



**BNP PARIBAS**

MAY 2024

# CORPORATE PRESENTATION OF THE GROUP

**BNP PARIBAS BANK POLSKA S.A.**



**BNP PARIBAS**

# 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
- The Bank's free float increased to 18.7%

### Open & responsible transformation

- Increased digitisation 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

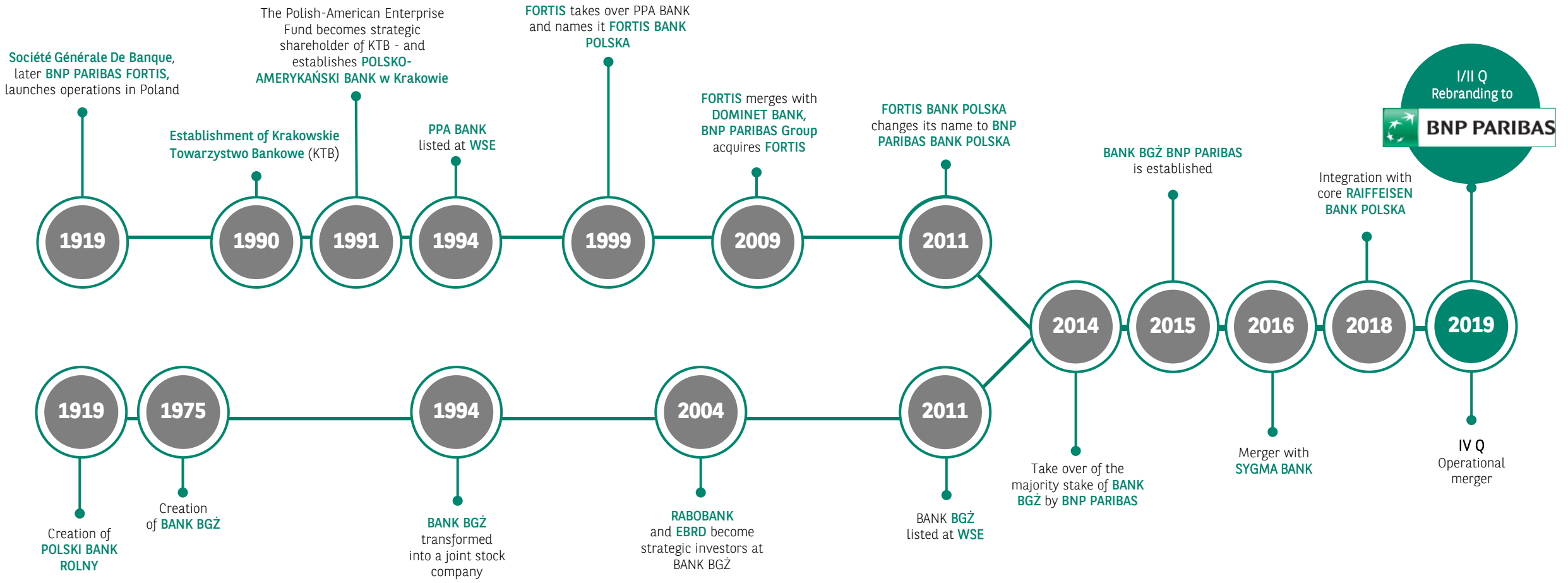
- Scale of operations and the business model proven in challenging circumstances
- Continuous support of the Customers, the society and economy
- Business growth in line with the strategic directions
- Q1 2024 – stable market share of loans, doubling y/y the value of BNPP Group's investment funds, increase in the value of individual Customer deposits

### 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)
- Q1 2024 – NBI growth, stabilisation of NIM. Increase in the cost base, normalisation of the cost of risk
- Payment of dividend from 2023 net profit

# 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 civilisation

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.



# 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



**2,700.0 bn €**  
assets

## Leading bank in the Eurozone



**3.1 bn €** net income  
**12.5 bn €** revenues



**130.6 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 March 2024

# 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

**1.7 m**

using digital channels



**368**

Customers' Centers



**~8,100**

employees (FTEs)



**PLN 158.8 bn**

assets

## 6. bank in Poland in terms of assets



**PLN 591 m**

net profit

**PLN 1.9 bn**

net banking income



**PLN 13.5 bn**

equity

**PLN 88.1 bn**

gross loans\*

\* loans measured at amortised cost



Global Finance:  
Best SME Awards 2024

for the best bank for small and medium-sized enterprises in Poland



The Digital Bankier.  
Global SME Banking  
Innovation Awards 2024

for the best bank for medium-sized enterprises in Central Europe

data as at the end of March 2024

# Management Board

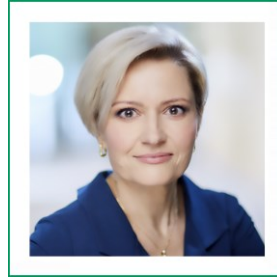
Strong and stable management team



**Przemek Gdański**  
CEO



**André Boulanger**  
Vice President  
CIB Area



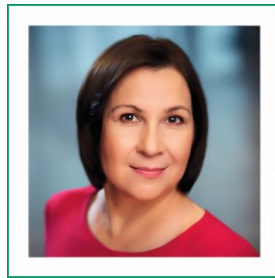
**Małgorzata Dąbrowska**  
Vice President  
Operations and Business Support Area



**Wojciech Kembłowski**  
Vice President, CRO  
Risk Area



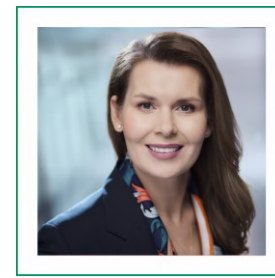
**Piotr Konieczny**  
Vice President, CFO  
Finance Area



**Magdalena Nowicka**  
Vice President  
New Technologies and Cybersecurity Area



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

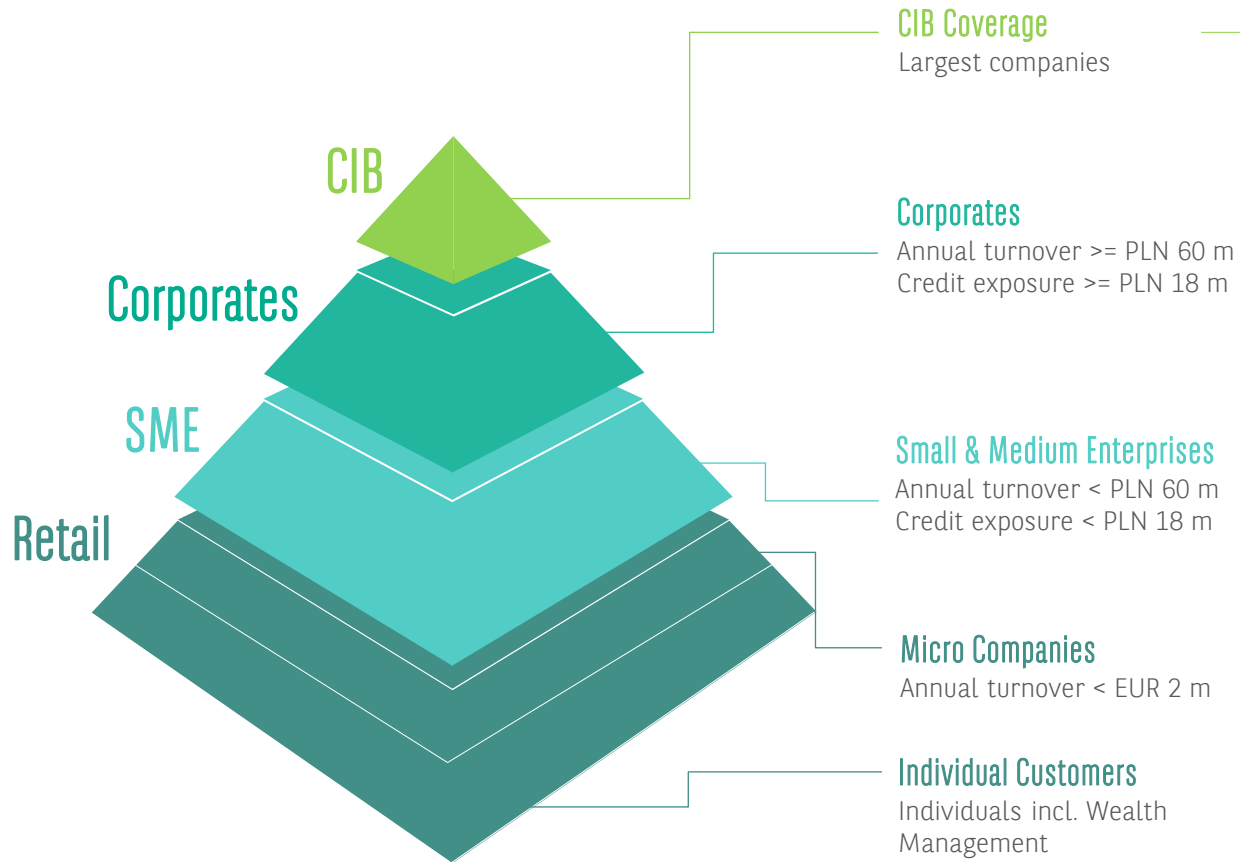


**Agnieszka Wolska**  
Vice President  
SME & Corporate Banking Area

# Full market coverage

We serve all Customers segments

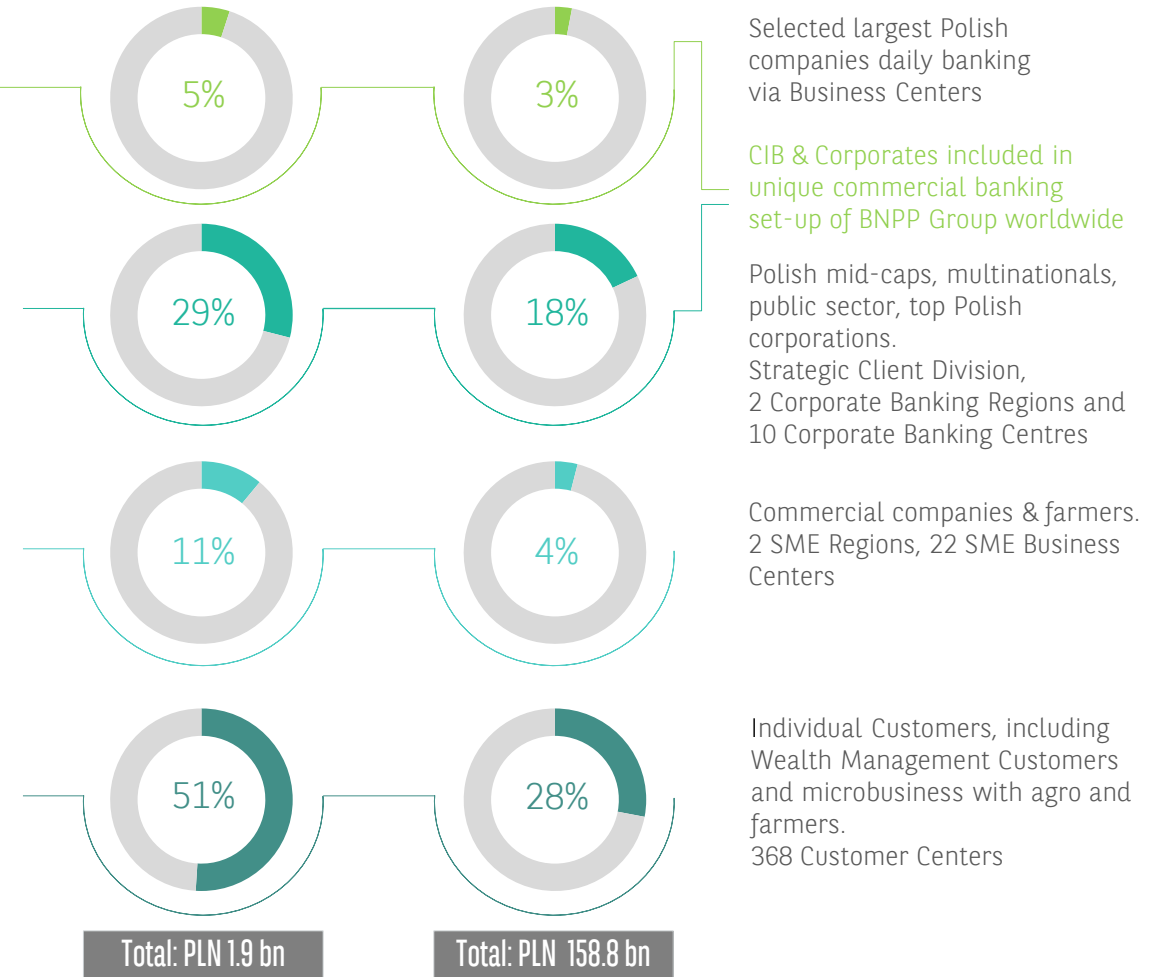
## Business segments\*



## NBI contribution\*\*

## Assets contribution\*\*

## Description



\* simplified criteria of segmentation

\*\* consolidated data as at the end of March 2024; other banking activities accounted for 4% of NBI and 47% 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 optimisation 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

# Q1 2024 – high quarterly net profit with a marginal impact of CHF portfolio risk, continuation of the Bank’s transformation

NBI growth, stabilisation of NIM. Increase in the cost base, normalisation of the cost of risk. The Bank’s free float increased to 18.7%



## STRATEGY & TRANSFORMATION

#positive #up #stronger #together

- Support for the energy transformation – financing, consulting, new products, further increase in volumes
- Commitment to providing top quality customer service - transformation of the corporate network, awards for the quality of business customer service
- New products for retail customers: tennis card, tennis deposit
- Continuation of technological changes using AI and cloud solutions

## BUSINESS ACTIVITY

- Positive quarterly sales dynamics of key retail products, with still more potential to grow
- Continuation of trends in loan volumes - slight increase of Institutional Customers’ loans (no significant rebound on the market), visible impact of the decision to limit the sale of mortgage loans to current Customers base on the dynamics of the retail portfolio
- Increase in the balance of funds invested by Retail Customers (deposits: +1.6% q/q, investment products: +8.8% q/q). Decrease in corporate deposits from a high base at the end of the year
- Growing transactionality and use of remote channels by customers

## FINANCIAL RESULTS

- Increase in NBI due to higher non-interest income, stabilisation of NIM
- Visible impact of inflation and investments in technological transformation on the cost base growth
- Normalisation of the cost of credit risk while maintaining a very good quality of the loan portfolio
- Marginal impact of the legal risk of the CHF loan portfolio in Q1 2024 after a significant growth in Q4 2023
- Further improvement of the capital position resulting from lower RWA (securitisation transaction completed in March 2024)
- Payment of dividend from 2023 net profit

net profit

**PLN 591 m**

+21% y/y

ROE

**18.0%**

+10 pp q/q  
+1 pp y/y

gross loans

**PLN 88.8 bn**

~0% q/q  
-2% y/y

NIM

**3.5%**

-4 bps q/q  
+25 bps y/y

NBI

**PLN 1.9 bn**

+6% q/q  
+12% y/y

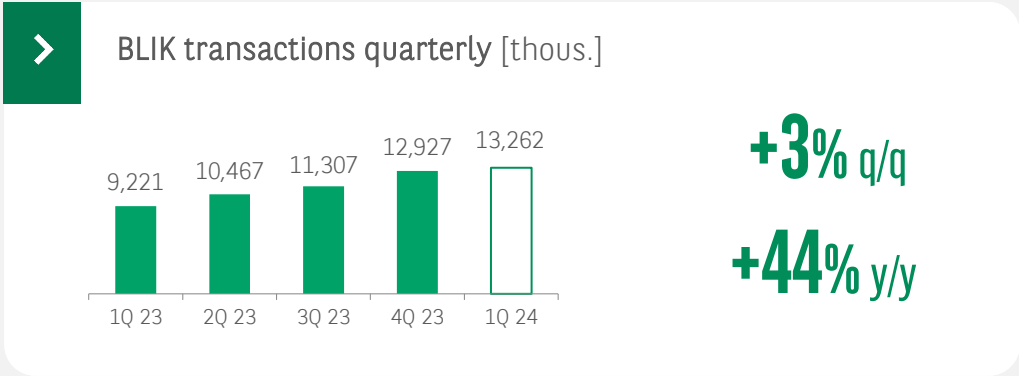
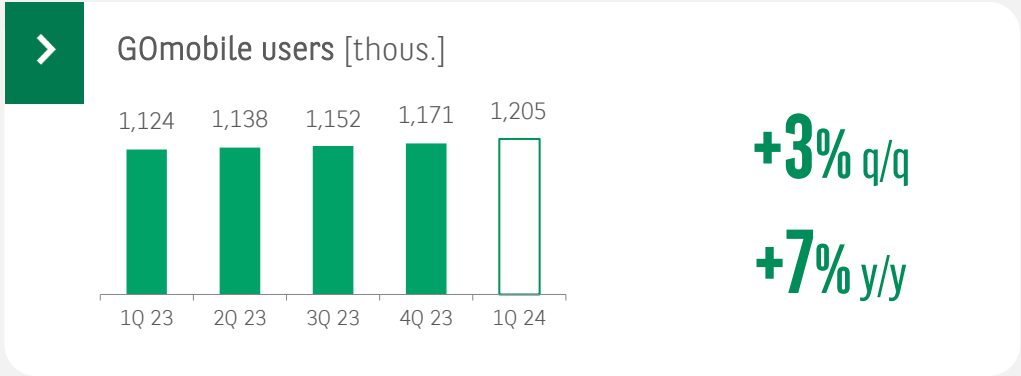
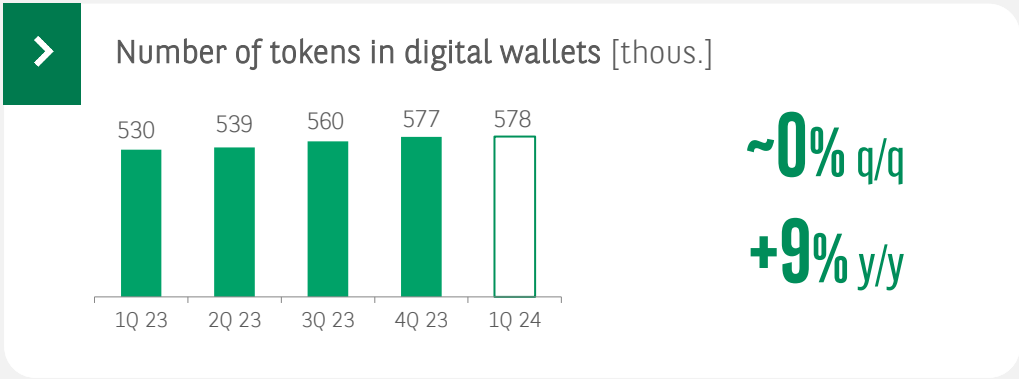
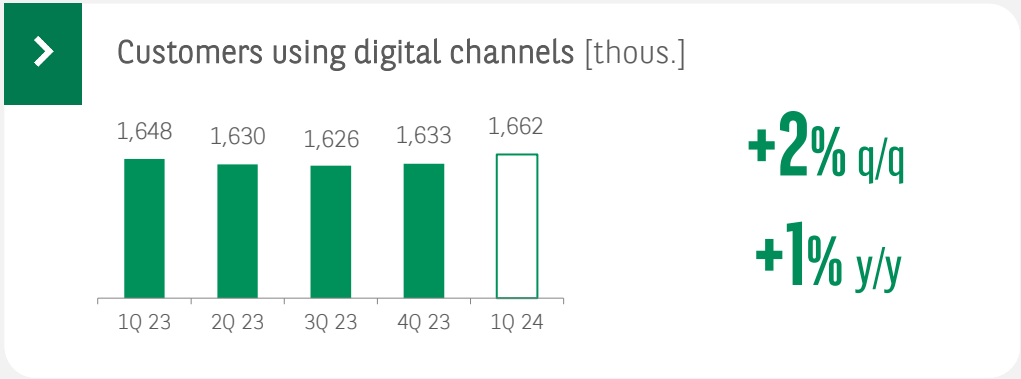
expenses

**PLN 921 m**

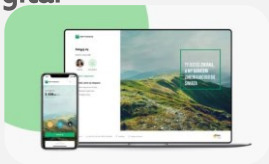
+12% q/q  
+17% y/y

# #G0digital - statistics

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



#G0digital



G0makler application



G0dealer application



G0invest service



# #Sustainable finance #positive banking

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

## STRATEGIC ROLE OF ESG MANAGEMENT

Go beyond 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 realisation.

## LIMITING OWN IMPACT

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

Our CO<sub>2</sub> emissions under constant scrutiny. Target to reduce CO<sub>2</sub> emissions from own operations by 55% by 2025 (vs. 2019).

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

## 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.

## SUSTAINABLE FINANCING

PLN 9.4 billion of sustainable (mainly green) financing granted by the Bank at the end of March 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.

## 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”.

## STRATEGIC PARTNERSHIPS



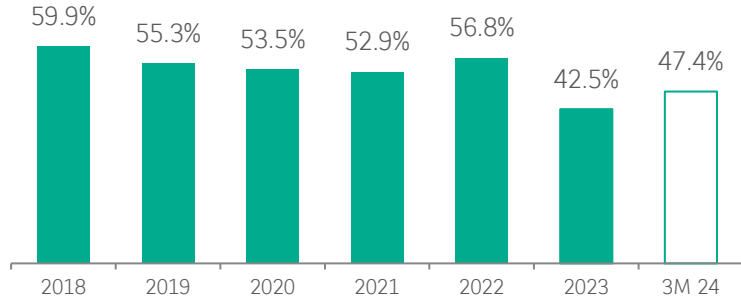
## Contribution to UN Sustainable Development Goals



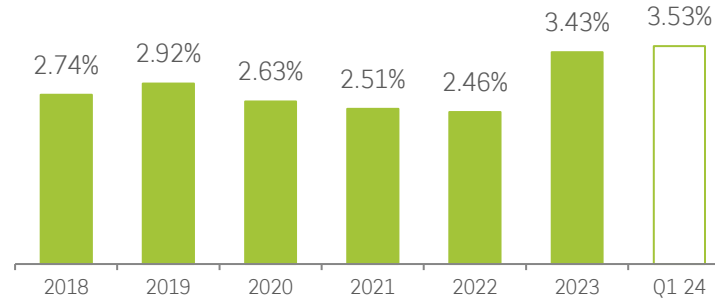
# Financial performance

Growth of net profit and cost base. Maintaining the net interest margin at the level achieved in the second half of 2023. High level of return on equity (enhanced by the lack of CHF risk impact)

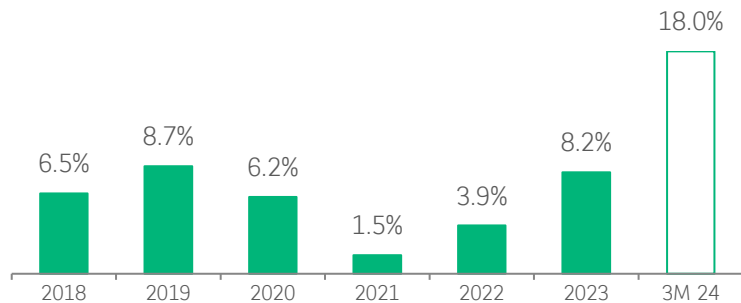
> Cost / Income [%]



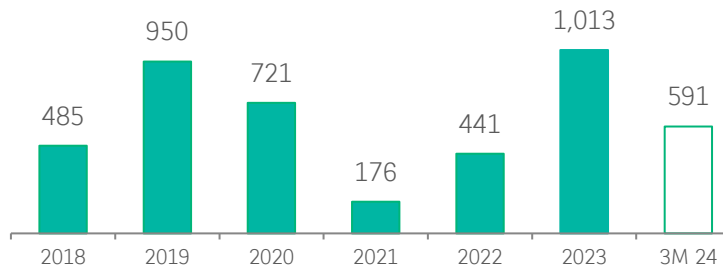
> Net interest margin [%]



> 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).

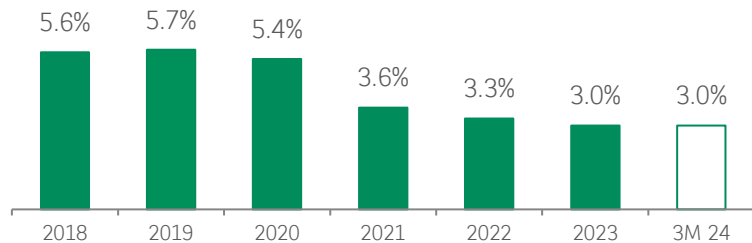
In 2020–2023, financial results impacted by the CHF portfolio legal risk (PLN -168 million, PLN -1,045 million, PLN -740 million and PLN -1,978 million in 2023, respectively). In Q1 2024 decrease of negative impact to PLN -21 million.

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).

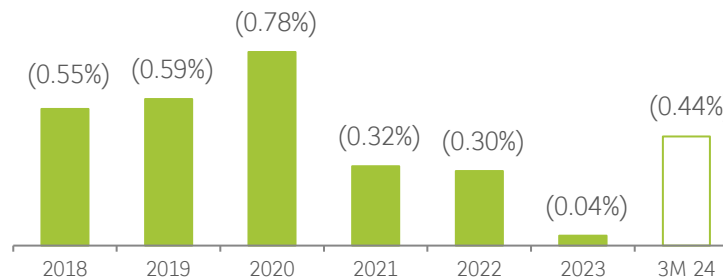
# Financial performance

Normalisation of the cost of credit risk, while maintaining the very good quality and resilience of the portfolio. Stable low level of the Stage 3 share in the loan portfolio. Safe capital position

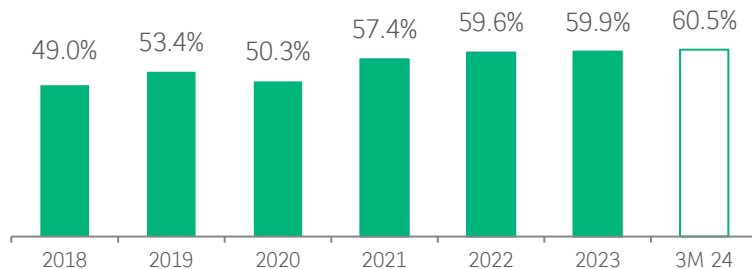
> Total loans – share of Stage 3 in the portfolio measured at amortised cost [%]



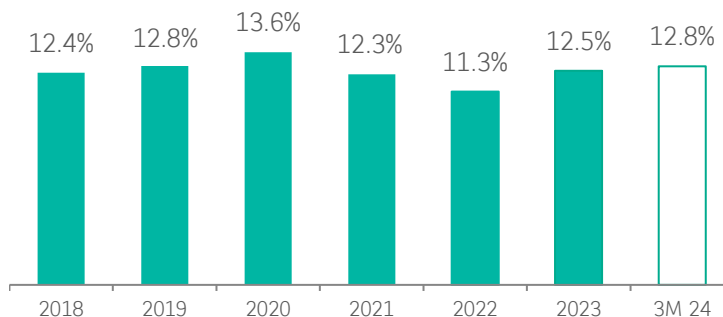
> Cost of risk [%]



> Stage 3 provision coverage [%]



> Tier I ratio [%]

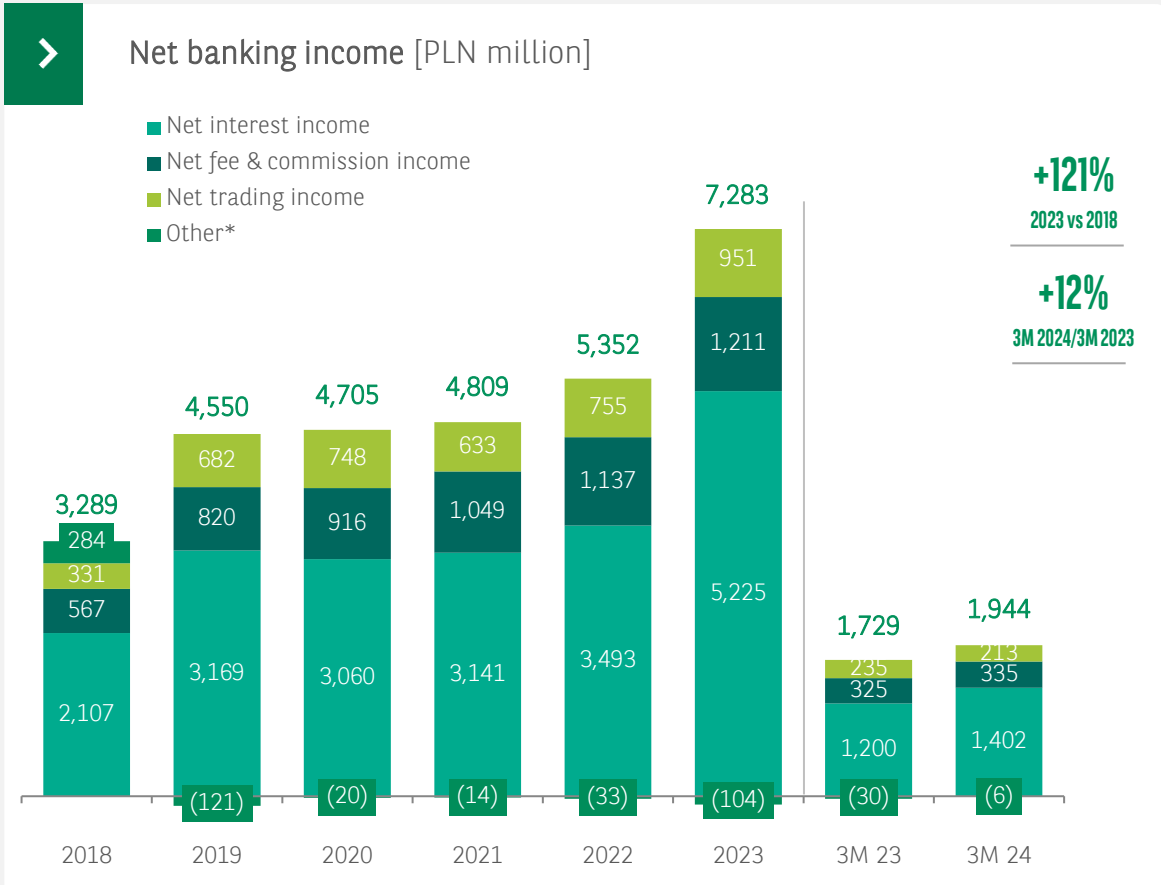


Adjusted values - all calculations based on consolidated reported data with the following remarks:

- 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.

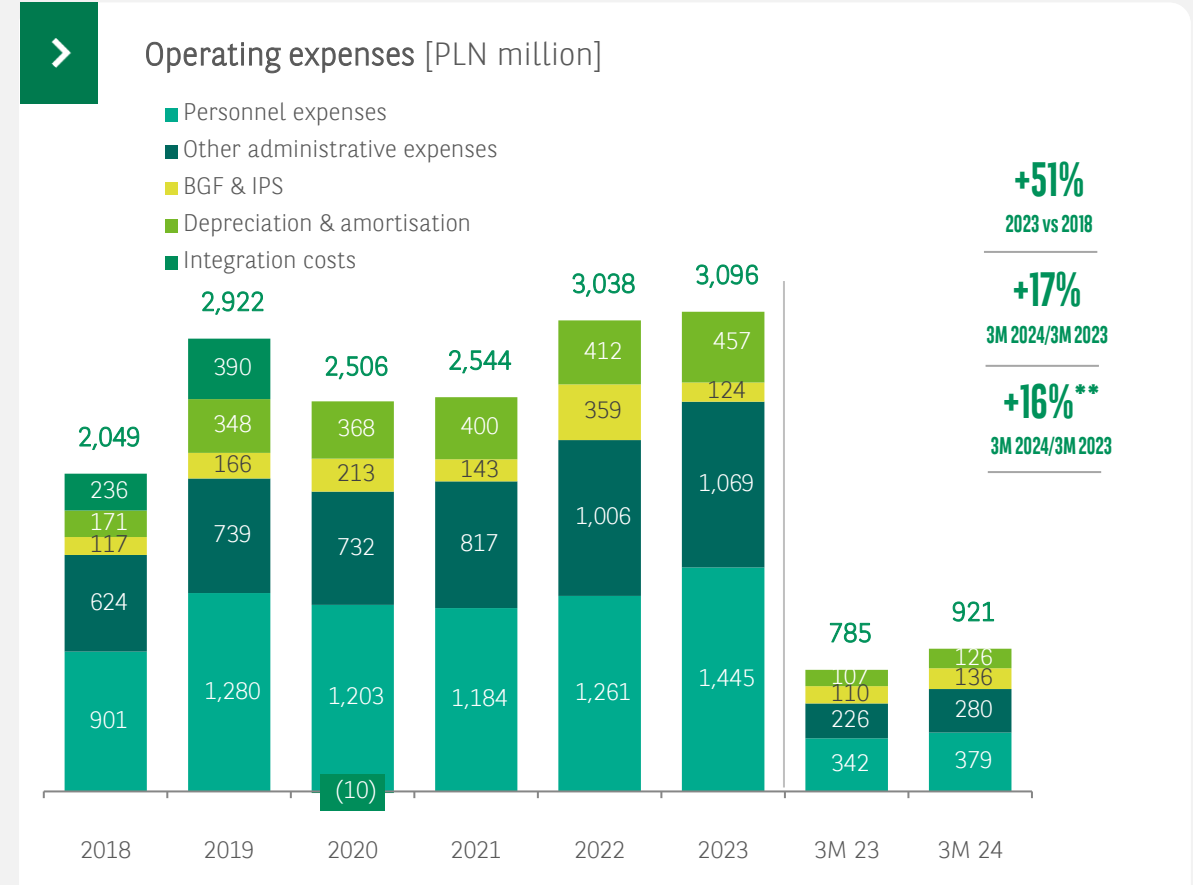
# NBI & operating expenses

NBI continuous improvement, visible impact of inflation and further investments in the area of transformation and digitization of the Bank on the cost base increase



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 and Q1 2024, improved performance in key core NBI categories.

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



In 2020 and 2021, synergies on track coupled with the effects of additional savings measures. In 2022, increase in BGF fees and additional costs of IPS creation. In 2023, operating expenses under control despite inflationary pressure. In Q1 2024 - impact of inflation and seasonal cost increase resulting from regulatory fees.

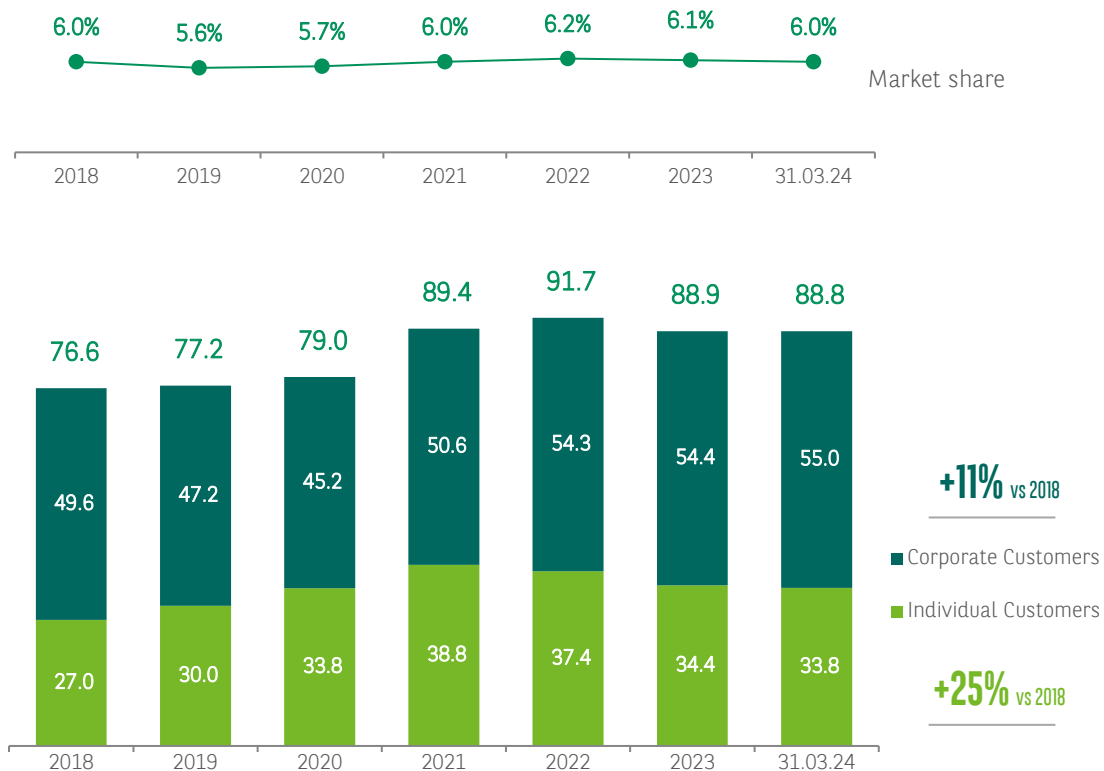
\*\* excluding BGF & IPS costs



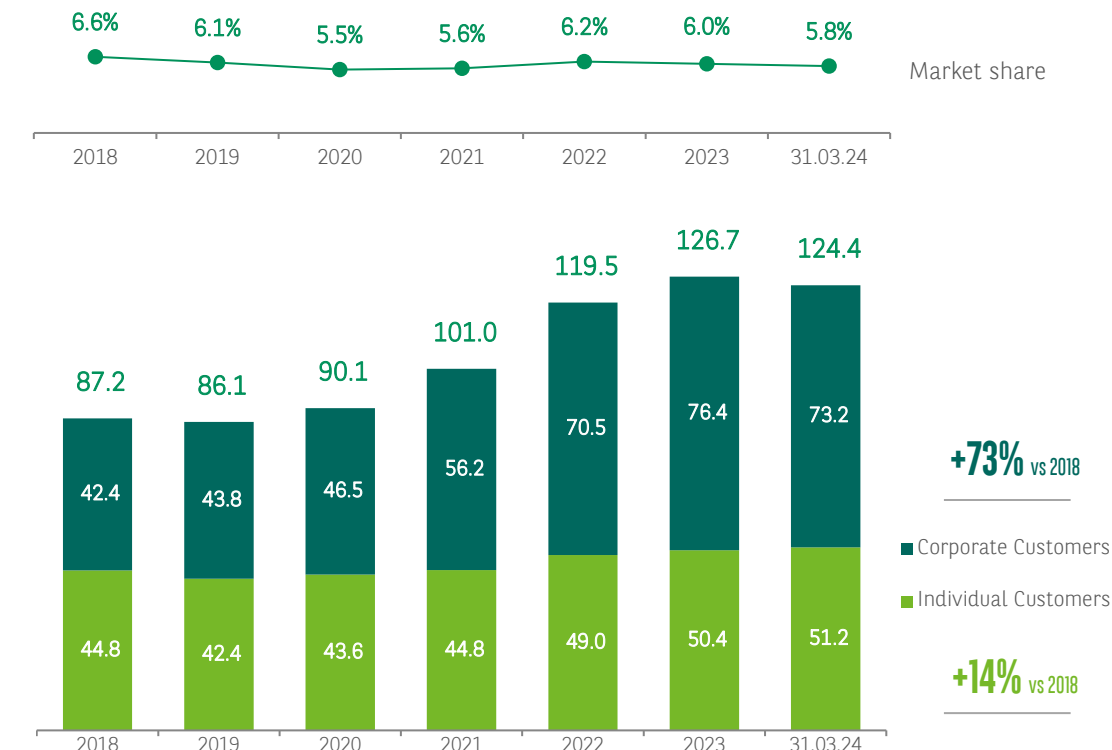
# Commercial volumes split by Customers

Stabilisation of the loan portfolio. Further stable growth in individual deposits. Increase in the share of institutional deposits in the deposit portfolio observed since 2022

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



> Deposits 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

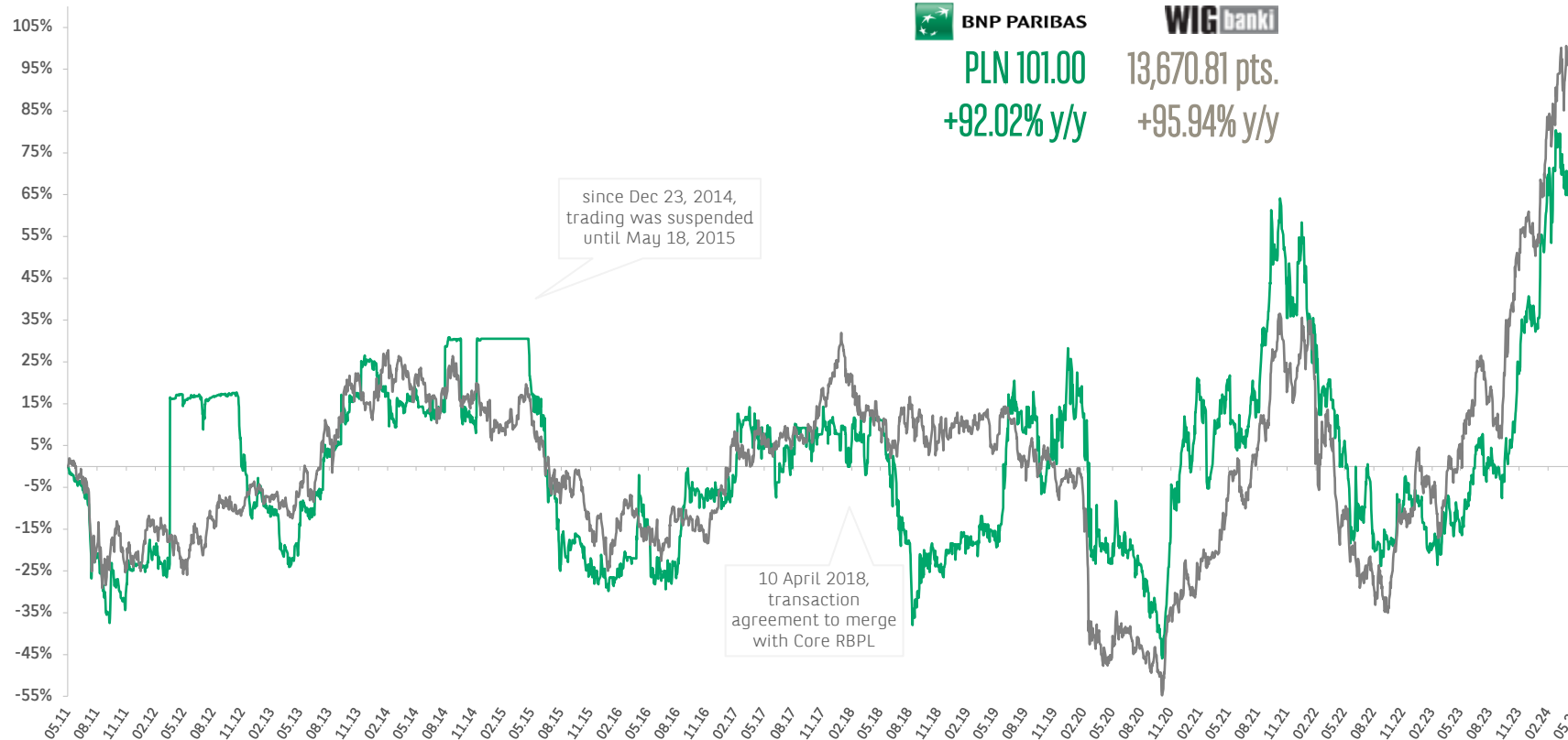
# Shares of BNP Paribas Bank Polska S.A.

Growth of all banks' share prices in Q1 2024 resulting from improved economic outlook and good results achieved in 2023. Further increase of the Bank's free float following the successful ABB

**> Change in the share price**  
 27.05.2011 = PLN 61.25 (100%)  
 (IPO of Bank Gospodarki Żywnościowej SA)

**30 April 2024**  
 free-float: PLN 2.8 bn  
 P/BV: 1.16; capitalisation: PLN 14.9 bn

**ISIN code:** PLBGZ0000010  
**GPW ticker:** BNP  
**Index:** sWIG80, sWIG80TR



## Fitch rating

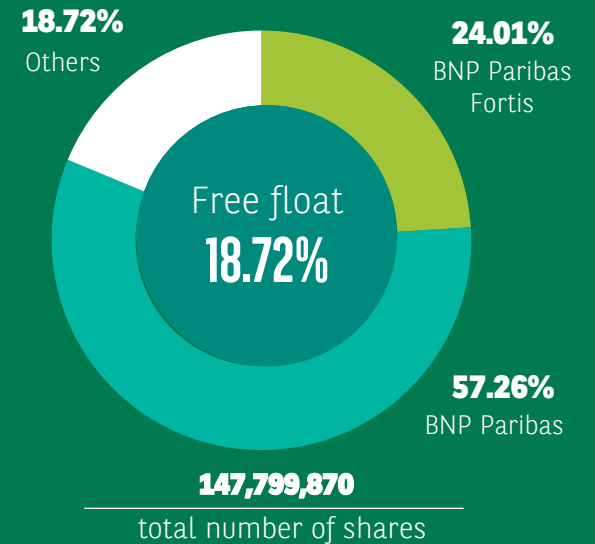
Long-Term Issuer Default Rating (LT IDR) – A+  
 Short-Term Issuer Default Rating (ST IDR) – F1  
 Viability Rating (VR) – bbb-  
 Shareholder Support Rating (SSR) – a+

## ESG rating of Sustainalytics Agency

low risk at the level of 10.2  
 the best result among Polish banks

## Shareholder structure

(5.04.2024)



On 5 April 2024, the Bank's share capital was increased from PLN 147,676,946 to PLN 147,799,870 as a result of taken up 44,608 M series shares and 78,316 N series shares in the exercise of rights attached to the A4 and B1 series registered subscription warrants, taken up previously.

On 14 March 2024, package transactions were concluded due to the completion of accelerated book building (ABB) regarding the sale of 8,860,616 shares of the Bank by BNP Paribas SA.



**BNP PARIBAS**

## **Investor Relations Bureau**

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[www.bnpparibas.pl/en/investor-relations](http://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 147,799,870.

# **INVESTOR RELATIONS**

**BNP PARIBAS BANK POLSKA S.A.**