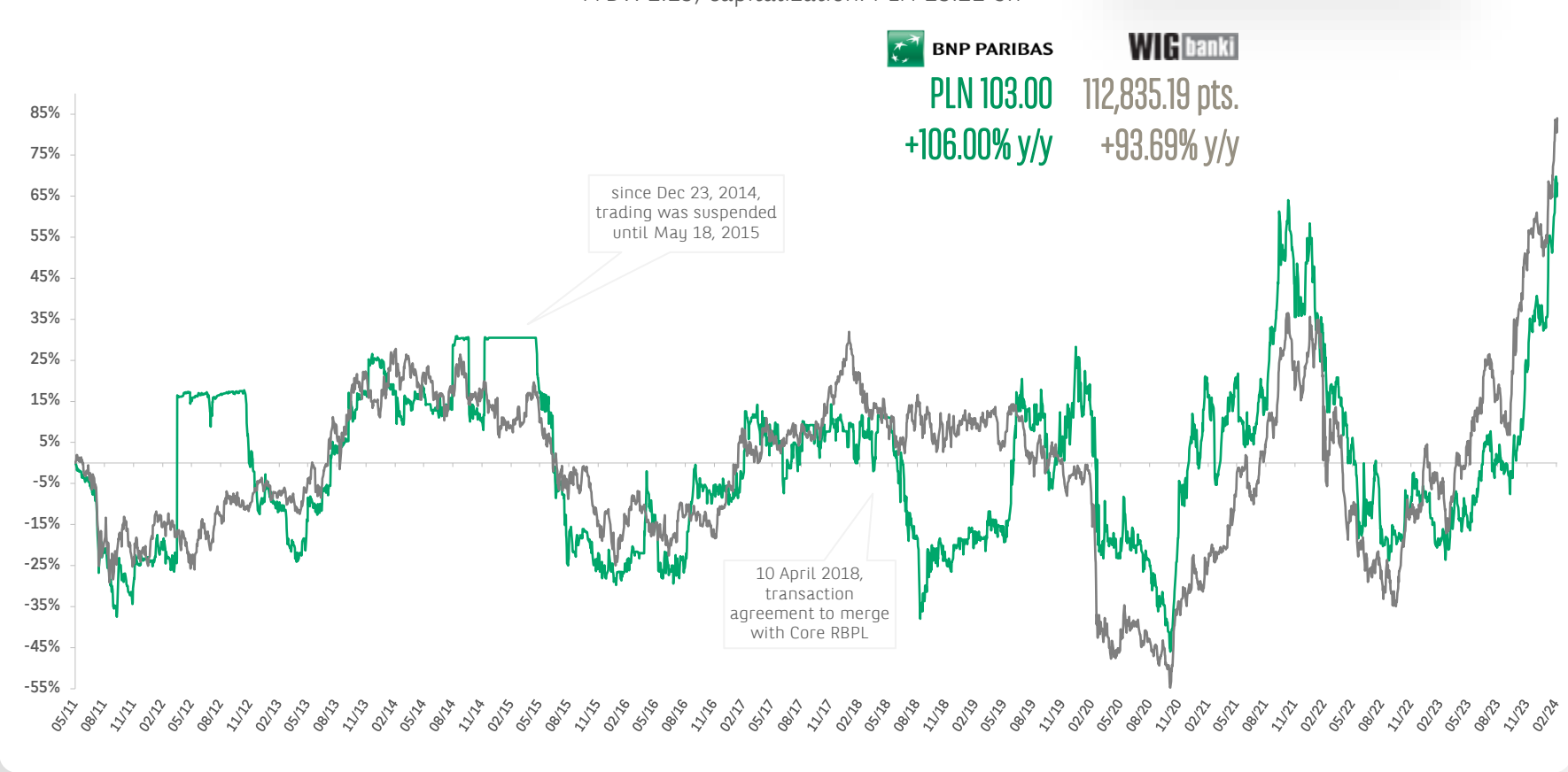
29 February 2024

free-float: PLN 1.93 bn
P/BV: 1.19; capitalization: PLN 15.21 bn

ISIN code: PLBGZ0000010

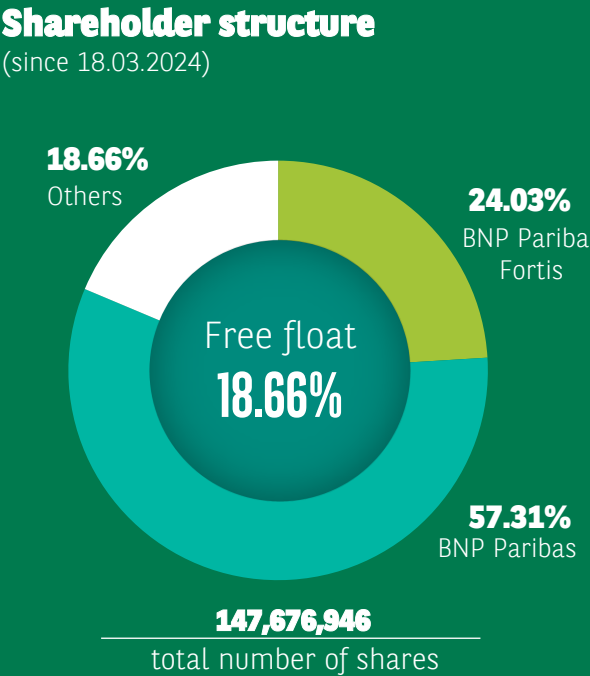
GPW ticker: BNP

Index: sWIG80, sWIG80TR



Rating Fitch – last update 6.12.2023
Long-Term Issuer Default Rating (LT IDR) – A+
Short-Term Issuer Default Rating (ST IDR) – F1
Viability Rating (VR) – bbb-
Shareholder Support Rating (SSR) – a+

ESG rating of Sustainalytics Agency
low risk at the level of 10.2
the best result among Polish banks



In mid-March 2024, in the accelerated book-building (ABB) process, BNP Paribas SA sold 8,860,616 shares of the Bank. This transaction increased free float and the liquidity of Bank's shares.



BNP PARIBAS

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e-mail: relacjeinwestorskie@bnpparibas.pl

www.bnpparibas.pl/en/investor-relations

BNP Paribas Bank Polska Spółka Akcyjna, with its registered office in Warsaw at 2 Kasprzaka Street, 01-211 Warsaw, entered into the Register of Entrepreneurs of the National Court Register (KRS) by the District Court for the capital city of Warsaw in Warsaw, 13th Commercial Department of the National Court Register, with KRS number: 0000011571, tax identification number (NIP): 526-10-08-546, and a fully paid share capital of PLN 147,676,946.

INVESTOR RELATIONS

BNP PARIBAS BANK POLSKA S.A.