

**INFORMATION POLICY OF
BNP PARIBAS BANK POLSKA S.A.
REGARDING CAPITAL ADEQUACY**



BNP PARIBAS



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1. INTRODUCTION

- 1.1. This policy, hereinafter referred to as "Policy", constitutes the fulfillment of the obligation set out in Regulation of the European Parliament and of the Council (EU) No 575/2013 as of 26 June 2013 on prudential requirements for credit institutions and investment firms, amending Regulation (EU) No 648/2012 (Official Journal EU L. 176, p. 1 as amended), hereinafter referred to as "Regulation (EU) No 575/2013".
- 1.2. In accordance with the Regulation (EU) No 575/2013 BNP Paribas Bank Polska S.A. is obliged to make public information referred to in item 3 of Policy, excluding irrelevant information, proprietary or confidential.
- 1.3. The Policy sets out the scope, frequency, timeline, place and form of disclosure as well as method of approval and verification of the published information on the Bank's capital adequacy.

2. DEFINITIONS

The terms used in the Policy shall have the following meaning:

- 1) **Bank** – BNP Paribas Bank Polska S.A.;
- 2) **Information** – qualitative and quantitative information on capital adequacy described in point 3 of the Policy;
- 3) **EBA/GL/2016/11** – European Banking Authority Guidelines on disclosure requirements under Part Eight of Regulation (EU) No 575/2013;
- 4) **EBA/GL/2014/14** - Guidelines of the European Banking Authority on materiality, proprietary and confidentiality and disclosure frequency under Articles 432(1), 432(2) and 433 of Regulation (EU) No 575/2013;
- 5) **EBA/GL/2018/10** - Guidelines of the European Banking Authority on disclosure of non-performing and forborne exposures;
- 6) **EBA/GL/2020/07** - Guidelines of the European Banking Authority on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis;
- 7) **Principles** - the Bank's internal regulation "Principles of preparing data for the purposes of disclosing information on capital adequacy";
- 8) **Recommendation M** - recommendation of Polish Financial Supervisory Authority, concerning operational risk management within the banks.

3. SCOPE OF INFORMATION DISCLOSED

- 3.1. Pursuant to the provisions of Regulation (EU) No 575/2013, the Bank publishes the quantitative and qualitative information referred to in Part Eight of Regulation (EU) No 575/2013 based on the data available at the highest national level of consolidation for the purposes of prudential consolidation, in accordance with requirements specified in Article 13 of Regulation (EU) No 575/2013.
- 3.2. The published scope of information is intended to provide market participants with a comprehensive picture of the Bank's risk profile and it includes in particular:
 - 1) risk management goals and strategies based on Article 435 of Regulation (EU) No 575/2013;
 - 2) own funds based on Article 437 of Regulation (EU) No 575/2013 and information based on Article 473a of Regulation (EU) No 575/2013;
 - 3) capital requirements based on Article 438 of Regulation (EU) No 575/2013;
 - 4) exposure to counterparty credit risk pursuant to Article 439 of Regulation (EU) No 575/2013;
 - 5) capital buffers based on Article 440 of Regulation (EU) No 575/2013;
 - 6) credit risk adjustments based on Article 442 of Regulation (EU) No 575/2013;
 - 7) encumbered and unencumbered assets pursuant to Article 443 of Regulation (EU) No 575/2013;
 - 8) use of external ratings based on Article 444 of Regulation (EU) No 575/2013;
 - 9) remuneration policy based on Article 450 of Regulation (EU) No 575/2013;
 - 10) financial leverage pursuant to Article 451 of Regulation (EU) No 575/2013;
 - 11) use of credit risk mitigation techniques pursuant to Article 453 of Regulation (EU) No 575/2013;



- 12) information regarding operational risk based on Recommendation M;
 - 13) information on non-performing and restructured exposures, in accordance with the requirements of the EBA/GL/2018/10;
 - 14) information on exposures subject to measures applied in response to the COVID-19 crisis, according to the of the EBA/GL/2020/07.
- 3.3. The obligations arising from Article 450 of Regulation (EU) No 575/2013 are fulfilled through the publishing on the Bank's website of the "Information on remuneration policy for persons having material impact on the risk profile of BNP Paribas Bank Polska S.A.".

4. INFORMATION DISCLOSURE FREQUENCY AND DEADLINE

- 4.1. The Bank announces information at least once a year. The Bank verifies the need for more frequent disclosure of capital adequacy data based on Article 433 of Regulation (EU) No 575/2013 and in accordance with EBA/GL/2014/14, EBA/GL/2016/11, EBA/GL/2018/10 and EBA/GL/2020/07. The increased frequency and the corresponding scope of information are specified in the Principles.
- 4.2. Information is disclosed as at the end of the accounting period.
- 4.3. The date of publication of the Information coincides with the date of publication of the financial statements.

5. INFORMATION DISCLOSURE PLACE AND FORM

- 5.1. Information is published in electronic format at the Bank's website (www.bnpparibas.pl/) in the section "Investor Relations" in Polish and English.

6. APPROVAL AND VERIFICATION OF DISCLOSED INFORMATION

- 6.1. The relevant substantive divisions / organizational units of the Bank are responsible for the preparation of data and their verification in terms of correctness and completeness. The responsibilities of these divisions / organizational units are set out in the Principles.
- 6.2. The Information is not subject to comprehensive verification by an auditor hired to examine Bank financial statements. The Management Board of the Bank may decide to assign the verification to any independent entity other than the auditor and to appropriate internal organizational units / divisions of the Bank.
- 6.3. Auditor's verification relates to selected elements of information, which overlap with information contained in the Annual Consolidated Financial Statements of the Bank.
- 6.4. The Information, before disclosure is subject to the approval of the Bank's Management Board.

7. POLICY UPDATE

- 7.1. The provisions of the Policy are subject to review at least once a year.
- 7.2. The policy is approved by the Bank's Management Board.