

CAPITAL ADEQUACY INFORMATION

AS OF 30 JUNE 2024

BNP Paribas Bank Polska S.A. Group



BNP PARIBAS

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1. INTRODUCTION

In accordance with the 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 (Office Journal EU. L No. 176, p.1) BNP Paribas Bank Polska S.A. is obliged to publish in a publicly accessible manner information about the qualitative and quantitative information on the capital adequacy excluding irrelevant information, proprietary or confidential.

The document is the implementation of the *Information policy of BNP Paribas Bank Polska S.A regarding capital adequacy*. The presented scope of information was developed in accordance with applicable regulations regarding disclosure of information and guidelines of the European Banking Authority in this regard:

- Commission Implementing Regulation (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of CRR Regulation of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) No 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295
- Guidelines of the European Banking Authority on materiality, proprietary and confidentiality and disclosure frequency under Arts. 432(1), 432(2) and 433 of CRR Regulation (EBA/GL/2014/14)

The report does not include information indicated in Art. 449a of the CRR nor in Regulation (EU) 2022/2453 as at 30 November 2022 amending implementing technical standards stipulated in the implementing Regulation (EU) 2021/637 in reference to environmental protection, social policy and governance (ESG). Such information is not presented because in line with Art. 6 and 13 of the CRR it is not required to disclose art. 499a of CRR on an individual or sub-consolidated basis.

Unless otherwise specified, all figures in the document are presented as at 30 June 2024, in thousands of PLN, based on the data of the BNP Paribas Bank Polska S.A. Capital Group.

List of abbreviations used:

- Bank - BNP Paribas Bank Polska S.A.
- Group - BNP Paribas Bank Polska S.A. Capital Group.
- BNPP Group - Capital Group, the parent company of which is BNP Paribas S.A. based in Paris..
- Supervisory Board - Supervisory Board of BNP Paribas Bank Polska S.A.
- CRR Regulation - Regulation of the European Parliament and of the Council (EU) No 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms, amending Regulation (EU) No 648/2012
- Management Board - Management Board of BNP Paribas Bank Polska S.A.

2. BNP PARIBAS BANK POLSKA S.A. CAPITAL GROUP

As at 30 June 2024, the Group comprised BNP Paribas Bank Polska S.A. as the parent, and its subsidiaries:

- BNP Paribas Towarzystwo Funduszy Inwestycyjnych S.A.
- BNP Paribas Leasing Services Sp. z o.o.
- BNP Paribas Group Service Center S.A.
- Campus Leszno sp. z o.o. w likwidacji

As of 2 January 2024 liquidation process of Campus Leszno sp. z o.o. w likwidacji commenced. The process is to be concluded in the 3rd quarter of 2024.

For the purposes of prudential consolidation Campus Leszno sp. z o.o. shall not be included. Exclusion from prudential consolidation of this company, results from taking into account the conditions set out in Art.19(1) of CRR Regulation.

3. KEY METRICS

Implementing the requirement specified in Art. 447 and Art. 438(d) of the CRR Regulation, the Bank publishes aggregate data on own funds values, own funds requirements, risk-weighted exposures, combined buffer requirement, leverage ratio and liquidity ratios - liquidity coverage ratio and stable net funding. Detailed information on particular positions is presented in the following chapters of the report.

Table 1. EU KM1 - Key metrics template as of 30 June 2024.

	a	b	c	d	e	
	30 June 2024	31 March 2024	31 December 2023	30 September 2023	30 June 2023	
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	11 797 150	11 284 327	11 214 650	11 121 353	11 109 481
2	Tier 1 capital	11 797 150	11 284 327	11 214 650	11 121 353	11 109 481
3	Total capital	15 330 837	14 887 194	14 937 528	14 976 582	14 974 645
Risk-weighted exposure amounts						
4	Total risk-weighted exposure amount	89 124 445	88 385 471	89 615 117	91 685 287	91 562 026
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	13.24%	12.77%	12.51%	12.13%	12.13%
6	Tier 1 ratio (%)	13.24%	12.77%	12.51%	12.13%	12.13%
7	Total capital ratio (%)	17.20%	16.84%	16.67%	16.33%	16.35%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)						
EU-7a	Additional CET1 SREP requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU-7b	Additional AT1 SREP requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU-7c	Additional T2 SREP requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU-7d	Total SREP own funds requirements (%)	8.00%	8.00%	8.00%	8.00%	8.00%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU-8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%	0.00%	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)	0.01%	0.01%	0.01%	0.01%	0.01%
EU-9a	Systemic risk buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU-10a	Other Systemically Important Institution buffer	0.25%	0.25%	0.25%	0.25%	0.25%
11	Combined buffer requirement (%)	2.76%	2.76%	2.76%	2.76%	2.76%
EU-11a	Overall capital requirements (%)	10.76%	10.76%	10.76%	10.76%	10.76%
12	CET1 available after meeting the total SREP own funds requirements (%)	7.24%	6.77%	6.51%	6.13%	6.13%
Leverage ratio						
13	Leverage ratio total exposure measure	178 954 703	180 664 289	174 945 269	173 581 831	162 774 746
14	Leverage ratio	6.59%	6.25%	6.41%	6.41%	6.83%
Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)						
EU-14a	Additional CET1 leverage ratio requirements (%)	-	-	-	-	-
EU-14b	Additional AT1 leverage ratio requirements (%)	-	-	-	-	-
EU-14c	Total SREP leverage ratio requirements (%)	3%	3%	3%	3%	3%
Total SREP leverage ratio requirements (%)						
EU-14d	Applicable leverage buffer	0.00%	0.00%	0.00%	0.00%	0.00%

EU-14e	Overall leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	50 478 630	48 092 505	50 227 484	46 551 821	34 540 259
EU-16a	Cash outflows - Total weighted value	41 926 269	42 292 835	38 185 956	44 739 958	39 593 874
EU-16b	Cash inflows - Total weighted value	19 529 034	21 762 775	17 175 723	20 898 048	22 736 727
16	Total net cash outflows (adjusted value)	22 397 235	20 530 060	21 010 232	23 841 910	16 857 146
17	Liquidity coverage ratio (%)	225.38%	234.25%	239.06%	195.25%	204.90%
Net Stable Funding Ratio						
18	Total available stable funding	114 893 724	113 761 298	114 758 891	110 053 346	106 030 234
19	Total required stable funding	73 400 593	75 038 876	75 105 621	76 452 883	74 889 947
20	NSFR ratio (%)	156.53%	151.60%	152.80%	143.95%	141.58%

4. OWN FUNDS

4.1 OWN FUNDS STRUCTURE

Pursuant to the provisions of Banking law, the act of 29 August 1997 (Journal of Laws of 2023 item 2488),(hereinafter referred to as "Banking law") and CRR Regulation, own funds of the Group for the purposes of the capital adequacy calculation include:

- Tier I capital
- Tier II capital

Tier I capital includes:

- Common Equity Tier I capital – the sum of the Common Equity Tier I items after application of the required adjustments as well as deductions and exemptions
- Additional Tier I capital – the Bank does not have instruments in this category.

Common Equity Tier I capital includes the following items:

- 1) capital instruments,
- 2) share premium accounts related to instruments referred to in point 1),
- 3) retained earnings, reviewed by the statutory auditor and after the permission is granted by the competent authority or after the Bank has taken a formal decision confirming the final financial result of an institution for a given year,
- 4) accumulated other comprehensive income (pursuant to Art. 4(1)(100) and Art. 26(1)(d) of the CRR Regulation
- 5) reserve capital,
- 6) general risk fund for unidentified risk related to banking operations,
- 7) adjustments and deductions that constitute:
 - a. losses for a current financial year,
 - b. intangible assets,
 - c. deferred tax assets that rely on future profitability,
 - d. defined benefit pension fund assets,
 - e. direct, indirect and synthetic holdings by the Bank of own Common Equity Tier I instruments, including own Common Equity Tier I instruments that an institution is under an actual or contingent obligation to purchase by virtue of an existing contractual obligation,
 - f. other items pursuant to Art. 36 of the CRR Regulation,
 - g. additional value adjustments based on requirements for prudent valuation – pursuant to Art. 34 and Art. 105 of CRR Regulation,
 - h. deduction for non-performing exposures defined in Art. 47c of CRR Regulation.

For the purpose of preparing the statement of Core Tier I and Tier II capital on a consolidated basis, shares in subsidiaries are excluded from the calculation.

Additional capital is established from net profit deductions in a fiscal year and a surplus obtained at issuing shares above their nominal value, remaining after covering the costs of issuance, from additional capital payments made by shareholders in exchange for assigning special rights to their existing shares without increasing the share capital. Additional capital may be earmarked for the coverage of balance sheet losses.

Reserve capital is established regardless of the additional capital from net profit deductions in a fiscal year, earmarked to cover the balance sheet loss.

The general risk fund for unidentified risk related to banking operations is established from net profit deductions in the amount resolved by the General Meeting. The general risk fund is earmarked for unidentified risk related to banking operations.

Unrealized gains and losses on financial instruments measured at fair value through other comprehensive income are recognized in own funds, in line with the instructions included in the CRR Regulation and the Banking Law Act.

Capital Tier II items, calculated based on the CRR Regulation, (Arts. 62 – 91), constitute subordinated loans – included in own funds in the amount and in accordance with the principles laid down in the decision of the Polish Financial Supervision Authority.

Capital instruments and subordinated loans qualify as instruments under Tier II, provided that the conditions specified in Art. 63 of the CRR Regulation are met.

Information on adjustments and deductions for Common Equity Tier I used in the calculation as of 30 June 2024:

- deduction in accordance with Art. 34 of CRR Regulation of the additional value adjustments for prudent valuation are created for all assets measured at fair value with a value of PLN -23 683 ths was applied;
- deduction for core Tier I capital in accordance with Art. 36(1)(b) of CRR Regulation for intangible assets in amount of PLN - 453 857 ths was applied. The amount was calculated taking into account the changes introduced by Regulation (EU) No 2176/2020 as of 12 November 2020 amending Delegated Regulation (EU) No 241/2014 with regard to the deduction of software assets from Common Equity Tier I items;
- application of deduction in line with Art. 36(1)(k) of CRR Regulation in the amount of PLN -17 800 ths; the adjustment is for securitization position which qualify to the risk weight at 1250% in line with Art. 245(1)(b) and Art. 253 of the CRR Regulation;
- deduction for non-performing exposures of PLN -17 621 ths was applied;

Information on adjustments and deductions for Tier 2 capital used in the calculation as of 30 June 2024:

- Tier II capital includes subordinated loans received in the amount of PLN 3 533 687 ths. This amount includes the amortized, non-Tier 2 subordinated loan in the amount PLN 741 108 ths.
- no deductions provided for in CRR Regulation were applied for Tier II funds.

Information on own funds structure is presented in accordance with the template EU CC1 set out in Regulation (EU) No 2021/637, while the table presents only the rows relating to items included in the Group own funds structure.

Table 2. EU CC1 - Composition of regulatory own funds as of 30 June 2024.

	(a)	(b)
	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves		
1 Capital instruments and the related share premium accounts	7 407 116	EU CC2 no. 6 and no.7a
2 Retained earnings	-407 752	EU CC2 no. 9
3 Accumulated other comprehensive income (and other reserves)	4 683 594	EU CC2 no. 7c and no. 8
EU-3a Funds for general banking risk	627 154	EU CC2 no. 7b
EU-5a Independently reviewed interim profits net of any foreseeable charge or dividend	-	
6 Common Equity Tier 1 (CET1) capital before regulatory adjustments	12 310 112	EU CC2 no.11
Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7 Additional value adjustments (negative amount)	-23 683	
8 Intangible assets (net of related tax liability) (negative amount)	-453 857	EU CC2 no. 1
EU-20a Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-17 800	
EU-20c of which: securitisation positions (negative amount)	-17 800	
27 Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a Other regulatory adjustments to CET1 capital (including IFRS 9 transitional adjustments when relevant)	-17 621	
28 Total regulatory adjustments to Common Equity Tier 1 (CET1)	-512 962	
29 Common Equity Tier 1 (CET1) capital	11 797 150	
Additional Tier 1 (AT1) capital: instruments		
36 Additional Tier 1 (AT1) capital before regulatory adjustments	-	
Additional Tier 1 (AT1) capital: regulatory adjustments		
43 Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	
44 Additional Tier 1 (AT1) capital	-	
45 Tier 1 capital (T1 = CET1 + AT1)	11 797 150	
Tier 2 (T2) capital: instruments		
46 Capital instruments and the related share premium accounts	3 533 687	EU CC2 no. 5
51 Tier 2 (T2) capital before regulatory adjustments	3 533 687	
Tier 2 (T2) capital: regulatory adjustments		
57 Total regulatory adjustments to Tier 2 (T2) capital	-	
58 Tier 2 (T2) capital	3 533 687	
59 Total capital (TC = T1 + T2)	15 330 837	
60 Total Risk exposure amount	89 124 445	
Capital ratios and buffers		
61 Common Equity Tier 1 (as a percentage of total risk exposure amount)	13,24%	
62 Tier 1 (as a percentage of total risk exposure amount)	13,24%	
63 Total capital (as a percentage of total risk exposure amount)	17,20%	
64 Institution CET1 overall capital requirement (CET1 requirement in accordance with Art. 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Art. 104(1) CRD, plus combined buffer requirement in accordance with Art. 128(6) CRD) expressed as a percentage of risk exposure amount)	7,26%	
65 of which: capital conservation buffer requirement	2,50%	
66 of which: countercyclical buffer requirement	0,01%	
67 of which: systemic risk buffer requirement	0,00%	
EU-67a of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0,25%	
EU-67b of which: additional own funds requirements to cover risks other than the risk of excessive leverage	0,00%	
68 Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	7,24%	
Amounts below the thresholds for deduction (before risk weighting)		
73 Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	-	
75 Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Art. 38 (3) CRR are met)	844 944	

4.2 RECONCILIATION OF OWN FUNDS

Reconciliation of balance sheet items included in the audited consolidated report of the BNP Paribas Bank Polska S.A. Capital Group used to calculate the value of own funds according to the methodology described in Annex VIII to Regulation (EU) No 2021/637, is presented in the table below.

Table 3. EU CC2 - Reconciliation of regulatory own funds to balance sheet in the reviewed financial statements as of 30 June 2024.

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		As at period end	As at period end	
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements				
1	Intangible assets	916 071	453 857	Interim Condensed Consolidated Statement of financial position (Assets)
2	Assets due to deferred net income tax	844 943	844 943	
3	- of which net assets not exceeding the threshold defined in Art. 48(1)(a)		844 943	
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements				
4	Subordinated liabilities	4 298 870	4 274 795	Interim Condensed Consolidated Statement of financial position (Explanatory Note no 35)
5	- of which loans qualified as Tier II		3 533 687	
Shareholders' Equity				
6	Share capital	147 800	147 800	Interim Condensed Consolidated Statement of financial position (Equity)
7	Supplementary capital	13 150 992	13 100 993	
7a	- share premium	7 259 316	7 259 316	
7b	- general own funds	627 154	627 154	
7c	- other reserve capital	5 264 522	5 214 524	
8	Revaluation reserve	-530 929	-530 930	
9	Retained earnings	-372 379	-407 752	
10	Net profit for the period	1 213 566	0	
11	Total shareholders' equity	13 609 050	12 310 112	

5. OVERVIEW OF RISK EXPOSURE AMOUNTS

Pursuant to Art. 438(d) of CRR Regulation, the Bank publishes information on risk exposure amounts.

Table 4. EU OV1 – Overview of risk weighted exposure amounts as of 30 June 2024.

		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
		30 June 2024	31 March 2024	30 June 2024
1	Credit risk (excluding CCR)	74 919 897	74 371 855	5 993 592
2	Of which the standardised approach	74 919 897	74 371 855	5 993 592
3	Of which the foundation IRB (FIRB) approach	-	-	-
4	Of which slotting approach	-	-	-
EU 4a	Of which equities under the simple risk weighted approach	-	-	-
5	Of which the advanced IRB (AIRB) approach	-	-	-
6	Counterparty credit risk - CCR	1 666 894	1 547 478	133 352
7	Of which the standardised approach	1 586 741	1 473 147	126 939
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	13 635	9 144	1 091
EU 8b	Of which credit valuation adjustment - CVA	51 424	41 248	4 114
15	Settlement risk	-	-	-
16	Securitisation exposures in the non-trading book (after the cap)	234 188	350 675	18 735
17	Of which SEC-IRBA approach	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA approach	234 188	350 675	18 735
EU 19a	Of which 1250%/ deduction	222 505	206 409	17 800
20	Position, foreign exchange and commodities risks (Market risk)	1 511 713	1 323 710	120 937
21	Of which the standardised approach	1 511 713	1 323 710	120 937
22	Of which IMA	-	-	-
EU 22a	Large exposures	-	-	-
23	Operational risk	10 791 753	10 791 753	863 340
EU 23a	Of which basic indicator approach	369 205	369 205	29 536
EU 23b	Of which standardised approach	10 422 548	10 422 548	833 804
EU 23c	Of which advanced measurement approach	-	-	-
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)	2 112 359	1 634 601	168 989
29	Total	89 124 445	88 385 471	7 129 956

On 28 March 2024 the Bank concluded a synthetic securitization transaction referencing a portfolio of corporate loans in total amount of PLN 2 180 million as of 31 December 2023. Within the transaction, the Bank transferred a significant part of the credit risk of

a selected securitized portfolio onto the investor. The selected securitization portfolio remains in the Bank's balance sheet. As of 30 June 2024 the transaction portfolio amounted to PLN 1 260 million. The risk transfer of the securitized portfolio is performed through a credit protection instrument in form of a financial guarantee issued by International Finance Corporation (IFC) up to PLN 125 million as of 30 June 2024. The transaction meets STS criteria of Regulation (EU) 2021/557 as of 31 March 2021.

5.1. MARKET RISK

The table below presents elements of own funds requirements for market risk under the standardized method.

Table 5. EU MR1 - Market risk under the standardised approach as of 30 June 2024.

		a
		RWEAs
Outright products		
1	Interest rate risk (general and specific)	1 508 379
2	Equity risk (general and specific)	-
3	Foreign exchange risk	-
4	Commodity risk	-
Options		
5	Simplified approach	-
6	Delta-plus approach	3 335
7	Scenario approach	-
8	Securitisation (specific risk)	-
9	Total	1 511 713

For general interest rate risk in trading book the Bank uses maturity bucket approach. As of reporting date no instruments generating interest rate specific risk capital requirement were present. Foreign exchange risk is equal to 0 due to the fact that total FX position remained below 2% of own funds. Capital requirement for option instruments is a consequence of running low open position in interest rate options.

6. CAPITAL BUFFERS

The minimum levels of capital ratios applicable to the Bank and the Group result from Art. 92 of CRR Regulation and the Act of 5 August 2015 on macroprudential supervision over the financial system and crisis management in the financial system (Journal of Laws of 2024, item 559), hereinafter referred to as the "Macroprudential Act" introducing the obligation to maintain the requirement of combined buffer.

The combined buffer consists of:

- conservation buffer of 2.5% - based on Art. 19(1) of the Macroprudential Act, an additional amount of Common Equity Tier I capital to be maintained, additional to the Common Equity Tier I capital for the purposes of meeting the own funds requirement, referred to in Art. 92 paragraph 1 of CRR Regulation, in the amount of 2.5% of the total risk exposure amount calculated in accordance with Art. 92 paragraph 3 of this Regulation on an individual and consolidated level;
- buffer of other systemically important institution in the amount of 0.25% - The Polish Financial Supervision Authority in the announcement of 20 November 2023, informed that, pursuant to the provisions of the Macroprudential Act and taking into account the opinion of the Financial Stability Committee, confirmed the identification of ten banks as other systemically important institutions (O-SII). As a result of the review, the Commission concluded that there were no grounds justifying the repeal or amendment of the Commission's decision of 4 October 2016, in the wording established by the Commission decision of 19 December 2017 on imposing on the Bank (on a consolidated and individual basis) a buffer of other systemically important institution in the amount equivalent to 0.25% of the total risk exposure amount calculated in accordance with Art. 92 sec. 3 of CRR Regulation;
- systemic risk buffer of 0% - on 19 March 2020, the Regulation of the Minister of Finance (Journal of Laws of 2020, item 473) of 18 March 2020, repealing the regulation on the systemic risk buffer, entered into force;
- institution-specific countercyclical buffer of 0,01% - according to Art. 21(1) of the Macroprudential Act, the Bank maintains the amount of Common Equity Tier I capital referred to in Art. 92 paragraph 1 of CRR Regulation, at the level of the total risk exposure amount calculated in accordance with Art. 92 paragraph 3 of this Regulation, multiplied by the weighted average of countercyclical buffer rates calculated in accordance with Art. 83 of the Macroprudential Act.

Based on Art. 83 of the Macroprudential Act starting from 1 January 2016, the countercyclical buffer ratio is 0% for credit exposures in the territory of the Republic of Poland. As at 30 June 2024 the countercyclical buffer rate specific for the Group, calculated in line with the Macroprudential Act, as average weighted countercyclical buffer ratios applied in the jurisdictions where the indicated Group exposure is present, was 1 b.p.. The ratio was mainly the result of exposure in the Netherlands, where the countercyclical buffer ratio was 2%.

On 13 December 2023 Bank received a letter from the Polish Financial Supervision Authority with the recommendation to limit the risk in the Bank's activities by maintaining own funds to cover the capital add-on ("P2G") at 0.70 p.p. on individual and 0.67 p.p. on consolidated level in order to absorb potential losses resulting from occurrence of stress conditions. The recommendation should be fulfilled above the total capital ratio referred to in Article 92.1c of the CRR Regulation, increased by the additional own funds requirement, referred to in Article 138.2.2 of the Banking Law Act (not applicable to the Bank) and the combined buffer requirement, referred to in Article 55.4 of the Macroprudential Act. The P2G capital add-on should be made up of the Common Equity Tier 1 capital only.

Pursuant to Art. 440 of CRR Regulation, the Bank discloses the geographic distribution of exposure amounts and risk-weighted exposure amounts for credit exposures, which is the basis for calculating countercyclical buffer. Details of the distribution of credit exposures for the purposes of calculating the countercyclical buffer in tables below have been prepared in accordance with Annex XI of Regulation (EU) No 2021/637.

Table 6. EU CCyB2 - Amount of institution-specific countercyclical capital buffer as of 30 June 2024.

		a
1	Total risk exposure amount	89 124 445
2	Institution specific countercyclical capital buffer rate	0,01%
3	Institution specific countercyclical capital buffer requirement	10 605,81

Table 7. EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer as of 30 June 2024.

		a		b		c		d		e		f		g		h		i		j		k		l		m	
		General credit exposures		Relevant credit exposures – Market risk		Sum of long and short positions of trading book exposures for SA		Value of trading book exposures for internal models		Securitisation exposures Exposure value for non-trading book		Total exposure value		Relevant credit risk exposures - Credit risk		Relevant credit exposures – Market risk		Relevant credit exposures – Securitisation positions in the non-trading book		Total		Risk-weighted exposure amounts		Own fund requirements weights (%)		Countercyclical buffer rate (%)	
Breakdown by country:																											
0101	PL	98 116 077	-	89 246 178	-	1 237 702	188 599 958	5 506 782	120 873	18 735	5 646 390	70 579 869	98.7204%	0.00%													
0102	LU	316 613	-	-	-	-	316 613	25 329	-	-	25 329	316 613	0.4428%	0.50%													
0103	NL	239 586	-	-	-	-	239 586	19 167	-	-	19 167	239 586	0.3351%	2.00%													
0104	DE	109 779	-	-	-	-	109 779	8 780	-	-	8 780	109 745	0.1535%	0.75%													
0105	MX	71 950	-	-	-	-	71 950	5 756	-	-	5 756	71 950	0.1006%	0.00%													
0106	AT	62 819	-	-	-	-	62 819	5 023	-	-	5 023	62 788	0.0878%	0.00%													
0107	CZ	29 307	-	-	-	-	29 307	2 344	-	-	2 344	29 295	0.0410%	1.75%													
0108	DK	20 624	-	-	-	-	20 624	1 650	-	-	1 650	20 624	0.0288%	2.50%													
0109	FI	15 001	-	-	-	-	15 001	1 200	-	-	1 200	15 001	0.0210%	0.00%													
0110	IT	13 514	-	-	-	-	13 514	1 081	-	-	1 081	13 514	0.0189%	0.00%													
0111	GB	9 030	-	-	-	-	9 030	859	-	-	859	10 738	0.0150%	2.00%													
0112	US	8 991	-	-	-	-	8 991	719	-	-	719	8 991	0.0126%	0.00%													
0113	RO	3 455	-	-	-	-	3 455	276	-	-	276	3 455	0.0048%	1.00%													
0114	SE	3 431	-	-	-	-	3 431	281	-	-	281	3 510	0.0049%	2.00%													
0115	HU	2 542	-	-	-	-	2 542	203	-	-	203	2 542	0.0036%	0.00%													
0116	CH	2 516	-	-	-	-	2 516	201	-	-	201	2 516	0.0035%	0.00%													
0117	BE	1 528	-	-	-	-	1 528	106	-	-	106	1 321	0.0018%	0.50%													
0118	SK	1 367	-	-	-	-	1 367	109	-	-	109	1 367	0.0019%	1.50%													
0119	CY	652	-	-	-	-	652	52	-	-	52	652	0.0009%	1.00%													
0120	UA	429	-	-	-	-	429	34	-	-	34	429	0.0006%	0.00%													
0121	MT	85	-	-	-	-	85	4	-	-	4	51	0.0001%	0.00%													
0122	LT	47	-	-	-	-	47	4	-	-	4	47	0.0001%	1.00%													
0123	EE	44	-	-	-	-	44	4	-	-	4	44	0.0001%	1.50%													
0124	LV	16	-	-	-	-	16	1	-	-	1	16	0.0000%	0.00%													

0125	FR	15	-	-	-	-	15	1	-	-	1	15	0.0000%	1.00%
0126	BG	13	-	-	-	-	13	1	-	-	1	13	0.0000%	2.00%
0127	GI	9	-	-	-	-	9	1	-	-	1	9	0.0000%	0.00%
0128	HK	8	-	-	-	-	8	1	-	-	1	8	0.0000%	1.00%
0129	GE	4	-	-	-	-	4	0	-	-	0	4	0.0000%	0.00%
0130	MY	4	-	-	-	-	4	0	-	-	0	4	0.0000%	0.00%
0131	SG	4	-	-	-	-	4	0	-	-	0	4	0.0000%	0.00%
0132	CA	3	-	-	-	-	3	0	-	-	0	3	0.0000%	0.00%
0133	TR	3	-	-	-	-	3	0	-	-	0	3	0.0000%	0.00%
0134	HR	2	-	-	-	-	2	0	-	-	0	2	0.0000%	1.50%
0135	IE	2	-	-	-	-	2	0	-	-	0	2	0.0000%	1.50%
0136	SC	1	-	-	-	-	1	0	-	-	0	1	0.0000%	0.00%
0137	GR	1	-	-	-	-	1	0	-	-	0	1	0.0000%	0.00%
0138	MC	1	-	-	-	-	1	0	-	-	0	1	0.0000%	0.00%
020	Total	99 029 474	-	89 246 178	-	1 237 702	189 513 354	5 579 971	120 873	18 735	5 719 579	71 494 732	100,0000%	-

7. LEVERAGE RATIO

The Group discloses information on its leverage ratio pursuant to Art. 451 of the CRR Regulation.

The calculation of the leverage ratio of the Group as at 30 June 2024 was based on the provisions of CRR Regulation. The leverage ratio is the percentage of the Tier I capital ratio and the total exposure measure as at the end of the reporting period, while the total exposure measure is the sum of the exposure values determined for all assets and off-balance sheet items not deducted in determining the Tier I capital measure.

The reconciliation of the total exposure for the calculation of the leverage ratio with the value of assets in the published consolidated semi-annual report, pursuant to Art. 451 of CRR Regulation, is presented in accordance with the formulas defined in Regulation (EU) No 2021/637

Items included in template EU LR2 and not disclosed in Table 9 do not apply to the Group.

Table 8. EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures as of 30 June 2024.

	a
	Applicable amount
1 Total assets as per published financial statements	159 550 564
2 Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	0
3 (Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	0
4 (Adjustment for temporary exemption of exposures to central banks (if applicable))	0
5 (Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Art. 429a(1) CRR)	0
6 Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	0
7 Adjustment for eligible cash pooling transactions	-44
8 Adjustment for derivative financial instruments	351 514
9 Adjustment for securities financing transactions (SFTs)	75 566
10 Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	11 868 704
11 (Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a (Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Art. 429a(1) CRR)	0
EU-11b (Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Art. 429a(1) CRR)	0
12 Other adjustments	7 108 399
13 Total exposure measure	178 954 703

Table 9. EU LR2 - LRCom: Leverage ratio common disclosure.

	CRR leverage ratio exposures	
	a	b
	30 June 2024	31 December 2023
On-balance sheet exposures (excluding derivatives and SFTs)		
1 On-balance sheet items (excluding derivatives, SFTs, but including collateral)	153 659 124	150 769 097
3 (Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-23 540	-116 341
7 Total on-balance sheet exposures (excluding derivatives and SFTs)	153 635 584	150 652 756
Derivative exposures		
8 Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	818 653	1 210 290
EU-8a Derogation for derivatives: replacement costs contribution under the simplified standardised approach		
9 Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	2 568 289	2 007 066
13 Total derivatives exposures	3 386 942	3 217 356
Securities financing transaction (SFT) exposures		
14 Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	9 987 907	7 964 461
16 Counterparty credit risk exposure for SFT assets	75 566	152 803
18 Total securities financing transaction exposures	10 063 473	8 117 264
Other off-balance sheet exposures		
19 Off-balance sheet exposures at gross notional amount	30 680 312	35 849 107
20 (Adjustments for conversion to credit equivalent amounts)	18 811 608	22 891 214
22 Off-balance sheet exposures	11 868 704	12 957 893
Excluded exposures		
EU-22k (Total exempted exposures)	-	-
Capital and total exposure measure		
23 Tier 1 capital	11 797 150	11 214 650
24 Total exposure measure	178 954 703	174 945 269

Leverage ratio			
25	Leverage ratio (%)	6.59%	6.41%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	6.59%	6.41%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	6.59%	6.41%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%
EU-26b	of which: to be made up of CET1 capital	0.00%	0.00%
27	Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	fully phased in	fully phased in
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	1 983 648	2 032 327
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	9 987 907	7 964 461
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	170 950 445	169 013 135
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	170 950 445	169 013 135
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.90%	6.64%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.90%	6.64%

Table 10. EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures).

		a
		CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	153 635 584
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	153 635 584
EU-4	Covered bonds	-
EU-5	Exposures treated as sovereigns	44 862 667
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	108 389
EU-7	Institutions	8 884 337
EU-8	Secured by mortgages of immovable properties	37 431 621
EU-9	Retail exposures	22 544 217
EU-10	Corporates	32 208 610
EU-11	Exposures in default	1 319 464
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	6 276 279

8. LIQUIDITY REQUIREMENTS

The Bank discloses information on liquidity requirements pursuant to Art. 451a of the CRR Regulation.

Disclosing the information required in template EU LIQ1, the Bank provides the values and numerical data required for each of the four calendar quarters (January-March, April-June, July-September, October-December) preceding the disclosure date, Values and figures are calculated as the arithmetic mean of the month-end observations in the twelve months preceding the end of each quarter.

Table 11. EU LIQ1 - Quantitative information of LCR.

Scope of consolidation: consolidated		Total unweighted value (average) ¹				Total weighted value (average)			
		a	b	c	d	e	f	g	h
		30 June 2024	31 March 2024	31 December 2023	30 September 2023	30 June 2024	31 March 2024	31 December 2023	30 September 2023
EU 1a	Quarter ending on (DD Month YYYY)								
	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					50 289 589	47 744 050	42 776 893	37 277 995
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	68 338 178	67 523 927	66 801 473	67 932 183	4 600 455	4 539 727	4 547 337	4 833 156
3	Stable deposits	44 996 411	44 524 549	44 225 497	44 066 334	2 249 821	2 226 227	2 211 275	2 203 317
4	Less stable deposits	19 412 190	19 037 160	19 051 158	21 146 431	2 350 634	2 313 500	2 336 062	2 629 839
5	Unsecured wholesale funding	55 401 085	54 403 977	52 832 285	50 192 467	22 611 338	22 199 639	21 511 195	20 264 264
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	10 351 710	10 232 098	10 338 052	10 558 481	2 587 927	2 558 025	2 584 513	2 639 620
7	Non-operational deposits (all counterparties)	45 049 375	44 171 878	42 491 362	39 626 516	20 023 411	19 641 614	18 923 811	17 617 174
8	Unsecured debt	0	0	2 871	7 470	0	0	2 871	7 470
9	Secured wholesale funding					-	-	-	-
10	Additional requirements	31 526 838	30 974 806	31 272 090	33 706 114	13 276 556	12 721 297	12 834 723	14 100 415
11	Outflows related to derivative exposures and other collateral requirements	10 920 226	10 314 927	10 428 414	11 685 244	10 920 226	10 314 927	10 428 414	11 685 244
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	20 606 611	20 659 879	20 843 676	22 020 870	2 356 330	2 406 370	2 406 309	2 415 171
14	Other contractual funding obligations	3 786 171	4 296 232	4 941 452	5 448 466	595 147	994 681	1 695 778	2 264 658
15	Other contingent funding obligations	24 403 544	23 825 337	22 871 287	20 898 038	617 104	318 462	14 836	15 135
16	TOTAL CASH OUTFLOWS					41 700 600	40 773 806	40 603 869	41 477 628
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	8 631 022	8 727 973	6 603 322	3 577 047	-	-	-	-
18	Inflows from fully performing exposures	7 352 395	7 140 631	8 520 729	10 602 385	6 388 982	6 121 333	7 516 773	9 549 863
19	Other cash inflows	10 237 952	9 608 691	9 713 457	10 972 758	10 237 952	9 608 691	9 713 457	10 972 758
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					0	0	0	0
EU-19b	(Excess inflows from a related specialised credit institution)					0	0	0	0
20	TOTAL CASH INFLOWS	26 221 369	25 477 294	24 837 508	25 152 190	16 626 934	15 730 025	17 230 230	20 522 622
EU-20a	Fully exempt inflows	0	0	0	0	0	0	0	0
EU-20b	Inflows subject to 90% cap	0	0	0	0	0	0	0	0
EU-20c	Inflows subject to 75% cap	26 221 369	25 477 294	24 837 508	25 152 190	16 626 934	15 730 025	17 230 230	20 522 622
EU-21	LIQUIDITY BUFFER					50 289 589	47 744 050	42 776 893	37 277 995
22	TOTAL NET CASH OUTFLOWS					25 073 666	25 043 781	23 373 639	20 955 006
23	LIQUIDITY COVERAGE RATIO					203.67%	193.47%	184.56%	178.96%

The Group collects diversified sources of funds, that ensure stable liquidity situation. The Bank holds as well high liquid assets portfolio, that can be used as the source of liquidity in case needed and ensure access to the liquidity during one day. Above mentioned elements enable stable liquidity management both in the normal situation as well as in the crisis or emergency one. High share of liquid assets (Level 1 only) ensures compliance with the regulatory and internal liquidity requirements.

The main aspects having impact on the LCR measure is funding structure of the Bank and size of the high liquid assets portfolio. In the funding structure on the one side the funding sources structure is important (type of the Customer) and on the other product type of the liability. Diversification scale of the funding sources and relationship with the Customers ensure high stability of the funding.

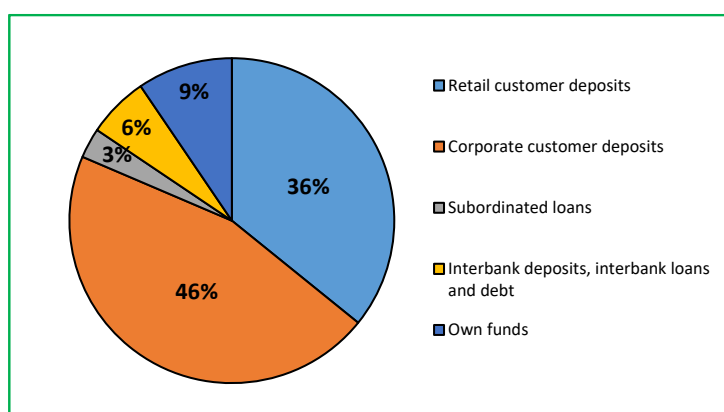
¹ last 12 months report average

The Assets of the Bank calculated in the LCR measure are highly liquid assets, that might be used for immediate acquisition of liquidity.

The LCR ratios as of the end of each quarter remained on safe and high level. The consolidated LCR at the end of June 2024 was slightly lower compared to end of 2023, with small decrease of the liquidity buffer. Parallel to this, a change was observed in the non-bank Customers funding structure (increase of the more stable funding from retail Customers versus decreased pool of less stable corporate funds) and decrease of the net loans volume.

Throughout four recent quarters, the consolidated LCR increased from 204.9% as of end of June 2023 to 225.4% as of the end of 2Q 2024.

The non-bank Customers deposits base constitutes to be the largest share in the Group funding, and it comes from all segments of Clients. As of end of June 2024 the funding from customers classified as corporate in the financial statement constitutes dominant contribution. The stability of deposit base is ensured by the attractive and comprehensive offer to the Bank's Customers, which is subject to on-going monitoring and analysis in order to establish models describing the deposits behaviour in time for each business line. The Group also cooperates with the supranational financial institutions that provide stable funding used for specific projects or dedicated offers to selected Customers. The complete Group's funding structure as of the end of June 2024 is presented in the chart below.



The Bank monitors concentration of the funding sources from non-bank Customers and presents analysis on the ALCO Committee on the monthly basis. The Bank established limits for funding concentration both for corporate and retail segment. There was no excess of the concentration limit during the observed period.

Due to the currency structure of the balance sheet, the Bank provides financing tailored to the profile of its foreign currency assets, either through financing obtained directly in a given currency or through CIRS or FX SWAP transactions.

Closing the currency mismatch through derivative transactions allows to close the Bank's needs in various currencies and in appropriate term structure. The Bank monitors liquidity in PLN and main foreign currencies: EUR, CHF, USD and other currencies in total. In the event of a shortage of liabilities in foreign currencies, the Bank enters into off-balance sheet foreign exchange transactions with the BNP Paribas Group entities: FX SWAP and CIRS, mainly with through the foreign currencies, in which the Bank has a surplus of liabilities. As of 30 June 2024 the Bank effectively didn't need funding of CHF mortgage portfolio with derivatives due to high level of currency provisions accrued for legal risk of those loans.

Derivatives exposure and potential collateral calls:

Collaterals for derivative transactions are mainly assets of the Level 1 type, i.e. cash and government securities. The change of collateral type is performed exclusively within this type of assets. In ISDA-type agreements and ZBP framework agreements there might be clauses on the "Credit Event Upon Merger", which means that in case of such an event, the counterparty's rating may deteriorate. However, this does not entail posting of additional collateral, but it may cause closing the transaction. The Bank doesn't have any agreements with the counterparties where such an event would entail any posting of additional collateral when the rating would deteriorate.

Table 12. EU LIQ2: Net Stable Funding Ratio.

	Unweighted value by residual maturity					
	a	b	c	d	e	
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	Weighted value	
Available stable funding (ASF) items						
1	Capital items and instruments	12 310 112	-	-	3 533 687	15 843 799
2	Own funds	12 310 112	-	-	3 533 687	15 843 799
3	Other capital instruments	-	-	-	-	-
4	Retail deposits	-	68 271 522	1 160 144	85 970	64 887 969
5	Stable deposits	-	45 747 818	522 144	45 958	44 002 423
6	Less stable deposits	-	22 523 704	638 000	40 012	20 885 546
7	Wholesale funding:	-	53 502 296	1 453 162	7 798 297	34 161 956
8	Operational deposits	-	10 852 172	-	-	5 426 086
9	Other wholesale funding	-	42 650 124	1 453 162	7 798 297	28 735 870
10	Interdependent liabilities	-	-	-	-	-
11	Other liabilities:	-	8 855 435	-	-	-
12	NSFR derivative liabilities	-	-	-	-	-
13	All other liabilities and capital instruments not included in the above categories	-	8 855 435	-	-	-
14	Total available stable funding (ASF)					114 893 724
Required stable funding (RSF) items						
15	Total high-quality liquid assets (HQLA)	0	0	0	0	0
EU-15a	Assets encumbered for more than 12m in cover pool	-	2 558 104	-	-	1 184 434
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities:	-	17 355 561	9 237 811	64 322 851	64 166 210
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut	-	-	-	-	-
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions	-	6 031 336	196 632	1 960 796	2 662 245
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	-	10 890 493	8 728 137	42 348 614	44 119 153
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	153 640	145 111	8 432 418	5 630 447
22	Performing residential mortgages, of which:	-	398 643	309 525	19 936 450	17 300 066
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	-	-
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products	-	35 089	3 517	76 991	84 745
25	Interdependent assets	0	-	-	-	-
26	Other assets:	-	745 795	-	3 853 332	4 237 202
27	Physical traded commodities	-	-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	0	0	0	0
29	NSFR derivative assets	-	21 944	0	0	21 944
30	NSFR derivative liabilities before deduction of variation margin posted	-	0	0	0	0
31	All other assets not included in the above categories	-	723 851	0	3 853 332	4 215 257
32	Off-balance sheet items	-	32 767 189	0	0	1 638 359
33	Total RSF					73 400 593
34	Net Stable Funding Ratio (%)					156,53%

The Net Stable Funding Ratio (NSFR) for the Bank, as of June 2024, amounted to 156% for the Bank standalone and 156.5% for the Group, which is an increase compared to the end of June 2023 by 13.4 p.p. and 14.9 p.p. respectively. The increase in the ratio results from increase in long-term financing (MREL), a stable increase of non-financial customer deposits and no increase of the customer loan portfolio.

9. EXPOSURES TO INTEREST RATE RISK ON POSITIONS NOT HELD IN THE TRADING BOOK

The core business of the Bank - granting loans and collecting deposits from Customers – generates the open interest rate risk positions, which are transferred using the transfer pricing system from business lines to portfolios managed by the Asset and Liability Management Division.

When determining the interest rate risk profile, the Group takes into account not only contractual parameters, but also the actual characteristics of products resulting from Customer behavioural characteristic and built-in options, using models e.g. for current accounts, savings accounts, fixed interest rate loans, credit cards.

Structural elements (stable, insensitive to interest rate changes part of current accounts and capital) are secured with transactions with longer maturities, In the remaining portfolio, the Bank's intention is to close the interest rate risk.

The economic value of equity (EVE) measure is a measure of the net present value changes of instruments sensitive to the interest rates changes in their remaining duration, resulting from changes in interest rates, taking into account all the items in the banking book, with the exception of capital. The Group determined an internal critical value for this measure at 13% of the Common Equity Tier I capital of the Bank. During the current period, there was no event of excess.

The net interest income sensitivity measure (NII) was determined with the assumptions:

- constant balance sheet during the year,
- for renewing products, the applied margin is the last used for a given product,
- an unstable part of the deposit base exists throughout the annual analysis period,
- all regulatory caps/floors on customer rate are applied.

The Group has set an internal critical value for this measure at 4.8% of Tier 1 capital. This measure has not been exceeded since it came into force.

The economic value changes of the updated capital, calculated according to the internal contract prices, in accordance with six regulatory interest rate change scenarios and the changes in net interest income, calculated according to two supervisory shock scenarios are presented in the table EU IRRBB1.

Table 13. EU IRRBB1 - Interest rate risks of non-trading book activities.

Supervisory shock scenarios	a		b		c		d
	Changes of the economic value of equity		Changes of the net interest income				
	30 June 2024	31 December 2023	30 June 2024	31 December 2023			
1 Parallel up	-251	-54	355	440			
2 Parallel down	-205	-392	-490	-563			
3 Steepener	465	392					
4 Flattener	-975	-781					
5 Short rates up	-922	-678					
6 Short rates down	490	340					

10. CREDIT RISK

10.1 EXPOSURES TO CREDIT RISK

The tables below present detailed quantitative information on credit exposure, as required by Art. 442 of CRR Regulation on the basis of the formulas set out in Regulation (EU) No 2021/637.

Table 14. EU CQ4: Quality of non-performing exposures by geography as of 30 June 2024.

	a	b	c	d	e	f	g
	Gross carrying / Nominal amount					Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	of which: non-performing			of which: subject to impairment	Accumulated impairment		
			of which: defaulted				
010 On balance sheet exposure	139 453 385	2 673 551	2 667 743	138 824 036	-2 466 135		-
020 Poland	122 206 289	2 668 119	2 662 309	121 577 767	-2 451 141		-
030 Luxemburg	12 591 619	19	19	12 591 619	-2 466		-
040 France	4 026 742	333	333	4 026 742	-323		-
050 The Netherlands	247 362	4	4	247 362	-3 189		-
060 Germany	183 166	132	132	183 166	-3 453		-
070 Other countries	198 207	4 946	4 946	197 380	-5 563		0
080 Off balance sheet exposure	45 811 222	74 785	74 785			158 208	
090 Poland	41 365 212	74 637	74 637			142 566	
100 Luxemburg	258 878	31	31			299	
110 Germany	462 973	0	0			32	
120 Denmark	103 101	0	0			0	
130 The Netherlands	486 559	0	0			169	
140 Other countries	3 134 499	117	117			15 142	
150 Total	185 264 607	2 748 336	2 742 528	138 824 036	-2 466 135	158 208	-

Table 14. EU CR2: Changes in the stock of non-performing loans and advances as of 30 June 2024.

	a
	Gross carrying amount
010 Initial stock of non-performing loans and advances	2 674 330
020 Inflows to non-performing portfolios	1 482 781
030 Outflows from non-performing portfolios	-1 488 543
040 Outflows due to write-offs	-29 965
050 Outflow due to other situations	-1 458 578
060 Final stock of non-performing loans and advances	2 668 568

Table 15. EU CR1-A: Maturity of exposures as of 30 June 2024.

	a	b	c	d	e	f
	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1 Loans and advances	-	13 351 797	37 480 070	39 286 972	156 738	90 275 577
2 Debt securities	-	2 715 646	22 028 018	21 968 008		46 711 672
3 Total	-	16 067 443	59 508 088	61 254 980	156 738	136 987 249

Table 16. EU CR1: Performing and non-performing exposures and related provisions as of 30 June 2024.

	a		b		c		d		e		f		g		h		i		j		k		l		m		n		o			
	Gross carrying amount/nominal amount														Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions														Accumulated partial write-off		Collateral and financial guarantees received	
	Performing exposures				Non-performing exposures				Performing exposures – accumulated impairment and provisions				Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						On performing exposures		On non-performing exposures											
	Of which stage 1		Of which stage 2		Of which stage 2		Of which stage 3		Of which stage 1		Of which stage 2		Of which stage 2		Of which stage 3																	
005	Cash balances at central banks and other demand deposits	13 515 729	13 506 810	8 919.00	-	-	-	-	-1 492	-1 340	-152.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
010	Loans and advances	90 068 746	80 564 807	8 930 278	2 668 568	4 992	2 553 884	-934 518	-323 486	-610 712	-1 527 219	-909	-1 487 049	-	23 829 750	402 440	-	-	-	-	-	-	-	-	-	-	-	-	-			
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
030	General governments	63 728	53 893	9 835	-	-	-	-1 030	-332	-699	-	-	-	-	125	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
040	Credit institutions	4 239 850	4 239 850	-	-	-	-	-60	-60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
050	Other financial corporations	2 534 348	2 511 975	22 369	11 428	-	10 017	-7 116	-6 830	-285	-7 876	-	-7 876	-	133 244	2 724.00	-	-	-	-	-	-	-	-	-	-	-	-	-			
060	Non-financial corporations	50 035 737	43 331 812	6 156 346	1 892 406	2 693	1 793 661	-577 098	-211 394	-365 469	-1 021 879	-612	-984 030	-	16 190 051	337 666	-	-	-	-	-	-	-	-	-	-	-	-	-			
070	Of which SMEs	33 519 950	28 552 367	4 439 833	1 667 483	2 693	1 569 214	-352 405	-144 634	-207 577	-923 749	-612	-885 900	-	13 861 590	308 397	-	-	-	-	-	-	-	-	-	-	-	-	-			
080	Households	33 195 084	30 427 278	2 741 728	764 733	2 299	750 207	-349 213	-104 870	-244 260	-497 464	-297	-495 144	-	7 506 330	62 050	-	-	-	-	-	-	-	-	-	-	-	-	-			
090	Debt securities	46 711 087	46 630 055	-	4 983	-	4 155	-243	-243	0	-4 155	-	-4 155	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
100	Central banks	699 665	699 665	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
110	General governments	25 442 428	25 442 428	-	-	-	-	-177	-177	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
120	Credit institutions	6 885 279	6 885 279	-	-	-	-	-55	-55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
130	Other financial corporations	13 602 684	13 602 684	-	-	-	-	-12.00	-12.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
140	Non-financial corporations	81 032	0	-	4 983	-	4 155	0	0	-	-4 155	-	-4 155	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
150	Off-balance-sheet exposures	45 736 437	41 158 388	4 553 656	74 785	0	74 688	143 309	47 965	95 046	14 899	0	14 899	-	642 983	2 249	-	-	-	-	-	-	-	-	-	-	-	-	-			
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
170	General governments	125 353	68 394	56 959.00	-	-	-	333	193	140.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
180	Credit institutions	4 205 073	3 977 093	227 981.00	-	-	-	15 384	3 167	12 217.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
190	Other financial corporations	2 025 336	2 003 613	21 723	500.00	-	500	688	595	92	-	-	-	-	61 967	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
200	Non-financial corporations	36 788 414	32 602 547	4 166 779	64 012	0	63 975	120 097	40 356	79 500	14 899	0	14 899	-	580 545	2 249	-	-	-	-	-	-	-	-	-	-	-	-	-			
210	Households	2 592 261	2 506 742	80 215	10 272	-	10 213	6 808	3 654	3 097	-	-	-	-	471	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
220	Total	196 032 000	181 860 061	13 492 853	2 748 335	4 992	2 632 727	-792 945	-277 105	-515 818	-1 516 475	-909	-1 476 305	-	24 472 733	404 689	-	-	-	-	-	-	-	-	-	-	-	-	-			

Table 17. EU CQ1: Credit quality of forbore exposures as of 30 June 2024.

		a	b	c	d	e		f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forbore exposures		
		Non-performing forbore						Of which collateral and financial guarantees received on non-performing exposures with forbearance measures		
		Performing forbore		Of which defaulted	Of which impaired	On performing forbore exposures	On non-performing forbore exposures			
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-	-
010	Loans and advances	713 988	876 783	876 523	808 103	-139 006	-412 632	224 410	134 320	
020	Central banks	-	-	-	-	-	-	-	-	
030	General governments	-	-	-	-	-	-	-	-	
040	Credit institutions	-	-	-	-	-	-	-	-	
050	Other financial corporations	142	248	248	248	-	17	-	153	47
060	Non-financial corporations	562 733	679 636	679 535	619 709	-131 352	-296 239	163 748	111 750	
070	Households	151 113	196 898	196 740	188 145	-7 637	-116 240	60 614	22 522	
080	Debt Securities	-	0	0	-	-	0	-	-	
090	Loan commitments given	446 839	8 900	8 900	8 900	24 059	3 767	-	-	
100	Total	1 160 827	885 683	885 423	817 003	-114 947	-408 865	224 410	134 320	

Table 18. EU CQ5: Credit quality of loans and advances to non-financial corporations by industry as of 30 June 2024.

		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing	Of which defaulted	Of which loans and advances subject to impairment		
010	Agriculture, forestry and fishing	9 617 332	505 257	491 191	9 074 696	-395 268	-
020	Mining and quarrying	53 442	305	15	53 442	-220	-
030	Manufacturing	11 953 768	317 394	280 035	11 953 512	-371 240	-
040	Electricity, gas, steam and air conditioning supply	982 813	2 361	2 026	982 813	-11 476	-
050	Water supply	203 316	2 140	1 777	203 316	-3 327	-
060	Construction	2 850 712	179 788	161 860	2 850 595	-160 569	-
070	Wholesale and retail trade	8 008 602	296 851	277 964	8 006 725	-259 922	-
080	Transport and storage	2 768 619	98 171	50 017	2 768 586	-72 913	-
090	Accommodation and food service activities	418 531	47 146	44 007	418 528	-42 822	-
100	Information and communication	2 969 455	12 448	9 245	2 969 455	-22 985	-
110	Financial and insurance activities	844 937	3 165	1 985	844 937	-4 164	-
120	Real estate activities	5 165 721	217 642	215 695	5 164 699	-103 360	-
130	Professional, scientific and technical activities	3 221 557	86 793	77 928	3 221 502	-76 466	-
140	Administrative and support service activities	1 431 471	42 206	34 249	1 431 435	-28 717	-
150	Public administration and defense, compulsory social security	846	-	-	846	-5	-
160	Education	145 330	4 711	3 412	145 330	-3 849	-
170	Human health services and social work activities	1 099 987	65 614	63 203	1 099 987	-33 330	-
180	Arts, entertainment and recreation	34 922	1 268	1 011	34 922	-1 673	-
190	Other services	156 784	9 147	5 356	156 784	-6 671	-
200	Total	51 928 143	1 892 406	1 720 974	51 382 109	-1 598 977	-

Information on collateral obtained by taking possession and execution processes:

The Bank is cautious about the possibility of taking over the property after unsuccessful enforcement proceedings. Currently, the Bank does not own any real estate that has been taken over. The Bank takes a similar cautious approach in the case of debt conversion into stocks or shares in companies. The Bank, usually as part of restructuring proceedings, converts part of its receivables into shares / stocks in companies. The value of shares / stocks as of the reporting date is insignificant in terms of the Bank's operations, and also in terms of recoveries made on the portfolio of impaired loans. The value of provisions covers 83% of the initial value from the date of acquisition. Movable property that is collateral of the contracts is also taken over in collection process.

Table 19. EU CQ7: Collateral obtained by taking possession and execution processes as of 30 June 2024.

		a	b
		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	-	-
020	Other than PP&E	4 982	-4 097
030	Residential immovable property	-	-
040	Commercial Immovable property	-	-
050	Movable property (auto, shipping, etc.)	57	-
060	Equity and debt instruments	4 925	-4 097
070	Other collateral	-	-
080	Total	4 982	-4 097

10.2 CREDIT RISK MITIGATION TECHNIQUES

When limiting credit risk, the Bank applies credit risk mitigation techniques, both in terms of funded and unfunded protection. The funded protection includes, among others:

- mortgage established on a residential real estate
- mortgage established on a commercial real estate
- registered pledge
- security deposit
- hold on funds on bank accounts
- suretyship
- ownership transfer
- assignment of receivables
- promissory note
- credit facility insurance
- power of attorney to administer a bank account.

The unfunded protection covers bank guarantees, guarantees issued by the State Treasury or by a local government unit and corporate guarantees.

The Bank uses both balance sheet netting and off-balance netting techniques. The first credit risk mitigation technique concerns drawn lines of credit and deposits placed with BNP Paribas S.A. Off-balance sheet netting is used for derivative transactions that are concluded under framework and security agreements signed with corporate, SME and Micro Customers. Off-balance sheet netting is also used in the case of derivative transactions concluded with selected credit institutions.

The Bank does not use credit derivatives as a credit risk mitigation technique.

In scope of credit risk mitigation techniques, there were no substantial changes in 1H2024 in the Bank.

Table 20. EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques as of 30 June 2024.

		Unsecured carrying amount	Secured carrying amount			
			a	b	c	Of which secured by collateral
						d
					Of which secured by financial guarantees	Of which secured by credit derivatives
1	Loans and advances	79 557 624	24 232 190	23 323 950	908 240	
2	Debt securities	46 711 672	-	-	-	
3	Total	126 269 296	24 232 190	23 323 950	908 240	
4	<i>Of which non-performing exposures</i>	739 737	402 440	372 065	30 376	
EU-5	<i>Of which defaulted</i>	736 433	400 852			

The table below shows the effect of all credit risk mitigation techniques. The density of risk-weighted assets is a synthetic indicator of the risk level of individual portfolios.

Table 21. EU CR4 – standardised approach – Credit risk exposure and CRM effects as of 30 June 2024.

Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density		
	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)	
	a	b	c	d	e	f	
1	Central governments or central banks	32 712 789	27	43 012 176	205 660	2 390 057	5.53%
2	Regional government or local authorities	107 885	108 834	107 885	54 417	32 460	20.00%
3	Public sector entities	504	12 270	504	2 635	1 569	50.00%
4	Multilateral development banks	12 149 878	-	12 149 878	-	-	0.00%
5	International organisations	-	-	-	-	-	0.00%
6	Institutions	8 551 114	4 321 698	8 604 537	1 136 446	2 159 568	22.17%
7	Corporates	32 208 652	16 908 047	23 055 893	6 070 667	28 053 864	96.32%
8	Retail	22 544 218	4 533 085	21 869 548	1 233 755	15 668 638	67.82%
9	Secured by mortgages on immovable property	37 431 621	4 632 128	36 898 459	1 850 891	22 704 619	58.59%

10	Exposures in default	1 319 464	46 195	1 269 004	22 770	1 562 652	120.97%
11	Exposures associated with particularly high risk	-	-	-	-	-	0.00%
12	Covered bonds	-	-	-	-	-	0.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%
14	Collective investment undertakings	-	-	-	-	-	0.00%
15	Equity	212 190	-	212 190	-	212 190	100.00%
16	Other items	5 499 203	313	5 557 443	32 975	2 134 279	38.18%
17	TOTAL	152 737 518	30 562 596	152 737 518	10 610 217	74 919 897	45.87%

10.3 APPLICATION OF STANDARD METHOD

The risk weights used in the calculation of the capital requirement for credit risk according to the standardized approach are based on the provisions of Chapter 2, Title II, Part III of CRR Regulation. Risk weight is assigned according to the category to which the exposure belongs and the level of credit quality of the exposure or entity.

- for defaulted exposures, the risk weight is based on the principles set out in Art. 127 of CRR Regulation;
- for exposures secured by mortgage on residential real estate, where the amount of the principal or interest instalment does not depend on changes in the exchange rate of the currency or currencies other than the currencies of the debtor's revenues, in accordance with Art. 125 sec. 2 of CRR Regulation, the Bank assigns a preferential risk weight of 35% to the part of the exposure that is fully and completely secured by mortgage on residential real estate and the value of which does not exceed 80% of the market value of the real estate;
- for exposures secured by mortgage on a commercial real estate, pursuant to Art. 126 of CRR Regulation and the Regulation of the Minister of Finance. Funds and Regional Policy of 8 October 2020, amending the Regulation on a higher risk weight for exposures secured by mortgages on real estate, the Bank identifies exposures effectively secured with commercial mortgage established on real estate used by the borrower to conduct its own business and not generating income stemming from rent or profits from their sale, for which preferential risk weights apply;
- for exposures secured by mortgage on residential real estate, where the amount of the principal or interest instalment depends on changes in the exchange rate or currencies other than the currency of the debtor's income pursuant to the Regulation of the Minister of Development and Finance of May 25 2017, regarding a higher risk weight for exposures secured by mortgages on real estate, the Bank assigns a risk weight of 150%.

The Bank for the purpose of determining risk weights for institutions and enterprises, central governments and banks, local government units and local authorities, multilateral development banks, public sector entities, exposures in the form of covered bonds, exposures in the form of participation units and certificates of investment funds, uses External Credit Assessment Institutions ratings (ECAI ratings) by Moody's Investors Service.

The table below aims to provide the standardise exposures approach broken down by asset class and risk weight.

Table 22. EU CR5 – standardised approach as of 30 June 2024.

	Exposure classes	Risk weight														Total	Of which unrated	
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%			Others
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	40 079 855	-	-	1 809 103	483 935	-	-	-	-	-	-	844 944	-	-	-	43 217 837	-
2	Regional government or local authorities	-	-	-	-	162 302	-	-	-	-	-	-	-	-	-	-	162 302	-
3	Public sector entities	-	-	-	-	-	-	3 138	-	-	-	-	-	-	-	-	3 138	-
4	Multilateral development banks	12 149 878	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12 149 878	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-
6	Institutions	-	15 794	-	-	9 032 319	-	679 994	-	-	12 690	186	-	-	-	-	9 740 984	69 391
7	Corporates	-	-	-	-	-	-	72	-	-	29 126 487	-	-	-	-	-	29 126 560	1 193 121
8	Retail exposures	-	-	-	-	-	-	-	-	23 103 303	-	-	-	-	-	-	23 103 303	2 219 150
9	Exposures secured by mortgages on immovable property	-	-	-	-	15 641 203	3 634 243	-	7 415 275	11 337 137	721 493	-	-	-	-	-	38 749 350	3 153 081
10	Exposures in default	-	-	-	-	-	-	-	-	-	750 019	541 756	-	-	-	-	1 291 774	1
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity exposures	-	-	-	-	-	-	-	-	-	212 190	-	-	-	-	-	212 190	212 190
16	Other items	3 365 051	-	-	-	113 441	-	-	-	-	2 111 926	-	-	-	-	-	5 590 419	5 555 667
17	TOTAL	55 594 784	15 794	-	1 809 103	9 791 998	15 641 203	4 317 448	-	30 518 578	43 550 449	1 263 435	844 944	-	-	-	163 347 735	12 402 600

11. COUNTERPARTY CREDIT RISK

Counterparty risk exposure and risk-weighted assets are calculated on the basis of the standardized approach (SACCR) in line with CRR Regulation. As part of counterparty credit risk mitigation, the Bank uses contractual netting in accordance with Arts. 295-298 of CRR Regulation.

The methodology of calculating internal capital for counterparty credit risk is closely related to the methodology of measuring this risk at the Bank and takes into account the current valuation of contracts, their potential change (the so-called "Potential Future Exposure"), as well as the value of the probability of a default event of individual contractors (so-called PD) estimated by the Bank.

The tables below present information on the Bank's counterparty credit risk in accordance with Annex XXV to Regulation (EU) No 2021/637.

Table 23. EU CCR1– Analysis of CCR exposure by approach as of 30 June 2024.

	a	b	c	d	e	f	g	h
	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1 EU - Original Exposure Method (for derivatives)	-	-	-	1.4	-	-	-	-
EU-2 EU - Simplified SA-CCR (for derivatives)	-	-	-	1.4	-	-	-	-
1 SA-CCR (for derivatives)	483 297	1 161 115	-	1.4	4 959 739	2 302 176	2 286 350	1 586 741
2 IMM (for derivatives and SFTs)	-	-	-	-	-	-	-	-
2a of which securities financing transactions netting sets	-	-	-	-	-	-	-	-
2b of which derivatives and long settlement transactions netting sets	-	-	-	-	-	-	-	-
2c of which from contractual cross-product netting sets	-	-	-	-	-	-	-	-
3 Financial collateral simple method (for SFTs)	-	-	-	-	-	-	-	-
4 Financial collateral comprehensive method (for SFTs)	-	-	-	-	9 987 907	75 566	75 566	15 113
5 VaR for SFTs	-	-	-	-	-	-	-	-
6 Total	-	-	-	-	14 947 646	2 377 742	2 361 916	1 601 854

Table 24. EU CCR2– Transactions subject to own funds requirements for CVA risk as of 30 June 2024.

	a	b
	Exposure value	RWEA
1 Total transactions subject to the Advanced method	-	-
2 (i) VaR component (including the 3× multiplier)	-	-
3 (ii) stressed VaR component (including the 3× multiplier)	-	-
4 Transactions subject to the Standardised method	372 677	51 424
EU-4 Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
5 Total transactions subject to own funds requirements for CVA risk	372 677	51 424

Table 25. EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights as of 30 June 2024.

Exposure classes	Risk weight											Total exposure
	a	b	c	d	e	f	g	h	i	j	k	
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
1 Central governments or central banks	9 912 341	-	-	-	-	-	-	-	-	-	-	9 912 341
2 Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3 Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4 Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5 International organisations	-	-	-	-	-	-	-	-	-	-	-	-

6	Institutions	-	15 375	-	-	733 019	251 138	-	-	-	-	-	999 532
7	Corporates	-	-	-	-	-	-	-	-	1 402 147	-	-	1 402 147
8	Retail	-	-	-	-	-	-	-	42 151	-	-	-	42 151
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	Total exposure value	9 912 341	15 375	-	-	733 019	251 138	-	42 151	1 402 147	-	-	12 356 171

Table 26. EU CCR5 – Composition of collateral for CCR exposures as of 30 June 2024.

Collateral type	Collateral used in derivative transactions				Collateral used in SFTs				
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral		
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	
1	Cash – domestic currency	-	42 970	332 301	3 217	-	-	-	-
2	Cash – other currencies	37 435	1 298 787	225 304	1	-	-	-	-
3	Domestic sovereign debt	-	-	389 127	-	-	-	-	-
4	Other sovereign debt	379 386	-	-	-	-	-	-	-
5	Government agency debt	-	-	-	-	-	-	-	-
6	Corporate bonds	-	-	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-	-	-
9	Total	416 820	1 341 756	946 733	3 218	-	-	-	-

Table 27. EU CCR8 – Exposures to CCPs as of 30 June 2024.

		a	b
		Exposure value	RWEA
1	Exposures to QCCPs (total)	0	13 635
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	81 914	13 615
3	(i) OTC derivatives	81 914	13 615
4	(ii) Exchange-traded derivatives	-	-
5	(iii) SFTs	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	203 856	-
8	Non-segregated initial margin	-	-
9	Prefunded default fund contributions	1 000	20
10	Unfunded default fund contributions	-	-
11	Exposures to non-QCCPs (total)	-	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	-
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-



12. STATEMENT OF THE MANAGEMENT BOARD

Hereby, the Management Board of BNP Paribas Bank Polska S.A.

- declares that to the best of their knowledge, the information disclosed in accordance with part eight of CRR Regulation has been prepared in accordance with internal control processes;
- declares that, to the best of their knowledge, the adequacy of risk management arrangements ensures that the risk management systems used are appropriate from the point of view of the risk profile and strategy of the Bank and the Group;
- approves this "Capital adequacy information of the BNP Paribas Bank Polska S.A. Capital Group as of 30 June 2024", which includes key indicators and figures that provide external stakeholders with a comprehensive view of risk profile of the Group.

SIGNATURES OF MEMBERS OF THE MANAGEMENT BOARD OF BNP PARIBAS BANK POLSKA S.A.

12.08.2024	Przemysław Gdański <i>President of the Management Board</i>	<i>qualified electronic signature</i>
12.08.2024	Andre Boulanger <i>Vice-President of the Management Board</i>	<i>qualified electronic signature</i>
12.08.2024	Małgorzata Dąbrowska <i>Vice-President of the Management Board</i>	<i>qualified electronic signature</i>
12.08.2024	Wojciech Kembłowski <i>Vice-President of the Management Board</i>	<i>qualified electronic signature</i>
12.08.2024	Piotr Konieczny <i>Vice-President of the Management Board</i>	<i>qualified electronic signature</i>
12.08.2024	Magdalena Nowicka <i>Vice-President of the Management Board</i>	<i>qualified electronic signature</i>
12.08.2024	Volodymyr Radin <i>Vice-President of the Management Board</i>	<i>qualified electronic signature</i>
12.08.2024	Agnieszka Wolska <i>Vice-President of the Management Board</i>	<i>qualified electronic signature</i>

Warsaw, 12 August 2024