



REPORT PRESENTING NON-FINANCIAL INFORMATION

OF THE BNP PARIBAS BANK POLSKA S.A. CAPITAL GROUP IN 2022

(including non-financial information of
BNP Paribas Bank Polska S.A. in 2022)





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Katarzyna Legut-Wturska, Business Banking Manager



Our approach to reporting

BNP Paribas Bank Polska S.A. has been publishing annual reports since 2011 containing non-financial data on the management of ESG (E – environment, S – social, G – governance), i.e. environmental, social and responsible business practices and corporate governance.

Starting in 2019, the Bank publishes integrated annual reports. **The Report of the Management Board on the activities of the BNP Paribas Bank Polska S.A. Capital Group in 2022 (covering the Report of the Management Board of BNP Paribas Bank Polska S.A. in 2022)** provides a comprehensive view of the business integrating financial and business performance with environmental, social and governance (ESG) impact aspects. The Report of the Management Board takes into account market best practices and addresses national and international guidelines relevant to the business for reporting non-financial information: Global Reporting Initiative (GRI) 2021 – International non-financial reporting GRI Standards. Standards, the ESG Reporting Guidelines prepared by the Warsaw Stock Exchange (WSE) in cooperation with the European Bank for Reconstruction and Development (EBRD), the International Integrated Reporting Council (IIRC) Guidelines, the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations on Climate Risk Reporting and the EU Taxonomy Regulation.

For the purpose of complying with Article 49b(9) of the Accounting Act, the Bank has separately prepared **the Report on Non-Financial Information of the BNP Paribas Bank Polska S.A. Group in 2022 (including non-financial information of BNP Paribas Bank Polska S.A. in 2022)**, which takes into account the non-financial information required by the provisions of the Act.

For a complete picture of our activities, we encourage you to review the Management Report, which is the result of our strategic approach to conducting business in line with sustainability principles. We fully integrate ESG matters into our business model and one of our key commitments is to contribute to the transformation of the economy towards sustainability and to finance Clients and investments ethically and responsibly.

BNP Paribas Bank Polska S.A. annual reports for previous years, including those published since 2011 containing non-financial information, are available on the Bank's [website](#).

Data presented in this Report refer to the period from 1 January to 31 December 2022, unless otherwise stated in the Report. The report presents the activities and financial and non-financial data of the BNP Paribas Bank Polska S.A. Group comprising BNP Paribas Bank Polska S.A. as the parent company and the companies comprising the BNP Paribas Bank Polska S.A. Group as at 31 December 2022. These are:

- BNP Paribas Towarzystwo Funduszy Inwestycyjnych S.A.
- BNP Paribas Leasing Services Sp. z o.o.
- BNP Paribas Group Service Center S.A.
- Bankowy Fundusz Nieruchomościowy Actus Sp. z o.o.
- Campus Leszno Sp. z o.o.
- BGZ Poland ABS1 Designated Activity Company.

Contact

Thank you for reading our report. If you have any questions or suggestions regarding the content we report, please do not hesitate to contact us: relacjeinwestorskie@bnpparibas.pl or csr@bnpparibas.pl.

More information is available at: <https://www.bnpparibas.pl/relacje-inwestorskie> and <https://www.bnpparibas.pl/csr>



The Group and the Bank

BNP Paribas Bank Polska S.A. (hereinafter: the Bank) is a universal bank.

Individual Customers are offered a selection of savings and investment products as well as a wide range of loans, including housing and consumer loans. Our comprehensive offer addressed to private banking Customers is aimed at the protection, optimisation and multiplication of assets. The Bank's Customers can also take advantage of investment advisory services.

We provide micro, small and medium-sized enterprises as well as corporations with local and international financing solutions. Our services are also addressed to enterprises from the agri-food sector. We specialise in financing agriculture, the food economy and regional infrastructure.

We have been active in the Polish market for over a hundred years. Our ties with the global BNP Paribas financial Group enable us to apply the best international practices. Thus, we can meet the needs of the local market and the expectations of the Bank's Customers. We provide our services all over the country through a network of Bank Clients' centres, partner branches, as well as online and mobile banking. We also cooperate with partner stores and selected car dealers.

As the Bank of Green Changes, we support our Customers' transition to a low-carbon economy and inspire them to make responsible financial decisions. We consistently pursue a strategy of financing investments with a positive social, economic and environmental impact

The Bank and its subsidiaries form the BNP Paribas Bank Polska S.A. Capital Group (hereinafter: the Group), which ranks sixth as regards balance sheet total in the domestic banking sector. Employment in the Group expressed in FTEs is 8.5 thousand.

The Bank is part of the international BNP Paribas Banking Group (hereinafter: BNP Paribas Group).

The shares of BNP Paribas Bank Polska S.A. are listed on the Warsaw Stock Exchange.

The Bank's head office is located in Warsaw, at 2 Kasprzaka Street.

Market shares

Table 1. Market shares of BNP Paribas Bank Polska

	31.12.2022	31.12.2021
Loans to nonbank Customers	6.1%	6.0%
Loans to individual Customers	5.6%	5.4%
Non-financial business entities	9.2%	9.1%
Deposits from nonbank Customers	6.2%	5.6%
Individual Customer deposits	4.8%	4.7%
Non-financial business entities	10.3%	9.1%

In the "Loans to nonbank Customers" category, the Bank's share in the sector was 6.1% at the end of 2022, compared to 6.0% at the end of 2021. This increase was mainly due to strong growth in the Bank's share of loans to businesses (with high double-digit growth in their volume at the Bank), accompanied by high growth in the share of PLN residential loans to individuals (associated with both their slow-growing volume at the Bank and declining volume in the sector), and solid growth in the share of the less volume-significant consumer loans segment (largely associated with their declining volume in the sector and modest growth at the Bank).

The Bank's share of non-bank Customer deposits recorded an increase to 6.2% from 5.6% at the end of 2021. This occurred mainly as a result of dynamic growth in the share of term deposits of private individuals, supported by strong growth in the share of corporate deposits.



Business model and value creation for stakeholders

The business activity of the BNP Paribas Bank Polska Group is based on operating segments (the business line's share of the Group's banking profit, NBI, for the 12 months of 2022 is given in %):

- Retail and Business Banking – provides services to individual Customers - including private banking Customers (Wealth Management) and business Customers - including microenterprises. The highest share of the NBI - 41.0%,
- Corporate Banking - offers a wide variety of financial services to big and medium-sized enterprises, local government entities and entities that are part of international capital groups. The share in NBI - 30.7%,
- Small and Medium Enterprise Banking - provides services to Agro and non-Agro customers. The share in NBI - 10.7%,
- Corporate and Institutional Banking (CIB) - supports sales of the Group's products to Polish companies and provides services to strategic Customers. The share in NBI - 7.4%,
- Other banking activities are carried out within the Asset and Liability Management Division and the Corporate Center. The share in NBI - 10.2%.

Foundations of operations

Completeness of the offer

We offer Customers a variety of financial products and services provided by the Bank and Group companies. We are close to our Customers. We provide services in a network of Bank Clients' centres, and we are constantly developing and adapting our centres to their needs. Our loan products are also available at partner stores and selected car dealer networks. To meet the technological challenges, we are constantly developing our products and digital service channels: mobile and online banking, new forms of communication.

Offer availability

We seek to provide equal access to banking for each Customer, therefore we are improving our products and introducing accessible infrastructure at our Clients' centres to provide access to banking for people with disabilities, seniors and those from vulnerable groups.

Responsible Risk Management

We aim to provide the highest quality services to our Customers. Prudent market management and a culture of Compliance are the pillars of our business operations. We have implemented and follow procedures to manage risk. One of the key elements of this system is the management of ESG risks, including climate risk.

Supporting a Customer in a sustainable transformation

Long-term support for the sustainable development of the economy and building lasting relationships with customers and other stakeholders of the Bank are key components of our responsibility. We offer products and services tailored to the changing needs of our customers, while responding to global challenges and local market conditions.

Key resources

- **Financial capital** - we use the funds raised from Customers and shareholders and the profits we generate to offer responsible financial products and services.
- **Human and intellectual capital** - through the knowledge and competence of our employees, we create innovative products and services to meet the needs of our customers.
- **Operating capital** - we work agilely and continuously to develop and improve the quality and availability of our services through traditional and digital contact channels.
- **Social capital** - as a public trust institution, we initiate actions for positive changes in our environment.
- **Environmental capital** - we care about the environment and offer solutions to support sustainable economy.

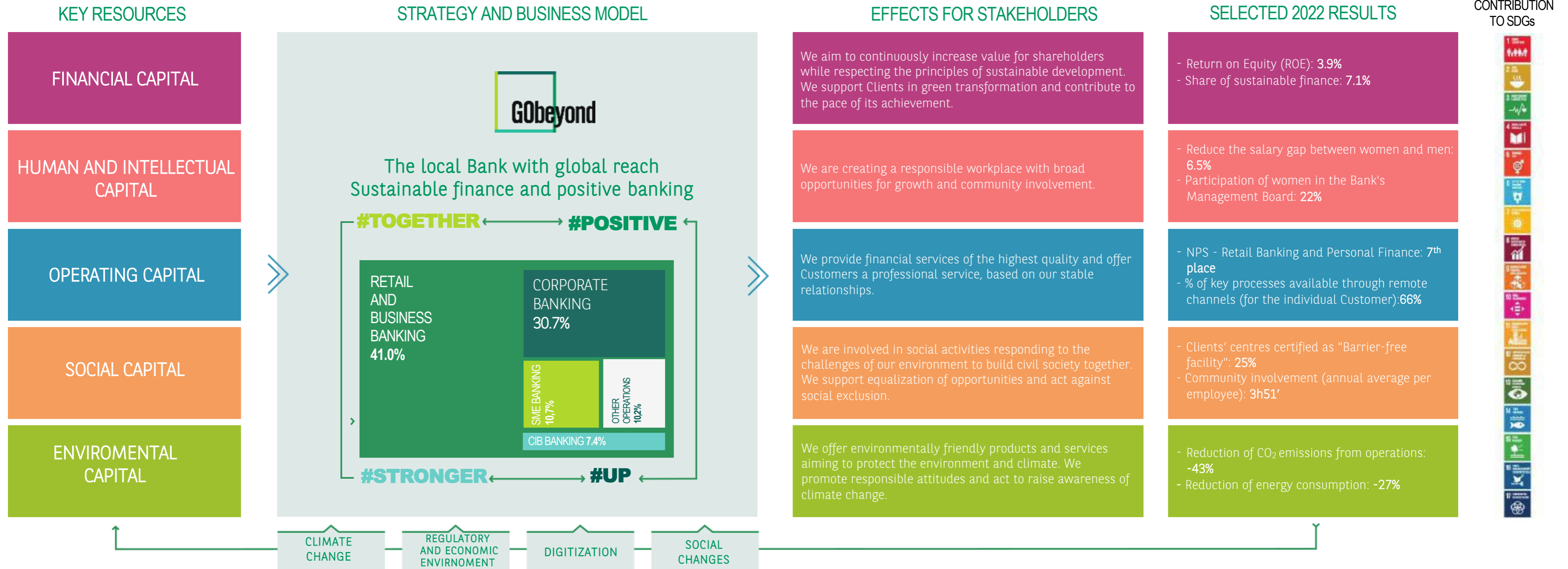
The Bank's mission

We bring positive banking into our Customers' lives, meeting their financial needs and making it easier for them to achieve their goals. In a simple, thoughtful and secure way. Caring for society and the environment.

We live in a changing world. Therefore it is especially important for us to secure financial needs and introduce innovations. We support Customers in their sustainable development. We care about the professional development and engagement of our employees. We generate increased shareholder value and benefits for the economy, environment and local communities.



IN A CHANGING WORLD WE SUPPORT OUR CUSTOMERS IN THEIR SUSTAINABLE DEVELOPMENT





GOeyond 2022-2025 business strategy

The main objective of GOeyond's new strategy for 2022-25, adopted by the Bank's Management Board and the Supervisory Board in March 2022, is to continue the dynamic growth of the Bank, which will be an institution that operates efficiently, with engaged employees and satisfied customers, while being a leader in the area of sustainability. GOeyond's strategy, after multistage building of scale through acquisitions in previous years, focuses on organic growth with a responsible approach to risk management.

Although the volatile environment may affect the Group's financial performance in the future, our ambition is to achieve the following targets by 2025:

- **Return on equity (ROE): ~12%**
- **Cost/income ratio: max. 48%**
- **Share of sustainable financing: 10%**

The strategic directions included in GOeyond's new strategy are based on solid foundations and the Bank's sustainable and diversified business model. The directions set are valid despite the volatile environment we currently face. The new strategy was developed internally, by a broad group of Bank employees representing all key areas, and by representatives of the subsidiaries.

GOeyond's strategy is based on 4 pillars:

PILLAR UP

GOeyond's strategy is a growth strategy. Our aim is to increase the number of Clients served, strengthen our market position and increase revenues. The Bank sees potential for growth in all Customer segments.

Retail Banking and Personal Finance

Achieving high Customer satisfaction, which translates into an increase in the number of active customers (by 0.5 million to 4.5 million). This will be achieved through innovative products (including those that go beyond banking), personalised communication and broad accessibility to the Bank's products through remote channels.

SME, Corporate and CIB Banking

Seeking to strengthen its position among international Clients and large local corporations, (including supporting their international expansion). The Bank wants to increase its active customer base, served using digital solutions. A key objective is to deeply optimise and shorten the credit process.

PILLAR POSITIVE

The Bank aims to be a leader in sustainable finance by developing a range of dedicated products and services for all business lines. It will consistently aim to its own climate neutrality and support its Customers in doing so. Responsibility, accessibility, transparency and ethics will dominate the relationship with customers. Activities for the benefit of local communities and involvement in education and public debate, will support the building of the Bank's brand.

PILLAR STRONGER

Improvement of internal processes, transformation of the IT area using the latest technologies and acceleration of new solutions implementation. The planned investments in this area will reach a total of PLN 1.5 billion. The objective is to quickly and cost-effectively scalability as the basis of a modern digital bank. Supporting business development by advanced analytical tools. Maintaining a secure and optimal capital and liquidity position. Initiate dividend payments during the current strategy.

PILLAR TOGETHER

A committed and satisfied workforce guarantees a high level of Customer satisfaction. A new organisational culture that supports employee development, proactivity and creativity, and encourages brave decisions. Starting to operate under the Agile@Scale working model from 2022. Ensuring work-life balance and paying attention to employees' mental health. Supporting the development of women and promoting diversity.

Implementation of the Strategy in 2022.

In March 2022, the Bank announced a new GOeyond strategy (for 2022-25). Its presentation came shortly after the outbreak of war in Ukraine, which again, after two years of COVID-19 pandemic, tested the Bank's ability to quickly change plans and adapt to the new situation. From the beginning of the conflict, the Bank and its employees were involved in helping those seeking refuge in Poland. The support provided was financial, material, and was also in the form of providing accommodation. More than a thousand people found shelter in locations provided by the Bank. The Bank immediately, just 4 days after the outbreak of war, adapted its offer and processes to the needs of refugees. Although the strategy was created in radically different circumstances, the Bank considered that its provisions remain valid. The strength of the plan for the upcoming years is the way it was created. More than 200 key individuals from the organisation were involved, whose visions for development were deeply confronted and compiled into coherent directions that respond to the needs of the Bank and its Customers. The result of this approach has been a smooth transition to the implementation of the plans, where some of these materialised even before the official announcement of the new strategy. An example of such activity is the transition of 1,300 employees to work within Agile@Scale since 1 January 2022. The aim of the new work organisation is to accelerate the Bank's transformation while improving cost efficiency and higher employee satisfaction. The trajectory of the latter exceeded expectations. Employee satisfaction, as measured by the eNPS index, increased from -9 points in 2021 to +18 points in 2022.

Bank developed its offer of products and services, focusing, among other things, on fixed-rate loan products. For retail Customers, the first mortgage loan offer on the market with a fixed interest rate period of 10 years was introduced. Fixed-rate loans were also offered to micro-businesses (cash loan) and farmers (working capital loan). Particularly a number of



new facilities have been introduced for those running small enterprises. This was a range of functionalities in digital channels, including an accounting service.

The Bank was continuing its commitment to sustainable transformation by finalising three major Sustainability-Linked Loan operations. In December, the Bank launched a brand new corporate product, which is financing based on the borrower's ESG rating that enables a company, to obtain more favourable financing terms by improving its standards for managing sustainability issues. The Bank's long-standing focus on sustainability, was reflected in the achievement of the best ESG rating of 10.9 (low risk) among Polish banks by Sustainalytics.

In the area of technology, the Bank has introduced significant improvements. The hotline has been enhanced with a voicebot function, while the chatbot operating within online banking has achieved very high E2E service rates. The Bank is also continually strengthening the security of Customers providing for instance the possibility of behavioural analysis in remote channels to support the detection of possible account hacking. The bank also protects Customers against phishing by verifying the identity of the Bank employee and the Customer during a phone call, using push notifications in the mobile app. This solution received an award from Gazeta Bankowa as part of the TechnoBusiness 2022 competitions. In terms of the individual Customer, the percentage of processes that can be performed fully remotely has clearly increased. This indicator has increased from 55% to 66% over the three quarters of the strategy and is on track to reach the target of 90% in 2025.

The year 2022 was also associated with negative market and regulatory issues affecting the Bank and the sector as a whole. Opportunities to improve profitability through interest rate increases did not materialise, as a result of the introduction of suspension of performance of mortgage contracts. In addition, global risk aversion caused a significant repricing of government bonds, which the sector affected in the decline of its portfolio holdings. This took place against a backdrop of still growing provisions for foreign currency loans and sustained long-term charges such as the Bank tax. At the moment, the banking sector is struggling to generate profits, even at a level that allows it to maintain its capital base. In the shorter term, this will be difficult or impossible to continue to finance the economy at the required level. In the longer term, this could threaten the stability of the sector as a whole.

Execution of strategic financial targets in 2022

Ratio	2025 strategic target 2025	2022 execution
Return on equity ratio (ROE)	~12%	3.9%
Cost/income ratio (C/I)	max 48%	56.8%
Share of sustainable financing	10%	7.1%

FILAR UP

Activities under the strategy's objectives in 2022

PILLAR	KEY ACHIEVEMENTS 2022
#UP Offering high quality banking products as well as and non-banking products and services as the key to growing the Customer base in an omnichannel world. Creating an excellent customer experience by designing customised pathways	<ul style="list-style-type: none"> Introduction of fixed-rate loans for micro businesses (cash loan) and farmers (working capital loan). Poland's first mortgage with a 10-year fixed rate. New innovative products: financing of early-stage technology companies ('scale ups') with a loan from PLN 500,000 to PLN 2 million, micro-factoring in cooperation with Fandla. Immediate (4 days after the outbreak of war) adaptation of the offer and account opening process to the needs of the Ukrainian people. GOdealer - the new mobile application for currency exchange. Fast currency transactions via phone for all Customers - from individuals to the largest companies. The first place in the Traditional Banking category in the Newsweek's Friendly Bank ranking and the second place in the Forbes magazine's Company Friendly Bank ranking.

Strategic commitments and their implementation

Indicator	2025 strategic goal	2022 execution
NPS - Retail Banking and Personal Finance	TOP 3	7th place (group study)
% of key processes for individual Customers available via remote channels	90%	66%
Number of active Customers (individual Customers and micro-enterprises)	4.5 million	4.0 million
Sales via digital channels (individual Customers)	>50%	25.5%
Market shares in new sales (ROR accounts, cash loans, mortgage loans)	7%	<ul style="list-style-type: none"> current accounts: 5.5% (average after 3 quarters) cash loans: 5.1% mortgage loans: 7.1%
Number of active micro-enterprises	340 thousand	272 thousand
Number of micro companies active in digital channels	230 thousand	165 thousand
Maintaining the leading position in the agro segment (share in the loan market)	>25%	26.4%



Indicator	2025 strategic goal	2022 execution
Increase in the number of active food processors [vs 2021]	+30%	+17%
Increase in the number of active food processors [vs 2021]	>18%	+5%
Increase in the number of active international Customers [vs 2021]	>22%	+9%
Number of Customers active in digital channels (corporate and SME banking)	37 thousand	30.1 thousand (GOonline Biznes)
Increase in loan volumes (corporate and SME banking 2025-2021)	+6% annual average	+11%

FILAR POSITIVE

Activities under the strategy's objectives in 2022

PILLAR	KEY ACHIEVEMENTS 2022
<p>#POSITIVE</p> <p>Responsible and reliable financial partner supporting the positive and sustainable development of Customers, business and society. A guide for Clients in a world of digital and sustainable transformation.</p>	<ul style="list-style-type: none"> • Three significant Sustainability-Linked Loan transactions, i.e. general purpose financing, linked to improved sustainability (ESG) indicators: Wirtualna Polska Holding, Velvet Care, Fabryka Farb i Lakierów Śnieżka. • ESG Rating-Linked Loan - a new type of financing linked to an improved ESG rating score and the establishment of a partnership with the rating agency EcoVadis. • Contracts to support energy efficiency projects in cooperation with the EIB. • The best ESG Risk rating score by Sustainalytics among Polish banks. • Strengthening employee engagement: launch of online platform to manage employee volunteering, 202 parcels through Noble Gift, 3 hours 51 minutes - employee social engagement (annual average per employee). • 103 Clients' centers with the "Barrier-free facility" certificate.

Strategic commitments and their implementation

Indicator	2025 strategic goal	2022 execution
Share of sustainable finance [vs 2021: 4.5%]	10%	7.1%
Total value of green and sustainable bonds of the Bank's Customers [vs 2021: 0]	PLN 1,400 million	0
Share of sustainable assets in management [vs 2021: 5%]	30%	19%
Social involvement of employees (annual average per employee)	4 hours	3 hours 51 minutes
Clients' centers with the "Barrier-free facility" certificate [vs 2021: 18%]	50%	25%
Reduction of CO ₂ emissions caused by operations [vs 2019]	55%	43%



FILAR STRONGER

Activities under the strategy's objectives in 2022

PILLAR	KEY ACHIEVEMENTS 2022
<p>#STRONGER</p> <p>The global strength of the BNP Paribas Group and the dynamic technological development combined with the optimisation of E2E processes as the basis for organic growth and high Customer satisfaction.</p>	<ul style="list-style-type: none"> • Optimisation of the complaint process. Decrease in the number of complaints by 6% y/y and improved evaluation of the process by Customers. • Protecting customers from frauds: the first in Poland verification of the identity of a Bank employee and a Customer during a phone call, using push notifications in a mobile app. Implementing behavioural analytics at GOonline. • Convenient transaction solutions: further development of BLIK functionalities (instalment and credit card repayment, mobile transfer), aggregator of accounts from other banks (open banking). • Modern methods of Customer service (implementation of a voicebot on the Bank's call centre, increasing use of chatbot on GOonline). • Convenient functionalities for micro-entrepreneurs: an advanced GOKsięgowość system, a payment terminal on the phone (SoftPOS), completely remote opening of a company account using biometrics and electronic signature. • Digital Fraud Innovation Lab: working with external companies to more effectively combat cyber risks.

Strategic commitments and their implementation

Indicator	2025 strategic goal	2022 execution
Total investment in technology by 2025	PLN 1.5 billion	PLN 350 million
Optimisation of all key end-to-end processes	38 processes	19
Increase in efficiency of operations [vs 2021]	>10% per year	+23%
Number of use cases using artificial intelligence or advanced data analytics	>200	58

FILAR TOGETHER

Activities under the strategy's objectives in 2022

PILLAR	KEY ACHIEVEMENTS 2022
<p>#TOGETHER</p> <p>People first: we focus on people. Committed and satisfied employees guarantee a high level of Customer satisfaction. Agile@Scale and a new organisational culture the as a foundation for a diverse and inclusive working environment based on trust, courage and creativity.</p>	<ul style="list-style-type: none"> • A year of operation in the new Agile@Scale style. Tribe objectives integrated with strategy directions. • Improvement in employee satisfaction measured by the eNPS – index up by 27 points in one year. • Bank and employees' involvement in initiatives supporting refugees (more than 1,400 employees involved in volunteering for Ukraine). • Developing the competences of the future: 'UniversITy' training in the area of New Technologies and Cyber Security. • Supporting employee networks: "Women changing BNP Paribas" (3 years of activity), "BNP Paribas Pride Poland", "Dad, you've got it made", "Agave Age". - Network created by female employees and 50+ employees.

Strategic commitments and their implementation

Indicator	2025 strategic goal	2022 execution
Participation of women on the Bank's Management Board [vs 2021: 22%]	30%	22%
Reducing the pay gap between women and men [vs 2021: 7,3%]	<4,0%	6.5%
eNPS - Net Promoter Score of employees [vs 2021: -9]	20	18
People working within Agile@Scale	>1 300	~1,400



Key non-financial performance indicators

Table 2. Key non-financial performance indicators reported for the Bank and Group

	2019	2020	2021	2022	Change 2022/2021	Comment
About the Bank						
Number of Customers of all business lines (in thousands), of which:	3 887	3 938	4 117	4 186	1,68%	
Individual Customers	3 601	3 639	3 810	3 874	1,68%	
Corporate Customers	286	299	307	312	1,63%	
Number of retail banking Customers - GOonline internet banking users	-	-	790 012	743 151	-5,93%	
Number of mobile banking users GOMobile	-	-	911 142	1 094 963	20,17%	
Retail and business banking Clients' centers	514	459	427	410	-3,98%	In 2022, the structure was simplified and a new model of working in the network was introduced.
ATMs supporting only standard withdrawals and transactions provided by VISA and Mastercard systems	238	140	58	30	-48,28%	Change to dual-function machines.
Dual-function machines	417	462	514	537	4,47%	
Private banking centers	18	15	15	15	bez zmian	
Corporate banking centers	25	25	30	14	-53,33%	In 2022, the structure was simplified and a new model of working in the network was introduced.
SME business centers	50	50	45	34	-24,44%	
Economic responsibility						
Number of CSR Analyses carried out during the year	218	225	174	207	18,97%	
Value of sustainable financing (in PLN billion)	-	-	3,9	6,5	66,67%	
CSR declarations signed by our new suppliers during the year	333	240	43*	27	not applicable	The Bank has targeted existing suppliers with whom it already has signed CSR Declarations. The same document is not required to be signed again for each bidding process.
Percentage of expenditure on products and services accounted for by purchases from local suppliers in a given year	89%	85%	85%	85%	no change	
Responsibility at the workplace						
The Bank's headcount (number of employees)	9,899	9,210	8,809	8,392	-4,73%	In light of the need to adapt the Bank's business model to the changing business environment, a collective redundancy programme for 2021-2023 was announced in December 2020 in consultation with the trade unions. In addition, in order to mitigate the social impact of the collective redundancies, the Bank agreed with the trade unions to pay additional compensation and other elements of social protection, in addition to the statutory severance payments due to the redundant employees, and launched a



	2019	2020	2021	2022	Change 2022/2021	Comment
The Group's headcount (number of employees)	10,219	9,455	9,035	8,585	-4.98%	<i>Voluntary Redundancy Programme. In 2022, the Collective Redundancy Programme and the Voluntary Redundancy Programme continued.</i>
Number of training hours - average per person employed by the Bank in a given year	26	18.3	24.32	28.99	19.20%	
Percentage of women in managerial positions in a given year	62%	62%	56%	53%	-5.69%	<i>Simplification of the structure and a new model of working in the network, as well as transition to the new Agile@Scale operating model, has resulted in a change in the proportion of women in managerial positions.</i>
Social responsibility						
Number of the Bank's volunteers involved in the Noble Gift campaign in the given year	3 317	2 470	2 610	3 028	16,02%	
Amount of donations made under the Local Grant Programme in a given year	200 000	240 000	300 000	300 000	bez zmian	
Total number of Local Ambassadors of the Bank operating throughout Poland	90	130	100	132	10,00%	
Kilometres achieved through the Good Kilometres campaign in a given year	40 643	70 000	71952	75 474	4,89%	
Total number of regular donors under the Support All Year programme	180	200	260	345	32,69%	
Number of scholarship recipients of the "Class" programme in a given year	111	100	83	95	14,46%	
Number of Clients' centers with the "Barrier-free facility" certificate	28	51	77	103	33,77%	
Environmental responsibility						
Number of photovoltaic installations financed for individual customers (in thousands)	10 553	10 003	16 065	6 413	-60,08%	<i>A decrease is due to an apparent lower propensity to take out loans for PV installations with the change in billing rules introduced on 1.04.2022.</i>
Group greenhouse gas emissions generated from operations	20 149	9 349	10 792	11 539	6,92%	<i>An increase in the Group's greenhouse gas emissions in 2022 results from an increase in business travel and the need for increased gas use at the subsidiary Campus Leszno (accommodation of refugees from Ukraine). A relevant explanation can be found in the chapter "Reducing the carbon footprint".</i>
Hybrid and electric cars in the fleet	70	174	376	606	61,17%	
Electricity utilised by the Bank from renewable sources	33%	100%	100%	100%	bez zmian	



ESG Management

Supervision of environmental, social and governance - ESG (E - environmental, S - social, G - governance) issues, including the implementation of the CSR and sustainability strategic objectives, is provided by the Board of Management headed by the CEO. The Board of Management approves the direction and scope of activities, and gives its opinion and oversight on the integration of sustainability activities. As part of its oversight and management of ESG issues, the Board takes into account the voices and opinions of stakeholders resulting from reports received, Client and employee surveys and information from ongoing partnerships with NGOs. Reports and research are presented, among others, at Board meetings. The members of the Board of Management are responsible for meeting the annual ESG targets. Particular priority is given to targets related to the development of sustainable product offerings. Ambitions for their sales are embedded in the objectives of the entire senior management team and, in the case of individual business lines, cascaded successively to the sales teams.

Since January 2022, sustainability responsibilities previously divided between the various units of our Bank have been carried out by the **Sustainability Area**, acting as the coordinator of ESG activities in the organisation. The Executive Director of the Area (with the rank of a Board Member), reports directly to the CEO. In addition, the Executive Director also heads the informal structure of the Sustainability Community, acting as Chief Sustainability Officer.

The tasks of the Sustainability Area are as follows:

- coordination of strategic ESG activities, CSR activities and sustainability,
- planning and managing the Bank's budget for the implementation of ESG, CSR and sustainability initiatives,
- initiating sustainable products and services with a positive impact, focusing in particular on supporting the energy transition (including RES),
- cooperation with financial institutions and organisations, rating agencies, customers and other external stakeholders,
- cooperation with other units and organisational departments as well as the Bank's internal stakeholders,
- monitoring ESG risk of the Bank's Customers and transactions as well as coordinating Corporate Social Responsibility Policies and analyses, particularly in sustainability-sensitive sectors,
- initiating, implementing and reporting on sustainability initiatives, projects and programmes,
- building the Bank's position as a leader of sustainability, including sustainable finance.

The Sustainability Area is composed of three units. The Energy Transition Facilitation Department is responsible for cooperating with financial institutions and organisations with the aim to support the energy transformation. The tasks of the CSR and Sustainable Finance Department include coordinating the implementation of sustainability and ESG strategies, cooperation with stakeholders and rating agencies, monitoring ESG risk of Customers and transactions, and coordinating CSR policies and analyses, especially in vulnerable sectors. The Sustainability Strategy Implementation

Support Team works together with the Bank's internal stakeholders in terms of sustainability tasks and is responsible for budgeting and reporting processes and oversight of strategic initiatives.

Our Bank's sustainability efforts are supported by the **Sustainability Community**. It is an informal structure formed by:

- the Sustainability Council, which consists of 22 representatives of the Bank's key areas and business lines. The Sustainability Council is headed by the Chief Sustainability Officer, the Executive Director of the Sustainability Area,
- Sustainability Officers, more than 150 people selected through an internal recruitment process, who have taken on the role of supporting the implementation of ESG initiatives within the organisation in addition to their day-to-day duties,
- units of the Sustainability Area.

The role of the interdisciplinary and intersectional Sustainability Council is to combine various competences and undertakings alongside the structures already in place. The Council is responsible for ensuring that the strategic objectives related to the implementation of the UN Sustainable Development Goals (SDGs) are understood and shared within all areas of the Bank's business and among Customers. The Board's responsibilities include defining and monitoring strategic ESG activities, overseeing the development of sustainable products and services and linking initiatives across the different business areas. The Council is also responsible for approving relevant reporting subjects. The Council members meet on a monthly basis to review activities related to ESG aspects.

Sustainability Officers coordinate and implement activities on sustainability and ESG aspects and work closely with the Sustainability Council and Management Board.

ESG policies and procedures

The main policies, procedures and other documents governing due diligence issues related to ESG aspects at Group and Bank level. All policies are approved by the Management Board by means of an appropriate resolution. Policies and procedures of an internal and confidential nature are available to employees through the Intralex system. Policies and procedures of an open nature are available to external stakeholders through the Bank's website.

Each policy and procedure has an assigned regulatory owner, who is responsible for the implementation of the commitments, the integration of the commitments into the Bank's business strategy, in the business relationship, and the provision of the necessary training in this area.

The implementation of the individual policies is described in the chapters covering each area.



Area	Documents implemented (as at 31.12.2022)
Social issues	<p>At the BNP Paribas Bank Polska Group level:</p> <ul style="list-style-type: none"> • BNP Paribas Group Code of Conduct (https://www.bnpparibas.pl/csr/strategia-csr/lad-korporacyjny) • BNP Paribas Group Corporate Responsibility Principles (https://www.bnpparibas.pl/csr/strategia-csr) • BNP Paribas Foundation Statutes (https://www.bnpparibas.pl/fundacja) <p>At BNP Paribas Bank Polska S.A. level:</p> <ul style="list-style-type: none"> • CSR Policy - Corporate Social Responsibility Corporate Social Responsibility Policy at BNP Paribas Bank Polska S.A. • Rules of Procedure for Employee Volunteering BNP Paribas Bank Polska S.A. Employee Volunteerism Regulations, regarding the rules of involvement of the Bank's employees in employee volunteerism • Local Grants Programme Regulations • Donation Budget Regulations of BNP Paribas Bank Polska S.A. • Donations, Partnerships and Sponsorships Policy <p>Principles of ESG risk management at BNP Paribas Bank Polska S.A.</p>
Employee issues	<p>At the BNP Paribas Bank Polska Group level:</p> <ul style="list-style-type: none"> • BNP Paribas Group Code of Conduct (https://www.bnpparibas.pl/csr/strategia-csr/lad-korporacyjny) • BNP Paribas Group Corporate Responsibility Principles (https://www.bnpparibas.pl/csr/strategia-csr) • Policy on reporting violations of the law and the Bank's ethical procedures and standards, including anonymous reporting (WHISTLE-BLOWING) <p>At BNP Paribas Bank Polska S.A. level:</p> <ul style="list-style-type: none"> • CSR Policy - Corporate Social Responsibility Corporate Social Responsibility Policy at BNP Paribas Bank Polska S.A. • Diversity management policy at BNP Paribas Bank Polska S.A. • Remuneration Policy for Employees of BNP Paribas Bank Polska S.A. • Policy for dealing with violations of respect for others at BNP Paribas Bank Polska S.A. • Employment regulations at BNP Paribas Bank Polska S.A. • Employee recruitment principles at BNP Paribas Bank Polska S.A. • Regulation of allocation and payment of variable remuneration components to persons having material impact on the risk profile other than members of the management board of BNP Paribas Bank Polska S.A. • Rules of Procedure of the Disciplinary Committee of BNP Paribas Bank Polska S.A. • Policy of Planning Succession at BNP Paribas Bank Polska S.A. • Policy for identifying key functions and for appointing and dismissing persons holding these functions at BNP Paribas Bank Polska S.A. • Rules of procedure for organisational changes at BNP Paribas Bank Polska S.A. • Rules of conduct in the processes of employing, resigning and terminating contracts with employees of BNP Paribas Bank Polska S.A. with employees of BNP Paribas Bank Polska S.A. • Policy on the assessment of suitability of members of the Management Board and key function holders at BNP Paribas Bank Polska S.A.
Environmental issues	<p>At the BNP Paribas Bank Polska Group level:</p> <ul style="list-style-type: none"> • BNP Paribas Group Code of Conduct (https://www.bnpparibas.pl/csr/strategia-csr/lad-korporacyjny)

Area	Documents implemented (as at 31.12.2022)
Respect for human rights	<ul style="list-style-type: none"> • BNP Paribas Group Corporate Responsibility Principles (https://www.bnpparibas.pl/csr/strategia-csr) • Financing and investment policies (https://group.bnpparibas/en/our-commitments/transitions/financing-and-investment-policies) <p>At BNP Paribas Bank Polska S.A. level:</p> <ul style="list-style-type: none"> • CSR Policy - Corporate Social Responsibility Corporate Social Responsibility Policy at BNP Paribas Bank Polska S.A. • Principles of ESG risk management at BNP Paribas Bank Polska SA. <p>At the BNP Paribas Bank Polska Group level:</p> <ul style="list-style-type: none"> • BNP Paribas Group Code of Conduct (https://www.bnpparibas.pl/csr/strategia-csr/lad-korporacyjny) • BNP Paribas Group Corporate Responsibility Principles (https://www.bnpparibas.pl/csr/strategia-csr) • BNP Paribas Declaration on Human Rights (https://www.bnpparibas.pl/_files/asset_upload_data_1530015) • Policy on reporting violations of the law and the Bank's ethical procedures and standards, including anonymous reporting (WHISTLE-BLOWING) <p>At BNP Paribas Bank Polska S.A. level:</p> <ul style="list-style-type: none"> • CSR Policy - Corporate Social Responsibility Corporate Social Responsibility Policy at BNP Paribas Bank Polska S.A. • Diversity management policy at BNP Paribas Bank Polska S.A. • Policy for dealing with violations of respect for others at BNP Paribas Bank Polska S.A. • Principles of ESG risk management at BNP Paribas Bank Polska SA.
Anti-Corruption and Anti-Fraud	<p>At the BNP Paribas Bank Polska Group level:</p> <ul style="list-style-type: none"> • BNP Paribas Group Code of Conduct (https://www.bnpparibas.pl/csr/strategia-csr/lad-korporacyjny) • BNP Paribas Group Corporate Responsibility Principles (https://www.bnpparibas.pl/csr/strategia-csr) • Policy on reporting violations of the law and the Bank's ethical procedures and standards, including anonymous reporting (WHISTLE-BLOWING) • Anti-Corruption policy at BNP Paribas Bank Polska S.A. <p>At BNP Paribas Bank Polska S.A. level:</p> <ul style="list-style-type: none"> • CSR Policy - Corporate Social Responsibility Corporate Social Responsibility Policy at BNP Paribas Bank Polska S.A. • Instruction on the procedure for handling employee complaints and requests. • Gift Policy at BNP Paribas Bank Polska S.A. • Regulations on management of conflicts of interest at BNP Paribas Bank Polska S.A. (https://www.bnpparibas.pl/csr/strategia-csr/lad-korporacyjny) • Regulations on protection of confidential information flow at BNP Paribas Bank Polska S.A. • Regulations governing investments by supervised persons and transactions by managers • Regulation of allocation and payment of variable remuneration components To persons having material impact on the risk profile other than members of the management board of BNP Paribas Bank Polska S.A.



Sustainable finance

The Bank aims to offer responsible and sustainable products with a positive impact on the environment. We make sure that our products are available to those at risk of exclusion. Our offer of products and services is also intended to support the development of entrepreneurship and social innovations. We want to contribute to the energy transformation and popularise solutions that protect the natural environment. In 2022, we focused on developing new products and conducting extensive training for Clients Advisors.

The value of sustainable financing as at 31.12.2022 was PLN 6.5 billion, representing 7.1% of total financing.

Table 3. Value of sustainable financing by category (as at 31.12.2022)

Category	Value (PLN million)
Value of sustainable financing granted in 2022, including:	6 500
with a positive environmental impact	5 816
with a positive social impact	341
Sustainability Linked Loan	343
Financing with a positive environmental impact	
Renewable energy	1 440
ecological construction and thermal modernisation of buildings	3 657
improving the energy efficiency of production processes	154
green transport	394
circular economy	24
natural resources	148
Financing with a positive social impact	
healthcare	306
education	30
basic infrastructure (e.g. water supply, sewage system)	4

Sustainable financing provided by the Bank in 2019-2022

Category	Value (PLN billion)
Value of financing supporting the UN Sustainable Development Goals (environmental and social goals)	8.8

In 2022, The Bank provided financing for sustainable: social and environmental objectives worth PLN 2,723 million.

The development of sustainable products is carried out under the "Positive" pillar, as part of the 2022-2025 GObeyond strategy. The expansion of the sustainable product range and ambitious sales aims are not only a part of the strategy at Bank level but are also among the goals for the entire senior management and – in the case of business lines – are assigned to individual sales teams.

To provide top service quality in sustainable finance, in 2022 we organised a series of training and consulting sessions for Customer Advisors serving Corporate Customers and SMEs. At these events, green and sustainable products, their applications and examples of transactions were presented. In order to show these products in the context of ESG challenges, the training aimed to expand knowledge in areas such as climate change, environmental protection, and social and regulatory challenges. Specific examples of challenges for Polish enterprises were also presented. The newly gained knowledge was put to use during the "Sustainable Products for SME/Corporate Customers" test conducted on an internal training platform. The training programme was attended by 144 Corporate Banking Customer Advisors and 228 SME Advisors.

To provide favourable financial terms for sustainable products, in 2020 the Bank introduced a formal catalogue of products and types of investments with a positive impact. The listed products are eligible for preferential internal transfer prices, which significantly strengthens the competitiveness of our offer.

For more information on sustainable products and services, refer to **the Management Board Activity Report**.



Taxonomic disclosures

Recent developments in climate change and the international response to these challenges, i.e. the Paris Agreement, the 2030 Agenda or the European Green Deal, have given a higher priority to action on sustainable development. However, implementing the provisions of the above documents is beyond the financial capacity of the public sector, so it is necessary to involve private capital and channel it towards a sustainable economy. The EU Taxonomy is intended to be a tool to support the right investment decisions and at the same time promote sustainable development.

The taxonomy is a key instrument for assessing the environmental sustainability of business activities. It provides a standard definition of environmentally sustainable activities, in order to better monitor, report and make better decisions about their commitments.

In line with the general trend towards greater disclosure of climate-related financial risks, BNP Paribas Bank Polska S.A. supports efforts to increase transparency in disclosures towards a more sustainable financial institutions framework and standards.

Based on the requirements of Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 ("Taxonomy"), the Bank is required to publish information on how and to what extent its activities are related to business activities that qualify as environmentally sustainable under Articles 3 and 9 of this Regulation.

Article 10 of Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation ("Delegated Regulation 2021/2178") creates a special provision introducing simplified disclosure rules during a transitional period. For financial companies, the special reporting rules are set for the period from 1 January 2022 to 31 December 2023. The transitional period is intended to prepare for future reporting of key performance indicators

Table 4. In accordance with Article 10(2) of Commission Delegated Regulation (EU) 2021/2178, the Bank discloses the following quantitative indicators:

Disclosures according to the EU Taxonomy (31.12.2022)	%	% (including voluntary estimates)
Percentage of total assets of exposures to business:	27.90	28.10
not eligible for the systematics (by turnover/investments)*	8.8 / 8.59	8.88 / 8.67
eligible for systematics (by turnover/investments)*	19.1 / 19.31	19.22 / 19.43
Percentage of total assets of exposures referred to in Article 7(1) and (2):	21.79	21.79

Disclosures according to the EU Taxonomy (31.12.2022)	%	% (including voluntary estimates)
exposures to central governments, central banks and supranational issuers	19.64	19.64
derivatives	2.15	2.15
Percentage of total assets of exposures referred to in Article 7(3) - exposures to corporates not required to publish non-financial information	42.55	42.55
Percentage of trading books and interbank loans on demand in total assets	2.13	2.13

* exposures were expressed on the basis of key performance indicators in two approaches, i.e. either by turnover or by capital expenditure

With reference to the scope of information disclosed during the transition period, in addition to the quantitative indicators, the Bank is required to publish the following qualitative information as referred to in Annex XI of Delegated Regulation 2021/2178.

Background information on quantitative indicators, including the range of assets and activities covered by key performance indicators, information on data sources and limitations

As a first step, for the purpose of fulfilling the obligation under Article 8 of the Taxonomy, the Bank determined the approach to the different categories of exposures.

With regard to the portfolio of exposures to retail customers, the determination of eligibility for the Taxonomy was based on product classification.

With regard to the portfolio of exposures to corporates, the Bank identified clients that are subject to the obligation to publish non-financial information under Article 19a or 29a of Directive 2013/34/EU. The proper identification of these entities determined the way in which the scope of assets taken into account in the calculation of the quantitative indicators was determined. In accordance with Article 7(3) of Delegated Regulation 2021/2178, exposures to companies not subject to mandatory non-financial statements are excluded from the numerator of future calculated key performance indicators. In view of the above, the Bank applied a similar approach in 2022 for the calculation of quantitative indicators, i.e. based on exposures to companies subject to non-financial reporting. At the same time, it should be noted that a uniform list of entities obliged to prepare non-financial statements (by an authorised public authority) was not developed, which significantly complicated the fulfilment of the reporting obligations under the

Taxonomy. Therefore, the Bank was obliged to determine independently, based on expert knowledge and available market data, the group of customers that are subject to the obligation to prepare non-financial statements.



The actions taken by the Bank were implemented in accordance with due diligence

In the next step, the asset data were reconciled to the data presented in the FINREP consolidated report. The exposures included all client receivables, including those arising from leasing and factoring, as well as derivatives and securities. Ratios were calculated on the basis of the gross carrying value, which were related to the Bank's total assets.

Subsequently, for the purpose of assessing the eligibility of economic activities as environmentally sustainable (in line with the Taxonomy), the Bank analysed the types of activities identified in Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing technical eligibility criteria to determine the conditions under which an economic activity qualifies as making a significant contribution to climate change mitigation or adaptation, as well as determining whether that economic activity does not cause significant harm to any of the other environmental objectives.

In the absence of the entry into force of the technical eligibility criteria for the remaining four environmental objectives of the Taxonomy, the Bank only assessed the eligibility of exposures against the climate change mitigation and adaptation objectives.

In terms of the portfolio of retail exposures, products with characteristics that reflect any of the activities included in the above Delegated Regulation were considered eligible for the Taxonomy. Loans secured by residential real estate, loans for the renovation of buildings, loans for photovoltaic installations and loans for the purchase of means of transport other than motor vehicles were classified in this group. The remaining retail loans were considered not eligible for the Taxonomy.

For corporate exposures, the information disclosed by them within their non-financial reports (available as at 31 December 2022) was used. The eligibility of exposures was presented in two approaches, i.e. based on both key performance indicators on turnover as well as on key performance indicators on capital expenditure.

In addition, for companies that did not make their non-financial reports available, the Bank's eligibility analysis with the Taxonomy used information on business activities linked to PKD codes (according to the Statistical Classification of Economic Activities), using information that it already has in its resources.

Explanations of the nature and objectives of the business activities aligned with the Systematics and the development over time of the business activities aligned with the Systematics, starting from the second year after implementation, distinguishing between business-related elements and methodological or data-related elements

A key dimension of the Bank's responsibility is to support the sustainable development of the economy over the long term and to build lasting relationships with customers and other Bank stakeholders. We offer products and services tailored to the changing needs of our customers, while responding to global challenges and local market conditions. In order to improve monitoring, reporting and decision-making on sustainability commitments, the Bank uses the Taxonomy. It provides us with a tool to support the systematisation of the Bank's environmentally sustainable business activities.

Description of compliance with Regulation (EU) 2020/852 in the financial company's business strategy, product design processes and cooperation with customers and counterparties

We conduct ongoing monitoring of CSR/ESG risks in the companies we finance. We precede every financing decision with an ESG analysis. We check how a company we finance affects the environment, society and corporate governance. We pay particular attention to the financing of sectors that are recognised as sensitive in terms of ESG factors. In each of the sectors identified by the Bank as particularly sensitive in terms of sustainability, CSR Policies and Principles are implemented, defining the requirements for Clients operating in them. In relation to the sectors that are most harmful in terms of sustainability, the Bank makes strategic decisions to stop serving Clients belonging to them.

In 2021 in response to the requirements of the EBA/GL/2020/06 Guideline of 29 May 2020 on originating and credit monitoring, the Bank has developed ESG assessment questionnaires that have been implemented in the lending process. The purpose of the assessment is to identify any risks related to ESG factors affecting the financial position of the Clients, as well as the impact of customers' business activities on ESG factors (dual materiality principle). Principles for ESG risk management at BNP Paribas Bank Polska S.A. have also been developed. In addition, the BNP Paribas Group applies the Equator Principles (EP) to identify, assess and manage the risks associated with the financing of a given project and its environmental and social impact. The principles provide minimum standards for conducting due diligence on projects.

Additional or complementary information on the strategy of the financial company and the importance of systematic business financing in the overall activity of companies.

The main objective of GOeyond's new strategy for 2022-25, adopted by the Bank's Management Board and the Supervisory Board in March 2022, is to continue the dynamic growth of the Bank, which will be an institution that operates efficiently, with engaged employees and satisfied Clients, while being a leader in the area of sustainability. The Bank aims to be a leader in sustainable finance by developing a range of dedicated products and services for all business lines. It will consistently aim to its own climate neutrality and support its Clients in doing so.



Social aspects

Positive banking

Customer relations

We build lasting relationships with our internal and external Customers. We are sensitive to their needs. Our motto is: "We listen, we understand, we act".

We listen to the voice of Customers

We conduct NPS (Net Promoter Score) research on the #KLIENT platform and Mystery Customer research.

We gain knowledge directly from Customers who contact us via the hotline, chat and e-mail.

We verify the topics of conversations with the Contact Centre thanks to our speech analysis system.

We value the opinions of our employees and we use their knowledge.

We ask why Customers resign from our services.

The #KLIENT platform is a source of knowledge about the results of research and Customer feedback. The data is automatically updated as Customers complete subsequent surveys. The tool is currently used by over 4 thousand employees of the Bank and partner companies.

In 2022, we launched **Customer Journey** research, which allows us to respond to Customer needs on an ongoing basis. We were looking for new research methods and tested qualitative research, a VoiceBot and online surveys. Some of the newly found solutions will be used in the following year as a permanent element of research.

We approach research in a multifaceted fashion. We analyse opinions expressed in internal and external research and observe market trends (not limited to the field of banking).

Within the Bank, we share results and reports from individual surveys on an ongoing basis. We combine them with operational and complaint data. Thus, we create detailed recommendations for specific business lines.

Our joint actions produce results:

1st place in the Traditional Banking category ("Kowalski") in Newsweek's Friendly Bank ranking (+3 places compared to 2021),

2nd place in the Company-Friendly Bank ranking of the Forbes Polska magazine (+4 places compared to 2021),

6th place in the Digital category in Newsweek's Friendly Bank ranking (+3 places compared to 2021)

These awards show that we are close to our Customers – individual and corporate – and that we guide them towards the right financial decisions. We are constantly improving our competencies and setting the bar ever higher to make the world a friendlier place. We are starting this mission by changing ourselves.

We are glad that our actions are noticed and appreciated.

We understand our Customers

In 2022, we continued to implement a strategy that we adopted in 2020: the Customer is placed at the centre of our attention.

One of the strategy's elements is the Customer Excellence Board (CEB), i.e. meetings devoted to discussing the key needs of our Customers, analysing the main reasons for complaints and determining actions. The meetings are attended by representatives of many departments: Tribe Leaders (in accordance with the Agile methodology), Product Owners, representatives of sales and service channels as well as compliance, risk, operations and IT monitoring.

In 2022, the CEB met six times. We talked about the qualitative and operational results that indicate Customer satisfaction. The talks produced over 60 dependencies addressed to Tribe, Expert Centres and other operational units.

In 2022, we decided to establish a CEB platform for the SME and Corporate Banking segments.

We also organise **Customer Room** workshops aimed at optimising and improving the efficiency of key processes. To understand our Customers better,

we analyse their stories and map emotions. The emotions of employees who support a given process are also considered. Such an approach allows us to pinpoint the direct causes of problems. The workshops are attended by representatives of units involved in a given process. Specialists in particular areas can analyse issues from different perspectives (employee and Customer). Step by step, they work out long- and short-term solutions.

In 2022, based on the defined areas for improvement, we developed and implemented a number of changes. Some are listed below:

Challenge	Solution
Taking care of the internal Customer	We value employee input and take into account the perspective of those directly serving Customers to improve our systems, processes and products.
Customers treat the Bank holistically	Convergent approach to Customers and their needs – micro Customers can use the GO-booking app, the telephone terminal, car rental, and can attend webinars.
Changing Customer lifestyles	We are expanding the scope of our services in remote channels, for example through the Online Expert Centre. Customers can also connect with us after the closing hours of the Customer centres. We are extending the functionality of the chat by adding new topics, including debt collection. With the convenience of use in mind, we have added the chat directly to the mobile application.

We constantly provide training for our employees. We have introduced Customer Experience training on the internal My Development platform. We also conduct training for new employees and managers.



Our goal of being a Customer-centric organisation is supported by the Advocacy Programme implemented within the BNP Paribas Group.

The Advocacy Programme focuses on many aspects of Customer-centricity. It builds employee awareness as to the importance of focusing on the Customer and promotes commitment among managers. It encourages the use of knowledge about Customers and employees to improve the Customer experience and verify whether the chosen actions have produced the expected results.

Responding to Customer needs

We improve our processes and implement new solutions. In 2022, we identified over a dozen initiatives and changes based on Customer feedback. We involved all the Bank's employees in their implementation, which included the following steps:

In GOonline for individual Customers, we have implemented a display of the total amount due for the repayment of a cash loan. This resulted in a decrease in the number of Helpline calls on this topic and a decrease in incorrect repayments.

We have provided debt collection service via chat in GOonline. Customers with access to GOonline internet banking can chat about their arrears with an employee of the Debt Collection and Restructuring Department.

We have introduced the possibility of confirming an employee's or Customer's identity during a telephone conversation in the GOMobile application (using push authorisation).

We have added a new functionality in GOonline: displaying the balance after a transaction in account history.

We have introduced portfolioing in Customer Service (Business Service Zone) so that SME Customers also have a dedicated consultant on the hotline. It is a response to Customer needs – increasing the comfort of service, providing faster access and assistance.

We changed the wording of the terms and conditions for mortgage loan agreements in parts which may not have been easily understandable.

We have added another option to personalise GOMobile – the possibility to turn on dark mode in the application.

We have added a mobile card to the online application form for opening the Account Open to You (Video Verification process).

We have introduced changes in the processing of individual Customer credit card closure applications. If the balance is different from 0, a day after the notice period ends, the Customer receives a confirmation of the termination of the credit card agreement (via text message) with a request to settle the underpayment or indicate the account for overpayment transfer. In addition, information about the closure was placed on the SOF (a document sent to the Customer within 14 days of finalising the card termination process).

We have changed the layout of the credit card statement for individual Customers. The new version is more legible and makes it easier for Customers to manage their credit card debt on their own. We based the new layout, i.a., on a survey conducted among our Customers with credit cards.

Whether Customers visit the Bank's Customer centre or contact us via remote channels, we wish to ensure an equally high level of service. We implement further innovative solutions:

A chatbot that handles inquiries about products, whose knowledge is constantly updated.

The Virtual Online Advisor supports mortgage Customers and Micro segment Customers. The Customer can conveniently arrange a visit to the Customer centre as well as a consultation with the Virtual Online Advisor.

Another form of meeting Customer needs is care for the quality of communication sent from the Bank. We simplify messages according to plain language rules and state them in a way that is clear and easily understandable for the Customer.

Handling and considering complaints

The process is one of the main sources of Customer feedback. The signals we receive help us develop and meet the expectations and needs of our Customers. The process owner is the Managing Director of the Transformation and Experience Development Division.

In 2022, we took over the handling of complaints regarding products and services provided by the Brokerage House. Currently, we receive signals from Customers regarding almost all products and offers provided by the Bank.

In 2022, we have modified the organisational structure. As a result, three specialist complaint teams dealing with different types of complaints and the Customer Ombudsman Team were allocated into the Customer Dialogue Office area. Thus, all units responsible for handling the complaints process jointly diagnose problems reported by Customers, act to eliminate them in the future, and adapt more effectively to the requirements set by regulators. This also allows us to respond to our Customers quickly.

Thus, we implement the two main pillars of the complaint process: qualitative and operational. As a result of our endeavours, in 2022 we received over 11% fewer complaints than in 2021. This also translates into a positive assessment of the complaint process provided by our Customers in cyclical NPS surveys. At the end of 2022, the result was 5.3.

13

calendar days – average time for handling complaints in 2022

11%

fewer complaints in 2022 compared to 2021

Customer Ombudsman

Complaints are not the only type of Customer feedback we respond to. The joint path of the Customer and the Bank sometimes leads to non-standard cases that require an individual approach. Such issues are handled by the Customer Ombudsman Team, a unit which considers the cases of Customers who did not agree with the results of the complaint process. The Customer Ombudsman Team also verifies complaints addressed to the Bank's Management Board, the Supervisory Board and the Bank's Spokesperson. It supports communication with Customers who raise problematic and important issues on social media.



2 900

cases were submitted to the Customer Ombudsman in 2022 (including 403 addressed directly to the Bank's Management Board and Supervisory Board)

12%

fewer cases compared to 2021

83%

of appeals to the Ombudsman in 2022 were submitted by individual Customers (17% by companies)

14,5%

of cases (the largest percentage) settled by the Ombudsman in 2022 concerned mortgage loans

Complaint handling

Complaint handling and response standards are additionally specified in the "Complaints Policy". It defines the duties at each stage of the process and indicates the division of roles, tasks and responsibilities of specific units. It also describes the possible forms of submitting complaints.

Customers can submit complaints:

- via the online banking system (chat),
- via the online form on the Bank's website,
- by phone,
- in writing,
- in person – at any Customer centre.

Our aim is not just to indicate areas in need of improvement to the owners of specific products and processes. We want the complaint process to be transparent and intuitive for everyone. Therefore, in 2022, we introduced the new GObetter complaint system to our employees. It is already used by:

- complaint area employees who handle and settle Customer complaints, employees from the Contact Center, Electronic Channels Service Department, Debt Collection Department and Customer Centres. They can

register Customer cases, verify other Customer complaints and use a fully automated Commercial Gesture system,

- employees from the after-sales service and business areas, who can use GObetter to answer inquiries about ongoing complaint cases.

We are working on providing our employees and Customers with further functionalities of the GObetter system. The most important features that are already available include:

- Omnichannel – all customer complaints, regardless of the contact channel, are registered within a single system.
- Trade Gesture – using the Trade Gesture is even simpler. The Customer receives a quick refund of erroneously collected funds.
- User-friendly – the application is simple and intuitive. Filing a complaint takes less time. The application provides suggestions about the next steps.
- Complaint status – GObetter provides information about the current status of the complaint. It is convenient not only for the Customer but also for the employee.
- Plain Language – all messages to Customers and complaint responses have been prepared in accordance with plain language principles.
- Functionality – much easier reporting. A single database contains all the information needed to analyse and introduce changes.
- Increased process automation – particularly important in handling transaction fraud complaints. The automation significantly accelerates case verification and responses to Customers.

One of the advantages of the GObetter system is the increased automation of the Trade Gesture. It enables employees in the first line of contact to use this solution even more easily. It facilitates the handling of cases related to fees and commissions already at the stage of conversations with Customers. In addition, once a refund is posted, the Customer receives a confirmation of the positive response to their complaint via the selected form of electronic contact. Thus, we build lasting relationships with our Customers and a positive image of the Bank. As a result, in 2022, Customers benefited from the Trade Gesture 15% more often than in 2021.

The GObetter system also allowed us to improve and partially automate the process of handling fraud transaction complaints. These cases, when properly

registered by a front-line employee, automatically generate tasks for the Bank's internal units responsible for providing information to complaint employees. As a result, we can respond to the Customer more effectively and faster. It also means that we are meeting the regulator's expectations and abiding by the law in the handling of these cases.

In addition to providing and developing the new GObetter system, we also care about cooperation with units that support front channels. Therefore, in 2022, we organised a course for Quality Managers in Customer centres devoted to complaints and ways of handling them. During the meetings, we explained the risks associated with handling complaints, but we also presented the benefits of obtaining Customer feedback through this channel. Furthermore, we presented the GObetter system and the features available to employees when processing complaints. We intend to continue the course in 2023.



Transparency and dialogue with Customers

We systematically simplify the language used to communicate with our Customers. Since 2019, we have gradually been adjusting our documents, letters, communications and promotional materials in accordance with the plain language standards.

In 2022, we continued our cooperation with an expert – a linguist and an experienced plain language trainer. As part of the cooperation, we regularly simplify communications and teach our employees about the rules of plain Polish.

We use plain language in communication with all Customer segments: from individual Customers, through micro-enterprises, to the corporate segment.

In 2022, we conducted advanced, multi-stage training for 15 plain language consultants at the Bank, which ended with an exam. Thus, in the last two years, 65 employees of the Bank have become plain language consultants. We systematically update and supplement our consultants' knowledge during monthly workshops and lectures conducted by an expert.

In 2022, we also launched training on the basic principles of plain language for all employees of the Bank on the e-learning platform. By the end of December, 42 people took part.

On the intranet, we provide employees with training materials that explain the rules for writing various forms of messages, e.g. text messages or e-mails. We update and expand the database of these documents on an ongoing basis.

We simplify legal texts – contracts and regulations for highest volume products, i.e. loans and credits, as well as formal documents related to investment products for both individual Customers and enterprises.

Examples of content we simplified in 2022 include:

- Regulations of FX Electronic Access Channels, Regulations of Dual Currency Deposits and other documents – certificates, powers of attorney, etc. for the Financial Markets Division,
- after-sales forms for mortgage loans,
- subscription terms for structured deposits,
- Cash Loan Agreement concluded in remote channels.

Accessibility

We want to create an ecosystem of solutions that provide each of our Customers equal access to banking and the highest comfort and simplicity of use. We develop offline and online channels, improve procedures and facilitate access to banking for our Customers. We operate in accordance with the 2022-2025 GOeyond strategy, which states that accessibility is one of our key commitments in the POSITIVE pillar. We place particular emphasis on facilitating the use of banking services by people from groups at risk of social exclusion. The disabled and elderly will find products and services tailored to their needs both in-person and online. We regularly analyse all access channels to ensure functionality and user-friendliness following the best Web Content Accessibility Guidelines (WCAG 2.0).

From a formal perspective, issues of accessibility at our Bank are regulated in the "Principles of providing bank documents in a form accessible to special-needs Customers". As a Bank, we also meet the requirements of the Act on ensuring accessibility to people with special needs.

How we increased availability in 2022:

- we trained more employees on how to serve Customers with disabilities,
- more Customer centres received the "Barrier-free facility" certificates,
- we increased the number of ATMs accessible to persons with disabilities,
- we installed further induction loops for people with hearing impairment,
- we increased the availability of the website and the GOmobile and GOonline applications,
- we made efforts to adapt our offer and services to the needs of the elderly.

Accessibility for people with special needs

The assistance of a Polish Sign Language interpreter is available in each Clients centre. Induction loops, i.e. hearing aid systems, operate in 195 Clients centre, enabling the hearing-impaired to receive clear sound through a telecoil (present in almost every hearing aid). Customers can also order visual recordings of document content in Polish Sign Language. Each Clients' centres is equipped with a magnifying glass and a frame that facilitates signing for people with visual disabilities. We also provide contract templates in the form of audio recordings, enlarged printouts and translations into Braille.

At the end of 2022, 103 of our Customer centres possessed the "Barrier-free facility" certificates issued by the Integration Foundation. It is the best result among Polish banks. The certificate confirms that a building is equipped with amenities, e.g. for people with mobility, sight and hearing disabilities, as well as for the elderly and those caring for small children. In practice, this means that our Customers can freely move around the Bank's branches and use the implemented amenities.

103

Clients' centers with the "Barrier-free facility" certificate at the end of 2022, which constitutes 25% of all branches

195

Clients' centres are equipped with induction loops

Our strategic goal is that at least 50% of our Clients' centres be eligible for the "Barrier-free facility" certificate by 2025.

All our Clients' centres have also received the OK Senior certificate awarded by the National Institute of Silver Economy. We were the first and remain the only Polish bank to receive them. The certificate attests that we offer senior-friendly solutions and services for the elderly that are safe, accessible, understandable and reliable.

In 2022, the Foundation of the National Institute of Silver Economy provided senior-support organisations with free OK SENIOR Passports for the 3rd time. The booklet contains key information for seniors, which can be used at the doctor's, in the pharmacy, and in everyday life. Our Bank was one of the partners of the initiative.

How we ensure our banking offers accessibility to the deaf and hard of hearing:

- online support of sign language interpreters,
- online form to book visits in sign language,
- Polish Sign Language translator available on the hotline,
- visual recordings of document content in Polish Sign Language,
- induction loops in branches.



How we make our banking offer accessible to the blind and visually impaired:

- document templates in the form of audio recordings, enlarged printouts and translations into Braille.
- magnifying glasses,
- frames facilitating signing,
- ATMs adapted to the needs of the visually impaired,
- placing decorative foil on glass panes in branches.

Cooperation with partner organisations helps us ensure the availability of our products, services and branches.

Partnership	Description
Accessibility Plus	The Bank is a signatory of the “Partnership for Accessibility” programme developed by the Ministry of Investment and Economic Development, as part of the Accessibility Plus initiative. Our goal is to adapt our products and services to the needs of people with disabilities, as well as to the needs of the elderly and those at risk of exclusion.
Integration Foundation	The Bank is a long-term partner of the Integration Foundation. The Foundation supports us with regard to increasing the availability and user-friendliness of our services. As part of the cooperation, the Bank transforms, audits and certifies branches to ensure their accessibility for people with disabilities. Digital channels are adapted to the current standards. Furthermore, we promote accessibility and inclusiveness in business.
Accessible ATM	We are a partner of the Accessible ATM project, which provides, i.a., a freely accessible online platform with a database of ATMs adapted to the needs of the disabled. The project is being implemented by the Polish Bank Association in cooperation with Polish banks and the "Widzialni" Foundation, with the support and under the patronage of the National Bank of Poland and the Ministry of Entrepreneurship and Technology.

Partnership	Description
National Institute of Silver Economy	As part of the cooperation, representatives of the Institute conduct mentoring workshops for the Bank's employees on how to effectively support seniors.
Migam „RKPK” Sp. z o.o. S.K.A.	As part of the cooperation, the Migam company supports the Bank in increasing the availability and user-friendliness of services for people with hearing disabilities. Customers can use the services of a sign language interpreter, e.g., when opening an account.
DeafRespect Foundation	The Deaf Respect Foundation supported the launch of sign language interpreting services at the Bank and carried out a service quality audit of the "Migam" technology.

For more information on specific activities and initiatives for our Customers, refer to **the Management Board Activity Report**.

Social involvement

For many years, we have been systematically involved in the life of local communities. In accordance with the POSITIVE pillar of the 2022-2025 GOeyond Strategy, we strive to ensure that all the Bank's activities have a positive impact, i.a. social and environmental. We want the Bank to be an agent of positive change and a good neighbour, mindful of local needs. We focus on counteracting social exclusion, supporting diversity and financial education. Our impact on society is strengthened by the BNP Paribas Foundation, its educational programmes and environmental philanthropy. We also inspire and facilitate employee volunteering.

Our plans and activities:

- strengthening the social commitment of employees through volunteering and individual philanthropy as well as initiatives in the field of financial education,
- development of tools supporting social involvement, e.g. a volunteering platform,

- strengthening cooperation with non-governmental and expert organisations combating climate change and social exclusion, as well as supporting diversity,
- continuation and strengthening of the Foundation's scholarship programmes, e.g. "Class", "Knowledge to the Power".

BNP Paribas Foundation

The BNP Paribas Foundation has been running scholarship programmes since 2006, it also coordinates employee volunteering and cooperates with social organisations, supporting them with expertise and financing. The Chairman of the BNP Paribas Foundation Council is the President of the Management Board of the Bank. The foundation's Council includes representatives of the areas in the Bank that are key to the Foundation's activities.

The Foundation's mission is "to boldly change the world into one with less inequality and greater confidence in the future of our planet."

The Foundation conducts:

- educational programmes that use scholarships and development initiatives to provide equal educational opportunities and inspire children and youth,
- environmental philanthropy programs – protection of ecosystems and implementation of initiatives focused on care for the natural environment,
- activities promoting social commitment – employee volunteering and individual philanthropy of the Bank's employees.

Activities of the BNP Paribas Foundation

- Employee volunteer programme
- Individual philanthropy programme "I support all year long"
- "Competition for Volunteer Projects"
- The Noble Gift charity event
- "Krwinka" blood donation campaign
- "Good Kilometres" campaign



Activities of the BNP Paribas Foundation

- "Two hours for Earth"

Initiatives addressed to external stakeholders

- "Class" scholarship and development programme
- "Agrotalents" scholarship programme
- "Dream up" educational programme
- Tutor-scholarship programme "Knowledge to the Power" in cooperation with the Ocalenie Foundation
- "Meetings with Music" programme in cooperation with the National Philharmonic
- "Bankers for the Financial Education of Youth" (BAKCYL) programme

Initiatives supporting refugees

- #TogetherforUkraine volunteering programme
- Solidarity Package
- Grassroots volunteer initiatives

Programmes and partnerships

Employee volunteering

The Bank's "You can count on me" employee volunteering programme has been running since 2011. Our employees, supported by the BNP Paribas Foundation, can adjust the form of involvement to their needs and capabilities. We support the implementation of internal initiatives, team volunteering and participation in social campaigns coordinated by the Foundation and NGOs. To encourage employee involvement, our Foundation provides a special volunteering platform facilitating the creation of new volunteering campaigns and joining existing ones. Each person employed at the Bank can devote 16 fully paid hours per year to volunteering. Simultaneously, the social initiatives of employees are part of an international programme of the BNP Paribas Group, #1MillionHours2Help, coordinated in Poland by the BNP Paribas Foundation.

In 2022, the BNP Paribas Foundation became a research partner of the Academy for the Development of Philanthropy in Poland "Employee Volunteering of the Future".

Individual philanthropy programme "I support all year long"

The "I support all year long" programme has been active at the Bank since 2017 and all employees can participate. It is a simple tool for voluntary salary deductions. Regular payments help NGOs plan their activities in the long term. In 2022, employees decided to support the Empowering Children Foundation and the Mudita Association. 345 employees participated in the programme. Within 5 years, we collected a total of PLN 360,000.

Competition for Volunteer Projects

In the last 10 years, the annual Competition for Volunteer Projects has become a fixture of our volunteer scheme. Employees from all over Poland can submit initiatives which respond to the immediate needs of their local communities. The winning entries are granted up to PLN 4,000. The projects are carried out in collaboration with local social organisations and the employees involved receive additional subject-matter support from the BNP Paribas Foundation.

Competition for Volunteer Projects in 2022:

- 63 projects completed,
- 254 employees involved,
- assistance for 5,733 people,
- 2,032 hours of involvement,
- over PLN 230,000 allocated by the BNP Paribas Foundation for the implementation of projects.

Noble Gift

Since 2018, the Bank has been a strategic partner of the Noble Gift campaign. During this time, we have donated nearly PLN 5 million. Our Foundation runs the largest organised employee volunteering campaign for the beneficiaries of the Noble Gift. In 2022, nearly 30 of our social and business partners joined the initiative. We have also enabled Customer involvement in the charity event. The Bank's website contains a quick payment option, with transfers going directly to the account of the organiser, i.e. the WIOSNA Association. In addition, from 17

November to 26 December 2022, we doubled each payment. In total, (together with our Customers) we donated PLN 875,644 to the Noble Gift.

Noble Gift in 2022:

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Noble Gift in 2022:

- 140 Bank employees and companies of the BNP Paribas Group became Noble Gift leaders (including 104 people from the Bank),
- 165 families in need received packages prepared by our volunteers,
- 3,028 volunteers from the Bank and BNP Paribas Group companies (including 2,286 from the Bank),
- PLN 1,000 of support for each package from the BNP Paribas Foundation,
- 27 social and business partners joined the initiative,
- A total of 205 families received support from Noble Gift.

Good Kilometres

Every year, the BNP Paribas Foundation organises the Good Kilometres campaign, which allows employees to combine physical activity with social commitment. For a month, we count the kilometres covered by employees on bikes, running or practising other long-distance sports. Each kilometre is converted into financial support and transferred to a social organisation, selected in an employee vote.

Good Kilometres in 2022:

- 75,474 kilometres covered,
- PLN 25 thousand donated to the Empowering Children Foundation,



- 413 engaged employees,
- 8,940 sports activities, e.g. cycling, roller-skating, running, walking the dog, walking, plogging (jogging combined with garbage collection).

Two hours for Earth

In April 2022, we joined the International Earth Day celebrations. A grassroots employee initiative supported by the BNP Paribas Foundation resulted in the organisation of the “Two Hours for Earth” campaign. Our volunteers, joined by relatives and co-workers, could devote two hours to cleaning green areas together. 272 employees from all over Poland took part in the event.

3,028

volunteers from the Bank and group companies were involved in the Noble Gift

30,313

hours devoted to social initiatives

345

employees took part in the individual philanthropy programme “I support all year long”

9,678

hours devoted to local communities by the Bank's Local Ambassadors

For more information on individual community engagement activities and initiatives, refer to **the Management Board Activity Report**.



Employee aspects

Agile@Scale – new operational model

In July 2020, the Bank's Management Board decided to launch an Agile@Scale transformation, which is operational from 1 January 2022. The Agile@Scale transformation covers the part of the organisation responsible for product development and implementation (business, IT, support roles). The Bank is now organised around products responsible for end-to-end IT processes and systems.

The new Agile@Scale operating model was implemented in January 2022 and approximately 1,300 people were covered. The implementation of Agile@Scale required a transformation of the organisational structure resulting in the creation of new units of 16 Tribes, five IT areas, 54 Products and 56 Chapters.

By implementing the Agile approach, the Bank aims to achieve the following objectives:

- **FASTER** - by responding more quickly to changing Customer needs and market conditions, as measured by the change in the Time to Market index, which shows how quickly we are able to implement new solutions
- **BETTER** - by providing innovative, high-quality products and services based on Customer needs, as measured by the change in the NPS indicator, which shows how Customers recommend the Bank:
 - Retail and Business Banking and Personal Finance (Group benchmark) from 9th (2021 base) to 7th place in the market in 2022,
 - Small and Medium Business Banking (Group benchmark) from 7th (2021 base) to 6th in the market in 2022,
 - Corporate Banking (local bank survey) from 23.1 (2021 base) to 27.0 in 2022.
- **HAPPIER** - by engaging employees, improving their competences and attracting and retaining talent. The PulsCheck employee survey shows significant improvements at bank level for almost all metrics, and Agile@Scale contributes to this. In particular, the eNPS has improved from -9 to 18; the engagement rate from 63 to 77%.

GOeyond's strategy for 2022-2025 is implemented in the Agile@Scale operating model using new methods for setting and tracking OKR (Objectives

and Key Results) targets. The Bank is developing its ecosystem (Open Banking Tribe, fast buying process, specific banking offering) to become the main bank of innovative companies in Poland. Cross-cutting initiatives are coordinated by Tribes in strategic areas.

In 2022, the main focus was the maturity of the Agile@Scale target operating model. Stakeholder feedback was continuously collected and maturity assessments were conducted at the level of each Tribe unit. Several obstacles were identified as a result of these assessments. In 2023, we plan to focus on eliminating the top ten obstacles and extension of Agile@Scale to IT operations for IT.

We want to build an organisation that is an exceptional place to work, one that provides a high standard of leadership and where employees are aligned around the organisation's core competencies and values. While attracting the best candidates from the market, we also nurture motivation and performance among existing employees. We develop leadership and future competences among our employees, enabling them to find their way and continuously develop in digital and changing times.

The most important documents formally defining the Bank's personnel policy are:

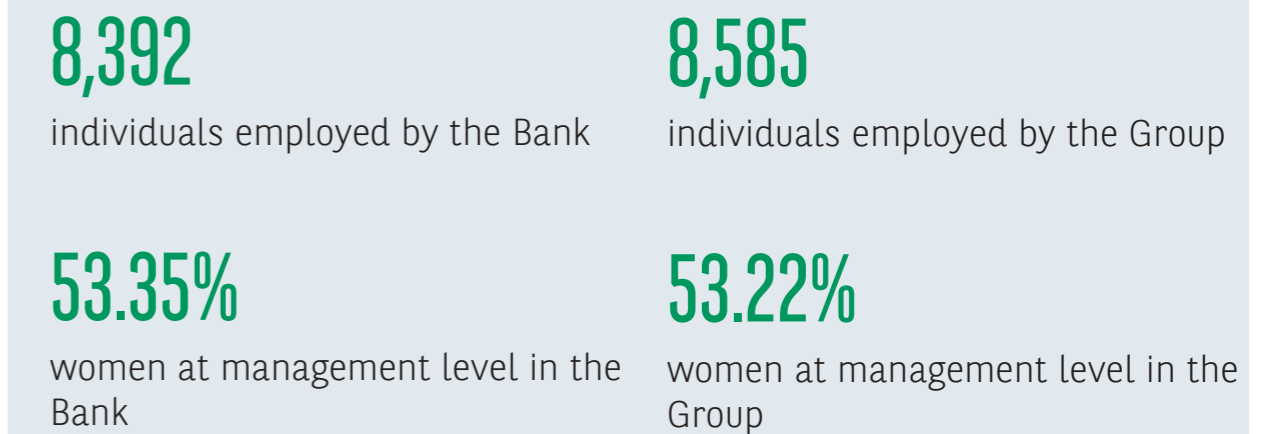
- Company Collective Labour Agreement for Employees of BNP Paribas Bank Polska S.A. (in 2022, 99% of employees were covered by it),
- Employee remuneration policy of BNP Paribas Bank Polska S.A.,
- Regulations of work at BNP Paribas Bank Polska S.A.,
- Remuneration Policy for persons with significant influence on the risk profile of BNP Paribas Bank Polska S.A.

Projects and initiatives implemented in the area of human resources management are monitored through cyclical reviews with the area's management team, all projects having their indicators monitored. In addition, key projects in the area of human resources management are presented and discussed by our Bank's Board of Directors on an ongoing basis. We also employees for feedback on these activities through company-wide surveys and polls. The Bank's employees are informed a minimum of two weeks in advance of major operational changes that could have a significant impact on them.

To adapt the Bank's business model to the changing business environment, a programme of group redundancies for 2021-2023 was announced in December

2020 in consultation with the Trade Unions. In addition, in order to mitigate the social impact of the group redundancies, the Bank agreed with the Trade Unions to pay additional compensation and other elements of social protection, in addition to the statutory severance payments due to the redundant employees and launched a Voluntary Redundancy Programme. In 2022, the Group Redundancy Programme and the Voluntary Redundancy Programme continued.

99% of employees in the Capital Group and the Bank are covered by collective agreements. The application of the collective agreement was excluded entirely with regard to: employees who are members of the Bank's Management Board, the Chief Accountant and employees delegated to work abroad, persons taking up employment at the Bank on the basis of secondments from other BNP Paribas Group entities and employees under management contracts. The working and employment conditions of these employees are not determined on the basis of other collective agreements. These are determined by individual agreements.



Method of presentation of indicators: The category "Managerial positions" includes the Bank's Board of Directors, key managers, i.e. MRTs (Material Risk Taker) - people who have a significant impact on the Bank's risk profile and all other supervisors

Table 4. Number of employees in the Group and the Bank in 2022 (according to employment status as at 31.12.2022)

	Capital Group		Bank	
Women	5687	66%	5 578	66%
Men	2898	34%	2 814	34%
Total	8 585		8 392	



Table 6. Employment structure of the Bank and the Group in 2022 (as at 31.12.2022) compared to 2021. (as at 31.12.2021)

Employment	FTEs number		Active FTEs number		Employees number		Active employees number	
	2021	2022	2021	2022	2021	2022	2021	2022
Grupa Kapitałowa BNP Paribas Bank Polska S.A. – total	8,667	8,488	7,983	7,975	9,035	8,585	8,088	8,059
BNP Paribas Bank Polska S.A. total, including:	8,504	8,349	7,833	7,839	8,809	8,392	7,880	7,873
Head Office	4,669	4,800	4,397	4,578	4,884	4,836	4,429	4,611
Branches	3,704	3,413	3,309	3,127	3,793	3,420	3,324	3,129
Mobile Advisors	80	94	77	92	80	94	77	92
Brokerage Office	46	37	45	36	47	37	45	36
Trade Unions	5	5	5	5	5	5	5	5
Bankowy Fundusz Nieruchomościowy Actus Sp. z o.o.	0	0	0	0	0	0	0	0
BNP Paribas Towarzystwo Funduszy Inwestycyjnych S.A.	36	38	35	38	37	40	36	39
BNP Paribas Leasing Services Sp. z o.o.	7	8	7	8	24	25	24	25
BNP Paribas Group Service Center S.A.	76	89	69	86	117	124	105	118
Campus Leszno Sp. z o.o.	8	4	7	4	8	4	7	4
BNP Paribas Solutions Sp. z o.o.	36	0	32	0	40	0	36	0
BGZ POLAND ABS1 DAC	0	0	0	0	0	0	0	0

Method of Indicators presentation: Data expressed in FTEs have been rounded to the nearest whole unit

Central employees include all employees in the support areas, Trade Unions and the Brokerage Office.

Branch employees include all employees working in the sales network, consisting of: Retail and Business Banking Regions, Corporate and SME Banking Sales Network Division, Consumer Finance Sales Division and Mobile Advisors.

Excluding technical FTEs, in order to avoid double reporting of employees working in companies and technical FTEs in the Bank or vice versa.



Dialogue with employees

We maintain an open, honest, ethical and respectful dialogue with employees. We ensure that information flows quickly and encourage dialogue. We also use internal communication to promote and reinforce the values that guide us on a daily basis. The Bank's high standards for communication with employees are set out, among others, in the BNP Paribas Group Code of Conduct and the GOeyond Strategy 2022-2025.

The priorities of the Bank's internal communications are:

- simple and understandable messages,
- transparent communication, especially on difficult subjects,
- the principle: "employees are the first to know",
- ethical behaviour and consistency with the Bank's values,
- employee development and involvement.

For the convenience of employees and the effectiveness of communication activities, we have implemented several communication channels at the Bank. One of the most important sources is Echonet, the Bank's intranet, which contains a wealth of useful, continuously updated information. Employees also receive regular mailings, the weekly Hello newsletter and surveys. We also conduct webinars and podcasts.

Channels of communication with employees are: Echonet - the Bank's intranet, mailings, Hello newsletter - once a week, wallpapers, screensavers, pop-ups, videos, podcasts, surveys, polls, opinion surveys, quizzes and competitions, webinars, employee meetings with the Management Board, Town hall (also online), screens in head offices, Bonjour magazine (monthly online magazine), offline activities (e.g. dedicated content in the head office and Clients' centres, mural in the head office at 2 Kasprzaka Street in Warsaw).

Employee satisfaction survey

At the Bank, we want to know exactly what employees think about working in our organisation. We want to respond quickly and efficiently to the needs and possible challenges raised by employees, which is why we conduct a Pulse Check survey regularly, three times a year. The results go to managers, HR Business Partners and the Board of Directors. In 2022, the highest rated aspect was the autonomy and support provided by managers (with an average of over 90% positive ratings). Attendance in the last survey in 2022 was 83%.

eNPS Pulse Check indicator

eNPS	2019	2022	Purpose 2025
Question: how much do we recommend BNP Paribas Bank as an employer to our friends and family?	-9	18	20

We calculate the eNPS indicator based on the answer to the question "How likely is it that you would recommend the BNP Paribas Bank Polska S.A. as an employer to your friends and family?". Each employee responds using an "11-point" scale from 0 to 10. During answering, it is important to keep in mind how individual choices are interpreted:

- choice of ratings from 0 to 6 - means "I am not satisfied with the pro-employee activities offered by the Bank" (critic group),
- choice of ratings 7 or 8 - means "I do not have an opinion on this subject and I find the Bank's pro-employee activities neutral" (indifferent group),
- selection of ratings 9 or 10 - means "I have a positive opinion of the activities implemented for employees at the Bank (promoter group).

Based on these results, the eNPS index is calculated according to the formula: $eNPS = \% \text{ promoters} - \% \text{ critic group}$.

Our Bank's plans for the upcoming years include simplifying the process of collecting employee voices through surveys and analysis conducted in the organisation. This process will be taken care of by the Employee Voice Team, a cross-functional unit that brings together participants and competences from different areas. Its role is to listen to, aggregate and learn from employee feedback.

Employee salaries

We implement a rational, sustainable and manageable remuneration policy at the Bank, which is in line with our strategy, accepted level of risk and standards and core values. The policy is based on clear principles and addresses good market practices in terms of remuneration. From the formal point of view, the rules related to remuneration are set by the "Company Collective Labour Agreement" and the "BNP Paribas Bank Polska S.A. Employee Remuneration Policy". In addition, the Bank also has a remuneration policy for individuals who have a material impact on the Bank's risk profile.

The employee bonus system is based on the Management by Objectives (MbO) formula. In practice, this means that an employee's individual bonuses are linked to the level of achievement of objectives - both quantitative and qualitative. The combination of individual and team objectives illustrates the level of expected performance, taking into account the Bank's risk profile and attention to activities in line with the interests of the Customer.

The Remuneration Committee and the Nomination Committee support the Supervisory Board in its supervisory duties in human resources management. They monitor and supervise the most important processes - succession plans, professional development of employees, remuneration policy. The committees prepare opinions and recommendations for the Supervisory Board, which include the evaluation of candidates for the Management Board and candidates for the Supervisory Board, the terms and conditions of employment of Management Board members, including the amount of agreed and awarded variable remuneration. The Bank implements a compensation review process (Compensation Review Process) on an annual basis - one of the important criteria considered in this process is reduction of the pay gap, for which dedicated funds are allocated.

At the end of 2022, the pay gap, as expressed in the Gender Pay Gap indicator, was 6.51%. This means that men's salaries were 6.51% higher than those of women in comparable positions. The indicator is a weighted average of the size of the different employee groups. Compared to 2021, the ratio has decreased by 0.81 p.p. The Bank's strategic objective under the GOeyond strategy for 2022-2025 is to reduce the wage gap to below 4%.

Gender Pay Gap Indicator

	2020	2021	2022	2025 objective
GPG	8.26%	7.32%	6.51%	<4%

We calculate the Gender Gap Pay indicator for homogeneous employee groups to ensure transparency and consistency of data. We divided employees into groups by area of employment and classification level - this allows us to compare the salaries of women and men who perform similar work. We included in the calculation of the indicator all active employees with more than one year of service with the Bank and who remained employed at the end of December 2022. In the analysis, we took into account total salaries in



comparable positions. We also recorded the differences that result from variable remuneration and other processes.

Table 7. Ratio of men and women base salary by employee category

Ratio of base salary of women and men	2022
Management Board	1.17
key managers	1.25
managers	1.24
other employees	1.35

The indicators as required by the GRI standard are calculated on the basis of heterogeneous groups, i.e. the groups include employees at different job levels, with different job valuations and corresponding salary valuations. Therefore, the indicator is overestimated.

Table 8. Total annual remuneration ratio

Remuneration index	Bank
the ratio of the total annual remuneration for the highest paid person in the organisation to the total annual median remuneration for all employees (excluding the highest paid person)	40.18
the ratio of the percentage increase in total annual remuneration for the best-paid person in the organisation to the median of percentage increase in total annual remuneration for all employees (excluding the best-paid person)	1.95

In order to make total remuneration consistent, the population for above indicators includes active employees with a minimum of one year's experience in the organisation excluding expatriates posted to work in Poland and technical FTEs.

Wellbeing and employee health

The Bank's employees are offered attractive benefits and participation in initiatives to look after their health, develop their sport skills and pursue their passions. The benefits on offer have been designed so that relatives of employees can also benefit from them. The benefits offered at the Bank are grouped into four pillars, and their large number and wide range allow us to tailor benefits to the individual needs of each person.

Benefit offer for Bank employees (full-time employees, if not indicated differently)

Pillar: Security

- Employee Capital Plans.
- Life and accident insurance for employees and their family members (also for part-time and temporary employees).
- Additional insurance for school-age children.
- Travel insurance.

Pillar: Health

- Lux-Med healthcare programme for employees and their relatives (also for part-time and temporary employees).
- MultiSport Plus cards (Employee, Accompanying Person, Kids, Kids Aqua, Student, Senior).
- The Worksmile app, which brings employees together around their passions and sporting activities. The app supports the GOOD programme and allows us to stay in touch while working remotely (also for part-time and temporary employees)
- Health days for all Bank employees, during which we promote healthy lifestyles - exercise and healthy eating (webinars on healthy eating, stationary events: body composition analysis, relaxation sessions and office exercises).
- Influenza vaccinations.

Pillar: work-life balance

- Action Two Hours for Humanity.
- Action Two Hours for Health.
- MyBenefit Cafeteria System (points top-ups for employees and their children).
- Holiday subsidies for employees and their children.
- Financial assistance from the Company Social Benefits Fund (also for part-time and temporary employees).

- Actions and activities within the framework of the Bank Close Relatives programme (pl. Bank Bliski Bliskim - e.g. parental week).

Pillar: Friendly work environment

- Wellbeing programme GOOD (also for part-time and temporary employees).
- Flexible working hours.
- Additional holiday days (additional occasional leave, additional holiday day for taking all current leave in a calendar year, leave for volunteering).
- Promotion of parental holidays.
- Personalised "Szumiś" teddy bears for new-born children of employees.
- Mortgage loans from the Company Social Benefits Fund.
- Offer of discounts and banking products for Bank employees.

The Bank's flagship wellbeing programme is the "Good" programme, which aims to improve awareness of caring for a good quality of life and taking care of oneself, strengthening psycho-physical health, reducing stress, quieting the mind, working with one's emotions taking care of immune system and eating healthy. Employees receive a schedule of meetings every Monday and activities, which include health and stress webinars, psychological support, meetings with nutritionists, as well as talks with a mental coach and massages.

As part of the Lux Med healthcare programme, we pay for employees (employed for at least 0.3 FTE) a healthcare package including, among others, immunizations, occupational medicine examinations, consultations of specialist doctors, laboratory examinations and ambulatory procedures, diagnostic examinations, dental prophylaxis, emergency dental care, rehabilitation, examination package without referral. In addition, under the contract with Lux Med, employees can choose from several packages with a broader range of available services.

Health and safety at work

Working at the Bank is a safe job. Health and safety issues are implemented in compliance with all applicable legislation and additional internal regulations developed by our experts. Reporting directly to a member of the Management Board, the Operations and Business Support Health and Safety Team is responsible for occupational safety, and in addition the Bank also has a Health and Safety Committee, which acts as an advisory body. The Commission is made up of representatives of the Bank, the doctor who provides preventive health



care for employees and employee representatives. The Chairman of the Health and Safety Committee is the Director of the Property and Administration Department, and the Vice-Chairman is the Company Social Labour Inspector.

Every Bank employee undertakes mandatory initial health and safety training. Knowledge about safety at work is regularly updated during periodic trainings. Health and safety specialists remind employees of the most common circumstances and causes of occupational accidents and illnesses, emphasise the importance of preventive health care, and educate on procedures to be followed in the event of an accident or emergency, such as a fire or emergency. There are also 15 defibrillators available at the Bank and more than 500 employees have been trained in first aid. Each of the Bank's employees has also been informed of the methods to report their health and safety concerns to a dedicated email box or in person during inspections of working conditions or training sessions conducted by the Health and Safety Team staff.

The Bank conducts occupational risk assessments based on the "Procedure for drawing up a risk assessment" and, where risks are identified, the Health and Safety Team verifies that the risk of unwanted events can be minimised and makes adjustments to achieve this. In extreme cases, employees may not perform their duties. The Bank ensures that workplaces are comfortable and ergonomic. Where necessary, workstations are equipped with orthopaedic chairs, vertical computer mice and sensorimotor pillows for people with chronic muscle and tendon disorders. We have also prepared trainings for employees on how to organise an ergonomic workstation at home. People with disabilities working at the Bank are offered help to adapt their workstation to their needs and to equip them with the equipment necessary for their work. The Bank also reimburses the purchase of glasses.

In 2022, we conducted two campaigns to raise awareness and popularise the issues of safety, health and ergonomics at work. Among other things, we organised a competition in which one could win prizes to improve safety and health in the working environment.

All accidents at work are recorded in the accident register and in the RiskCare system. After each incident, an accident report is prepared with conclusions and preventive recommendations. In addition, once a year the Health and Safety Committee comprehensively analyses the accident rate at the Bank. In 2022, the largest number of accidents at the Bank occurred in the office area - these were slips, stumbles and associated collapses. We also recorded several traffic collisions and accidents during remote working. There were no fatalities or serious injuries.

Table 9. Accidents at the Bank in 2022

	Women	Men	Total
Branches	12	2	14
Head offices	4	5	9
Total	16	7	23

Table 10. Accidents at the Bank between 2019 and 2022

	2019	2020	2021	2022
Number of accidents	52	26	21	23

Employees development

We want every person employed at the Bank to know and feel that they are working in an organisation that develops professional competence. In addition to job-related mandatory training, which we primarily deliver remotely, we offer a broad package of individual trainings and the possibility of subsidising language learning or studies. We make around 60% of the Bank's annual training budget available to the individual business areas. We believe that decentralisation results in better decisions on the choice of topics for trainees and participants. The training team is divided - in line with the Agile methodology - into development and operations. This speeds up and improves the introduction of new developments and the maintenance of an optimal training and development offer.

In 2022:

- 630 people attended individual training sessions,
- 325 group sessions,
- 82 coaching sessions for 21 people,
- 218 people individually studied a foreign language,
- 67 people received study funding,
- 124,966 e-learning courses delivered.

These are supplemented by a Central Development Offer, implemented with internal and external specialists, focused on the key competences of the future - social, technical and cognitive. In 2022, we invited employees to 117 training sessions, 23 workshops and 25 webinars. 1,204 people took part in these training sessions.

We develop competences of our employees from the day one. Newly recruited employees receive basic general training - "Nice to see you" - as well as initial training in the product range and the use of operating systems.

The Bank's top training initiatives in 2022 were:

- 'Value Meetings', a workshop to support the implementation of Organisational Culture,
- The #MamToDamTo programme, which, among other things, allows for the development of skills in MS Office tools and the use of banking applications. Training also provided knowledge in the areas of Agile and Lean management. In the #MamToDamTo programme, we provide employees with the opportunity to share knowledge and support each other's development. In 2022 more than 1,600 participants participated in 175 training courses on 32 topics.
- UniversITy - IT training with more than 1,600 participants in 2022,
- To be Proud - a leadership development programme in the retail network,
- Women Up development programme, Future UP mentoring programme,
- ESG Academy - over 150 people trained as promoters on ESG topics,
- Leader Development Academy (New Born Leaders) - training for people with less than one year of managerial experience. The Academy shapes the leadership attitude desired in the Bank, develops leadership competencies and supports the building of an organisational culture and attitudes in line with our values

In 2022, our employees occupied 22,841 places in training groups as part of various development activities. 907 people took part in various individual



activities. It can be stated that each of our employees participated on average in three development activities in 2022.

At the Bank, we have also developed separate programmes for our talents. Leaders for Tomorrow is implemented together with the BNP Paribas Group, and the programme is attended by 80 people for whom special events, training and projects are organised to develop their specific competencies.

We are open as well to people who are just considering their career direction. Our Summer Internship Programme at the Bank is addressed to students in at least their second year of university. We want to break down the stereotypes associated with working in the banking industry and show what an exciting place to work can be in a modern, contemporary bank. During the internship, trainees gain knowledge of banking, Customer service, new technologies and marketing. Students are invited to participate - remotely, on-site or hybrid - in engaging tasks and projects. For older students - 3rd and 4th year and graduates - we have prepared internship programmes. Their aim is to prepare interns to join our organisation.

For employees who are parting ways with the Bank, we offer programmes to support them in finding their way in the labour market: an outplacement programme for employees offering support in finding a job, defining a professional profile, assistance in preparing a CV, preparing for a job interview. Retirement assistance programmes were not implemented in 2022.

Table 11. Average number of training hours

	2021	2022
Average number of training hours received by employees	24.32	28.99
by gender		
women	24.57	30.27
men	23.82	26.52
by employment category		
Management Board	25.71	18.51
key managers	-*	27.06
managers	36.53	27.76
other employees	22.52	29.16

*in 2021, the average number of training hours by category did not have a recognition for 'key managers'.

Table 12. Average number of training hours between 2019 and 2022

	2019	2020	2021	2022
Average number of training hours per employee	25.51	18.4	24.32	28.99

A diverse and inclusive workplace

At the Bank, we create a diverse community for a wide range of talents. The inclusive organisational culture, which has been built consistently over the years, increases creativity, drives innovation, opens up to new ideas, markets, Customers, builds business advantage, and consequently contributes to the development of employees and the success of the entire organisation. Everyday cooperation is based on trust and respect - we want everyone at our Bank to be able to express themselves, realise their career aspirations and passions, feel valued and have a sense of impact.

80

age of the oldest employee

40

average age of employees

18

age of the youngest employee

39

the longest time of work

Diversity management policy

Since 2016, a "Diversity Management Policy" has been in force for everyone at our Bank, which allows us to promote a working environment focused on respecting and making the most of the potential contained in the differences between employees. According to the Policy, diversity is respected at the Bank in every aspect of workplace management. These principles are strictly respected in recruitment, career development and training. We also do not tolerate any direct or indirect discrimination in employment at the Bank.

An employee, either male or female, who has experienced disrespect towards him/herself or others should contact his/her supervisor or HR Business Partner in the first instance on this matter. If, for various reasons, this is not possible, he

or she may also use other channels (as described in the Policy for dealing with breaches regarding respect for others at BNP Paribas Bank Polska S.A.):

- mailing box: sprawypracownicze@bnpparibas.pl,
- anonymous reporting (whistleblowing).

All reports are considered by the Employee Relations Team, while cases involving behaviour that may indicate the presence of bullying, discrimination, harassment or sexual harassment - are referred to the Employee Standards of Conduct Committee for consideration.

In 2022, employees submitted a total of 24 cases. They mainly reported behaviours concerned issues in relationships with a supervisor or between colleagues, including:

- suspected mobbing - 5,
- potential gender discrimination - 4,
- other inappropriate behaviour - 15.

We analysed all reported cases due respect, honestly, fairly and with complete discretion. In line with the above principles, these matters have not been publicly announced at the Bank and only those directly involved in their investigation had access to them. Due to the level of seriousness of the allegations made, the Bank's Employee Standards of Conduct Committee was set up once during the period described. As a result of the Committee's work, the report of bullying was not confirmed. Following investigations into reports of discrimination, none of the allegations made in the reports were confirmed. In all cases, the offenders of inappropriate behaviour suffered consequences appropriate to the misconduct, and the affected employees received the necessary support.

Diversity & Inclusion (D&I) management is part of GOeyond's business strategy for 2022-2025. In the TOGETHER pillar, we focus on a culture of courage, agility and diversity as a basis for supporting efficiency and creativity.

Our commitments to a diverse and inclusive workplace (D&I):

- at least 30% female representation in management positions by 2025.
- the Pay Gap - we have reduced the Gender Pay Gap indicator by 0.81p in 2022. The Bank's strategic goal is to reduce the pay gap to below 4%.



- Increase employment of people with disabilities.
- Monitoring of indicators relevant to D&I management, including for example female vs male participation in specific initiatives, parental leave take-up, retention rate by gender.
- BNP Paribas Group's cyclical survey on the Code of Conduct and diversity and inclusiveness.
- Supporting bottom-up employee initiatives for groups at risk of exclusion.

Supporting diversity is one of the commitments in the BNP Paribas Group's global Strategy. The Group's Management Board is also involved, with measurable targets cascaded to individual countries. With the help of the Group leaders and Diversity Officers, countries implement their local challenges while respecting local circumstances and supporting the potential of bottom-up employee initiatives.

Bank activities promoting diversity

Since 2016, we have signed and respected the Diversity Charter, an international initiative under the auspices of the European Commission, which commits to prohibiting discrimination and promoting diversity. We have also signed the "BNP Paribas Agreement on Fundamental Rights and Global Social Solutions together with the ILO (International Labour Organisation) Global Business and Disability Network Charter". The document obligates us to respect human rights in our business activities and promote diversity, gender equity and protect health and quality of life at work. Overseeing and coordinating the respect for diversity are tasks of the two individuals appointed to special diversity positions in our Bank - Diversity Officers.

Diversity activities are subject to external assessment. In 2022, we were among the leaders in diversity management for the fourth successful year in a row in the Diversity In Check survey organised by the Responsible Business Forum. With a score above 80%, which only 6 organisations achieved.

We demonstrate respect for diversity and an inclusive organisational culture at all times - not only towards those already employed, but also towards those who apply for a job at our Bank. We prepare recruitment offers ensuring that no candidates are excluded and that equal opportunities are ensured. In line with the "Principles of Employee Recruitment at BNP Paribas Bank", we educate and train the Recruitment Team on how to conduct inclusion interviews respecting diversity. New employees follow a specific D&I training as part of the onboarding process, where we provide knowledge about the D&I Strategy, the principles of

mutual respect and the employee initiatives for groups at risk of exclusion supported by the Bank.

Initiatives promoting equal opportunities for women and men:

- The Decalogue of Equal Treatment - a set of principles against discrimination, micro-discrimination and exclusion in the workplace created by the BNP Paribas Women of Change employee network on the basis of a survey exploring perceptions of equal treatment. The project is widely communicated and the basis of the 'Spot the Difference, Don't Discriminate' campaign are animations showing specific behaviours and attitudes that are inappropriate and those that build respectful relationships in the workplace. The campaign won the top prize in the open category at the Golden Arrow awards, as well as an accolade at the Employer Branding Excellence Awards,
- Just a word" marketing campaign, promoting feminatives, the use of which helps to combat stereotypes and promotes equal opportunities between genders,
- preparation of a Feminitivas Dictionary - an online guide where, after entering the masculine name of an occupation, one can look up the feminine name and a commentary if the feminine in question has several variants or is not commonly used,
- partnership with the Share the Care Foundation and authorship of the guide for employers '50/50 it pays off for everyone. The role of employers in encouraging men to take parental leave', as well as the publication 'The 100 pro guy' promoting a new dimension of fatherhood, partnership, parental equality
- reducing the gender pay gap and communicating it transparently in non-financial reports. Equal opportunities for promotion and participation in talent programmes and set specific targets for equal participation of women at all levels of the organisation's positions,
- partnership with the Women in IT Day initiative - a free online event for women who want to start or develop their career in IT,
- partnership with the #KnowledgeNotHasGender (pl: #WiedzaNieMaPłci) campaign, which aims to demonstrate the importance of empowering women in public debate and reducing the disparity in the presence of female experts in the media.

Initiatives for parents:

- A cyclical event called Parents' Week, during which, among other things, we invite employees' children to the Bank, show where and how their parents work and provide knowledge to improve parenting skills; this year, we talked about, among other things, non-violent communication, parental wellbeing but also cyber security and digital hygiene
- Participation in a Share the Care Foundation debate on engaged fatherhood and transforming approaches to being a father,
- Thematic webinars during the Diversity Days on the entitlements of both parents and the planned legal changes related to the WLB directive, as well as the business competences that fathers can develop when caring for and creating a bond with their children
- As part of the Health Starts in the Head series, webinars on depression in children, women and men, children's fears, difficult situations: how to talk to children about war.

Table 13. Parental leave at the Bank

	Women	Men	Total
Number of employees who have taken parental holiday	409	6	415

The data refers to maternity, paternity and parental leave

Initiatives promoting equal opportunities for people with disabilities:

- Starting e-learning for managers and employees with disabilities,
- supporting people with disabilities in obtaining a disability certificate,
- awareness campaign on neurodiversity,
- cooperation with the AsperIT Foundation - awareness campaign, webinars and audit of the organisation's readiness to work with neuroatypical people,
- competition for male and female employees to create a slogan, poster, story about the inclusion of people with disabilities,
- a series of films-interviews "People with experience" presenting interviews with male and female employees who face the challenge of disability and want to share this experience with the banking community.



- organisation of the webinar "I CAN too" with Agata Roczniak, inspirer, educator and CEO of the Diversum Foundation,
- a one-off additional benefit of PLN 1,000 for people with disabilities working at the Bank.

Activities were recognised in the Diversity Charter Award 2022. In the category DEI in Business - we won 1st place in the partnership subcategory for the project "Activating people with disabilities".

Table 14. Number of employees with a recognised disability employed by the Bank by gender

	2021	2022
Women		
in head offices	23	29
in branches	30	44
Men		
in head offices	17	29
in branches	5	9
Total	75	111

Table 15. Share of employees with a recognised disability employed by the Bank between 2019 and 2022

	2019	2020	2021	2022
Number of persons employed at the Bank with a recognised disability	59	60	75	111
Rate of staff with a recognised disability employed by the Bank	0,60%	0,65%	0,85%	1,32%

The total number of employees (8604) for the calculation of the indicator also includes technical FTEs

Initiatives supporting LGBT+ community:

- the Bank's participation in the Equality Parade in Warsaw, the Bank's stand in the Equality Town,
- webinar for employees with journalist Piotr Jacoń, who talked about the challenges faced by parents of non-heteronormative people, sharing his experience as a father of a transgender daughter,
- webinar with psychologist, Bank employee and representative of the LGBT+ community "How to speak and write about non-binary people. On gender-neutral pronouns",
- joining the "Business does not exclude - You can be yourself here" campaign,
- "Bench of Dialogue" - setting up a rainbow bench on the patio of the Bank's headquarters in Warsaw and inviting employees to discuss difficult topics in a spirit of dialogue and respect.
- These activities have been recognised. In 2022, we were ranked first in the Cashless for Equality (2021 - 4th place) ranking of financial institutions that care about LGBT+ professional and social equality, and in the Diamonds Awards 2022 - BNP Paribas was the LGBT+-supportive employer of the year.

Initiatives promoting diversity and inclusivity in the workplace in 2022.

- support - also financial - activities of workers' networks as partners who are particularly responsive to the needs of equal opportunities for those social groups that are at risk of exclusion, e.g. women, fathers or the LGBT+ community,
- selected employee networks in the Bank:
 - women's network "Women Changing BNP Paribas", which runs, among other things, the original Women Up development programme, the Wo mentoring programme and Future Up mentoring,
 - fathers' network "Dad, you've got it like in the bank", which promotes a partnership family model,
 - the BNP Paribas PRIDE Poland network supporting the LGBT+ community.

- annual Diversity Days. In 2022, we invited employees to a series of meetings, webinars and workshops on topics such as community, dialogue, employee networks and the benefits of working with neurodiverse people. External and internal experts also introduced best practices for conducting intergenerational dialogue and combining business competence development with childcare,
- dialogue with groups at risk of exclusion, exploring their needs, their sense of inclusion in the Bank, designing appropriate actions. For example, anonymous surveys on the situation of LGBT+ people or 50+ people initiated by LGBT+ networks and employee initiatives or Agave Age,
- cooperation in the creation of a guide for companies developing on the basis of diversity and inclusion ideas - "Diversity and inclusive culture step by step" prepared by the Polish Institute for Human Rights and Business (in 2022 the guide will be available in English and Russian),
- First Aid for Humanity campaign in partnership with the Polish Red Cross - learning first aid in combination with a tolerance lesson.

For more information on responsible workplace, refer to **the Management Board Activity Report**.



Environmental aspects

The Bank of Green Changes

Responsibility towards the natural environment is one of the Bank's commitments under the POSITIVE pillar of the GOBeyond Strategy. For many years, we have been involved in counteracting climate change and minimising its effects. The Bank of Green Changes programme aggregates all of the organisation's initiatives for the natural environment.

The Bank of Green Changes programme consists of:

- constantly developing the offer of products and services that help our Customers transition to a low-carbon economy and green investments (described in the "Sustainable Finance" chapter),
- qualitative changes in the functioning of the organisation (so-called eco-improvements) minimising the negative impact of operations on the natural environment,
- educational activities addressed to employees of all Bank areas and external stakeholders and establishing partnerships as well as supporting pro-environmental initiatives.

Our priorities in minimising the negative impact of our operations on the natural environment are: reducing CO₂ emissions, implementing eco-improvements in the workplace, using energy from renewable energy sources and increasing numbers of electric and hybrid cars in our fleet.

Carbon footprint reduction

The financial sector is extremely important for financing the economy. Thus, it has an impact on the real economy's carbon intensity. With environmental impact in mind, the Bank has introduced a number of sectoral CSR policies and regulations regarding, i.a., mining, coal energy, the fuel sector (with regard to unconventional oil and gas resources), and the agri-food sector. All are aimed at reducing the emissions of the Bank's portfolio and the impact of investments on climate (e.g. by refusing to finance coal mining and steam coal combustion). Further details can be found in the "ESG risk management" chapter.

Operational steps taken by the Bank to reduce greenhouse gas emissions:

- Purchase of energy from renewable sources – in 2020, the Bank signed an agreement with Respect Energy for the purchase of energy. 100% of electricity purchased directly by the Bank stems from renewable sources.
- Minimisation of energy consumption – in addition to the use of renewable energy sources, we implement energy-saving solutions. We replace lighting with LEDs and install flow (instead of capacitive) water heaters, motion sensors, and heat recovery systems. We optimise activities in terms of the HVAC system (heating, ventilation, air conditioning).
- Photovoltaic installations at Customer centres – we assemble photovoltaic installations on buildings owned by the Bank.
- Fleet electrification – we replace cars in the bank fleet with hybrid or electric vehicles. Our goal, stated in the GOBeyond strategy for 2025, is for all our cars to have a hybrid or electric drive.

- Reducing business travel – we analyse data on business travel year-on-year and strive to operate more efficiently, thus reducing the number of business trips.
- Bicycle infrastructure – we encourage employees to cycle to work. In the Bank's head offices, we have provided locker rooms with showers and car parks adapted to the needs of cyclists.

In 2022, in selected Customer centres:

- we installed 10 more photovoltaic installations,
- we installed six heat pumps,
- fluorescent lighting was replaced with LED lamps in 180 branches,
- in the Warsaw Clients' Centre, we implemented the miniBMS system, which provides intelligent management of heating, ventilation and air conditioning.



Table 16. Group greenhouse gas emissions from operations (market-based)

source of GHG emissions	emissions (tonnes of CO2e)			
	2019	2020	2021	2022
Scope 1	6 094	5 249	5 289	6 518
Petrol	3 389	2 914	2 964	3 457
Natural gas	1 206	979	1 126	2 156*
Diesel	1 438	1 254	998	898
Heating oil	61	52	35	7
Refrigerants	-	50	166	-
Scope 2	13 158	3 614	5 172	4 250
Thermal energy	5 206	3 614	5 172	4 250
Electricity	7 952	-	-	-
Business trips **	897	486	331	771
Train	237	90	14	68
Private cars	189	245	279	179
Plain	471	151	38	524
Scope 1+2	19 252	8 863	10 461	10 768
Scope 1+2+ business trips	20 149	9 349	10 792	11 539

* A significant increase in the Group's natural gas consumption is due to gas heating at Campus Leszno. After the outbreak of the war in Ukraine, from the end of February to May 2022, many Ukrainian families (mainly employees of UKRSIBBANK) found shelter in Campus Leszno: a total of over 160 people. This significantly increased the needs of the facility. Despite higher consumption, the reduction target for 2022 was achieved.

** In 2022, we observed a significant increase in business travel. The end of the pandemic offered an opportunity for employees from all areas of the Bank and the Group to hold a number of meetings to integrate and work closer together after a long period of working mainly remotely. In 2023, we are planning initiatives to raise employees' awareness of the environmental impact of business travel (especially by air) and to encourage a reduction in business travel.

Implementation of the GOeyond strategic goal (2022-2025)

Cel 2025	Base year 2019	2022	2022 vs 2019
Reduction of CO ₂ emissions from operating activities - 55%	20 149	11 539	- 43%

Tabela 17. The Bank's greenhouse gas emissions from operations (market-based)

source of GHG emissions	emissions (tonnes of CO2e)			
	2019	2020	2021	2022
Scope 1	6 094	5 249	5 289	4 900
Petrol	3 389	2 914	2 964	3 165
Natural gas	1 206	979	1 126	964
Diesel	1 438	1 254	998	764
Heating oil	61	52	35	7
Refrigerants	-	50	166	-
Scope 2	12 890	3 581	5 113	4 142
Thermal energy	5 160	3 581	5 113	4 142
Electricity	7730	-	-	-
Business trips **	897	486	329	738
Train	237	90	14	68
Private cars	189	245	279	178
Plain	471	151	36	492
Scope 1+2	18 984	8 830	10 402	9 042
Scope 1+2+ business trips	19 881	9 316	10 731	9 780

Method of presenting indicators:

- The Bank has adopted reporting periods consistent with those applied by the BNP Paribas Group. Data showing energy consumption, emissions and business trips cover the period from 1 November to 31 October of a given year (in this Report it is the period from 1 November 2021 to 31 October 2022).
- Conversion of fuel consumption into energy expressed in GJ was conducted with the employment of heating values published in the KOBIZE document "Heating Values and CO₂ Emission Factors in 2016 for reporting under the Emission Trading Scheme for 2020" and the analogous document for reporting emissions for 2022.
- Data regarding business trips are obtained from the internal records of the Bank.
- Emissions calculations were prepared in accordance with the following standards: The Greenhouse Gas Protocol A Corporate Accounting and Reporting Standard Revised Edition, GHG Protocol Scope 2 Guidance, and Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
- The greenhouse gases identified and included in the calculations were CO₂, CH₄ and N₂O, which were expressed as CO₂ equivalents. No biogenic CO₂ emissions were identified.
- The reference point for reduction targets are the 2019 emissions, which was the first year when the new approach to calculating GHG emissions was adopted.
- The sources of emission factors were publications of KOBIZE (National Balancing and Emission Management Centre), the Energy Regulatory Office and the DEFRA (Department for Environment, Food and Rural Affairs, UK Government) database.
- The 'refrigerants' category includes R410A and R32 in 2020 and R410A and R422D in 2021 as reported to the CRO (Central Register of Operators) and converted according to GWP (Global Warming Potential).
- As a criterion for the consolidation of emission volumes for the Capital Group, a financial control criterion was adopted, which means that 100% of the company's emissions were attributed to the Group.
- In 2021, emissions from fuel combustion by the fleet and subsidiaries' business trips were included for the first time. This change has no significant bearing on the result.
- Emissions caused by electricity production were calculated using the market-based method. For the energy mix, an average indicator for Poland was used due to the lack of information about individual energy suppliers at particular locations; for energy from renewable sources with guarantees of origin, an indicator of 0 kg CO₂e/kWh was used.



Sustainable IT initiatives

One of the key objectives of GOeyond Bank's business strategy is to reduce CO2 emissions from operations. We also take into account the reduction of the CO2 footprint associated with digital channels, marketing activities, communications and IT processes.

Table 18. Energy and fuel-related emissions not included in Scope 1 and 2 (upstream)

	2022
Emissions resulting from the use of the Data Centre (tonnes of CO ₂)	948

Method of presenting indicators:

- The value represents the emissions resulting from the production of the electricity used.
- The energy consumption information is derived from the submitted invoice data from the supplier under the "IT Equipment Co-location Service Agreement".
- The emission factor published by the energy vendor was used in the calculation. Due to the lack of publication of the current emission factor for 2022 (the factor will be published at the end of March 2023), the 2021 emission factor has been used for the calculation.
- Electricity covered by RES Guarantees of Origin, according to the standard, is zero-emission.
- The calculation excludes WTT emissions, i.e. emissions related to the production of energy lost during transmission and resulting from the production of fuels used to generate electricity

The Go Cloud initiative, as part of the IT@Scale strategy, has environmental objectives in addition to the Bank's technological transformation:

- moving part of our IT ecosystem to the cloud and partnering with suppliers that have zero carbon footprint data centres (certified by renewable energy certificates) will allow us to reduce our carbon footprint in the energy supply chain for hardware by 20%,
- upgrading, consolidating and virtualising equipment in the Data Centre (which in 2022 translated into 25% energy savings),
- Shifting our equipment management to a circular economy approach. We want to track the life cycle of our equipment to reduce the amount of waste generated during the equipment life cycle (e.g. reuse of IT equipment). In 2022, employees bought back more than 600 pieces of IT equipment (mobile phones, laptops, PCs, monitors) as part of the implemented policy. We also donated more than 200 pieces of IT equipment (monitors, PCs, laptops, printers) to public benefit units,
- Definition of environmental criteria for IT purchases - in the tendering procedures for New Technologies and IT Support, energy consumption criteria were introduced into the qualitative elements of the evaluation, e.g. in the procedure for disk arrays, the weight of the indicator in the area of energy demand (power and cooling) was 10%,
- IT, equipment that is unusable is transferred to a specialised company for disposal. In 2022, we handed over 6,500 pieces of IT equipment to Elektrozlom.pl,
- use of certified and recycled paper for the Bank's printing equipment and mass mailings

Car fleet

We increased the number of ecologically powered cars by another 200. Currently, our fleet with alternative drive consists of 606 cars, including 596 hybrid cars and 10 fully electric cars.

Table 19. The Bank's car fleet

	Number of cars	Percentage
Petrol	620	45%
Diesel	160	11%
Electric	10	1%
Hybrid	596	43%
Total	1,386	100%

Electric cars will be increasingly popular – both at the Bank and among our Customers. Therefore, our head offices in Warsaw, Krakow and Ruda Śląska are equipped with electric chargers. In total, we have 12 chargers capable of charging 22 cars at the same time. In 2023, we want to install 9 more stations with 16 charging points.

In 2022, we adopted the Fleet Electrification Policy, according to which the Bank's entire car fleet will be replaced with electric or hybrid cars. We also conducted the first Electric Safe Driving Academy in the history of our Bank. Guided by experienced instructors, our employees could learn how to safely drive electric cars. The Bank also received the "Company most involved in driver education" award from the Polish Vehicle Rental and Leasing Association.

Other initiatives for electro-mobility:

We celebrate Car-Free Day, which is an opportunity to promote ecological means of transport.

We promote the carsharing service as an equivalent of a company car for employees.

We implement the Bicycle to Work campaign, which provides employees with guarded bicycle parking lots and showers at the Bank's head offices. We have also provided our employees and Customers with access to bicycle racks in front of most branches.



Energy

Selected Bank initiatives related to reducing the consumption of energy and natural resources (water, gas):

- LED lighting in outdoor signage,
- replacement of lighting with LED lamps in 90% of Customer centres,
- successive replacement of capacitive water heaters in facilities without access to hot water from the water supply network,
- photovoltaic installations in 10 facilities,
- a pilot eco-branch (EKO-BRANCH initiative) with an HVAC management system and eco-lighting,
- pilot miniBMS installations to manage HVAC and lighting installations in branches,
- optimisation of BMS settings in central locations.

Table 20. Energy consumption (own production or purchased) in the Group

Group	2019		2020		2021		2022	
	MWh	GJ	MWh	GJ	MWh	GJ	MWh	GJ
Purchased thermal energy, including:	-	54 025	-	37 509	-	53 594	-	44 201
Heat from RES	-	75	-	62	-	2 108	-	2 546
Purchased electricity, including:	27 601	99 364	22 878	82 362	21 672	78 020	19 052	68 587
Electricity from RES with guarantees of origin	16 620	59 832	22 878	82 362	21 672	78 020	19 052	68 587
under contract with Respect Energy (from 2021)					13 242	47 671	15 046	54 166
other guarantees of origin					8 429	30 344	4 006	14 422
Total	-	153 389	-	119 871	-	131 614	-	112 788
Non-renewable sources		93 482		37 447		51 486		51 655
Renewable sources		59 907		82 424		80 128		71 133

Implementation of the GOeyond strategic goal (2022-2025)

2025 goal	Base year 2019	2022	2022 vs 2019
Reduction of electricity consumption - 35%	153 389	112 788	- 27%

Table 21. Energy consumption (own production or purchased) at the Bank

Group	2019		2020		2021		2022	
	MWh	GJ	MWh	GJ	MWh	GJ	MWh	GJ
Purchased thermal energy, including:	-	53 547	-	37 170	-	52 982	-	43 143
Heat from RES	-	75	-	62	-	2 005	-	2 546
Purchased electricity, including:	27 295	98 262	22 651	81 543	21 385	76 985	18 562	66 823
Electricity from RES with guarantees of origin	16 620	59 832	22 651	81 543	21 385	76 985	18 562	66 823
under contract with Respect Energy (from 2021)					13 064	47 030	14 881	53 572
other guarantees of origin					8 320	29 952	3 681	13 251
Total	-	151 809	-	118 713	-	129 967	-	109 966
Non-renewable sources		91 902		37 108		50 977		40 597
Renewable sources		59 907		81 605		78 990		69 369

Method of presenting indicators:

- The environmental data for the Bank and the Group are similar because the activities of subsidiaries are carried out in facilities rented by the Bank (except Campus Leszno Sp. z o.o.).
- Consumption data are obtained based on invoices from suppliers of individual utilities. In the absence of source data, they are estimated based on analogous locations where source data is available.
- The Bank has adopted reporting periods consistent with those applied by the BNP Paribas Group. Data on energy consumption and emissions cover the period from 1 November to 31 October of a given year (in this Report it is the period from 1 November 2021 to 31 October 2022).
- Conversion of fuel consumption into energy expressed in GJ was conducted with the employment of heating values published in the KOBIZE document "Heating Values and CO2 Emission Factors in 2016 for reporting under the Emission Trading Scheme for 2020" and the analogous document for reporting emissions for 2022.

Water

Water used in the Bank comes from water supply networks and is discharged into sewage systems after use. Our needs are limited to household purposes (food and hygiene), so the scale of consumption does not generate a significant negative environmental impact. Nevertheless, for a number of years, we have consistently been implementing solutions that reduce water consumption. We have installed e.g. aerators in water taps, as well as motion sensors and electronic washing programmes that significantly reduce water consumption in the Bank. The increased popularity of remote and hybrid work has also affected the reduction of water consumption.



In 2022, we changed the approach to cleaning company cars by implementing an innovative programme of hand car-wash services. Already during the test phase, it saved 253,000 litres of water and reduced CO₂ emissions by up to 2.9 tons.

Table 22. Water consumption in the Group

Group	2019	2020	2021	2022
Water consumption (m ³)	81,222	59,754	49,353	47,523

Table 23. Water consumption at the Bank

Bank	2019	2020	2021	2022
Water consumption (m ³)	79,015	57,642	47,260	44,751

Method of presenting indicators:

The Bank has adopted reporting periods consistent with those applied by the BNP Paribas Group. Data on energy consumption and emissions cover the period from 1 November to 31 October of a given year (in this Report it is the period from 1 November 2021 to 31 October 2022).

Materials and waste

Minimising plastic consumption

Chosen Bank initiatives to reduce plastic consumption:

- In 2019, we decided not to order disposable plastic accessories or plastic water bottles.
- We use water dispensers, carafes and glasses.
- In canteens, we promote the use of private containers and use biodegradable or compostable cutlery and packaging.
- We minimise plastic packaging in vending machines at our branches.
- We have significantly reduced the production of marketing gadgets. We use the available resources. Whenever we decide to produce new marketing gadgets, we cooperate with suppliers to create useful items rather than mere brand carriers.
- We reuse old promotional materials – e.g. roll-ups are recycled into bags, placards and other accessories.
- We use ecological foil for advertisements in the windows of our branches – it is PVC-free and does not contain chemicals harmful to the environment. Old foil is recycled.

Minimising paper consumption

Chosen Bank initiatives to reduce paper consumption:

- We cooperate with suppliers to ensure that all mass correspondence to our Customers as well as marketing materials are printed on certified, recycled paper.
- At the Bank's headquarters, we use eco-friendly paper with a reduced grammage.
- We limit the printing of electronic correspondence and encourage Customers to use digital documents (e-correspondence).
- Every year we digitise more and more processes.
- We use the Autenti platform for electronic contract signing and digital document circulation.
- By using the Autenti platform, we signed 643,000 documents electronically (paperless) in 2022 (5% more than last year), which is approximately 1.4 million sheets of paper saved.

Table 24. Purchase of paper in the Group and the Bank in 2022

	Group	Bank
Paper purchase (in tonnes)	247.62	238.02
share of certified and recycled paper	96.5%	96.6%

Table 25. Purchase of paper at the Bank in 2019-2022 (in tonnes)

	2019	2020	2021	2022	2022 vs 2019
Paper used for internal operations	233.44	178.85	126.44	122.42	(48%)
Paper used for marketing purposes	107.79	52.74	60.67	42.49	(61%)
mass correspondence	70.50	128.16	114.42	70.50	0%
Other	27.58	9.56	1.96	2.61	(91%)
Paper purchase (in tonnes)	439.31	369.30	303.49	238.02	(46%)



Human rights

Promoting diversity and counteracting discrimination is a key aspect of the Bank's management model and the management principles of the BNP Paribas group.

Our priority is to treat all employees and external partners fairly and to prevent any type of discrimination, especially based on age, gender, ethnicity, religion, nationality, political beliefs, sexual orientation, disability and other factors.

In 2012, the BNP Paribas Group signed the BNP Paribas Declaration on Human Rights, thus ensuring respect for human rights within its areas of influence, including employees, suppliers, Customers and local communities. The BNP Paribas Group Code of Conduct stresses the importance of treating all employees with respect. The Code describes employees' expected behaviours and attitudes inside and outside the organisation.

In addition, the BNP Paribas Group signed the BNP Paribas Agreement on Fundamental Rights and Global Social Solutions as well as the ILO Global Business and Disability Network Charter (International Labor Organisation). Thus, the Group confirmed its compliance with international standards on human rights and committed to their promotion, as well as expressed its support for the UN Guidelines on Business and Human Rights.

The BNP Paribas Group observes several principles and standards that underlie its business activities, including:

- The 10 principles of the UN Global Compact,
- UN Sustainable Development Goals,

- UN Guidelines on Business and Human Rights,
- OECD Guidelines for Internationally recognised Business Enterprises,
- Internationally recognised human rights standards as defined by the International Bill of Human Rights,
- Core labour standards defined by the International Labour Organisation,
- BNP Paribas Group Code of Conduct,
- BNP Paribas Human Rights Declaration,
- CSR Declaration for BNP Paribas Suppliers.

Since 2016, the Bank has also been a signatory of the Diversity Charter, an international initiative supported by the European Commission. It is devoted, among other things, to non-discrimination in the workplace, and involving all employees as well as business and social partners in anti-discrimination initiatives.

The Bank's human rights management includes, among other things, monitoring the report indicators of mobbing, discrimination, harassment and violations of employee rights.

The Bank has a zero-tolerance policy with regard to mobbing. Mobbing prevention is regulated by the Anti-Mobbing Policy implemented at the Bank. It enables the employer to prevent the phenomenon and to react immediately if it occurs. Employee reports on mobbing are investigated by the Anti-Mobbing Commission.

The Bank has implemented Principles for dealing with reports of harassment and sexual harassment in professional relations. These enable the safe reporting of reasonable suspicions without fear of retaliation against the reporting party. This document also regulates issues related to the protection

of human rights. It implements solutions adopted in the BNP Paribas Group Policy Treatment of harassment notifications.

The Diversity Management Policy contains regulations for managing the risk of discrimination. It aims to create and promote a diverse work environment that uses the potential of all employees. The policy obliges all employees to comply with the adopted principles in all HR management processes.

Human rights training

In 2020, the BNP Paribas Group developed an e-learning module entitled "Understanding and implementing human rights in the company." It is mandatory for employees who are involved in identifying potential risks regarding human rights violations, including those connected with areas such as CSR, risk, purchases and sales management. The assignment and completion of this training by employees from the aforementioned areas is monitored at a global level. The training is also available to all interested employees. By the end of December 2022, the training was assigned to 165 people and completed by 133 people.

In 2021-22, the BNP Paribas Group prepared and implemented a series of mandatory and dedicated e-learning courses for all employees on the principles of the Code of Conduct. The implementation rate of these training courses is close to 100%.

In addition, the Bank's Human Resources Management Department regularly provides training on discrimination and mobbing. In 2020, two webinars were organised and attended by nearly 900 employees. They were conducted by Karolina Kędziora, a legal advisor and the president of the Polish Society of Anti-discrimination. In 2021 the initiative was continued, and we organised a webinar for managers. Almost 300 people took part in the event. Recordings of the webinars are shared with employees in a dedicated section on the intranet



Counteracting corruption and conflicts of interest

Corruption prevention is based on standards set out in the Anti-Corruption Policy. The regulation contains guidelines on identifying and reducing the risk of corruption. It defines the principles of conduct and scope of responsibility in this area. Thanks to these guidelines, all events of a potentially corrupt nature are monitored. 100% of the Bank's operations are analysed to exclude corruption.

We have a zero-tolerance rule for all forms of corruption, including accepting, offering, requesting, giving or agreeing to additional benefits, items or advantages.

The Bank's anti-corruption system is based on:

- internal regulations specifying corruption-prevention methods,
- a process of reporting corruption incidents to the appropriate organisational units of the Bank,
- corruption risk assessments,
- due diligence in establishing relationships with third parties,
- operational control (especially as regards accounting) maintained as part of the implemented internal control system,
- employee training to increase awareness and show paths of action in specific situations.

The Bank continuously evaluates its management and control system (procedures, reporting, audits, training) for corruption prevention. Appropriate internal regulations in this respect are implemented and updated on an ongoing basis. Risk mapping and the analysis of corruption-related information are centrally supervised. The Managing Director of the Compliance Division appoints a Corruption Prevention Correspondent, whose tasks include coordinating anti-corruption activities.

To counteract corruption, the Bank monitors, i.a., indicators related to reported fraud cases, identified conflicts of interest, accepted/given gifts and invitations, due diligence in establishing relations with Customers/contractors/intermediaries, employee awareness levels.

Table 26. Confirmed cases of corruption and actions taken

Indicator	2022
Total number of confirmed cases of corruption	1*
Type of corruption in confirmed cases	Passive corruption
Total number of confirmed cases that caused employees to be fired or disciplined for corruption	1
Total number of confirmed cases where a contract with a business partner was terminated or could not be renewed due to corruption-related violations	0
Were there any public proceedings against the organisation or its employees regarding corruption in the current reporting period?	No

*A Client center's employee demanded a bribe from a Customer in exchange for preferential pricing terms to a product. The Bank informed the public prosecutor's office of the suspected offence and the employee's contract was terminated with immediate effect.

We expect our business partners (suppliers, contractors, partners cooperating with the Bank and its Customers on the Bank's behalf) to act in accordance with the principles set out in the Code of Conduct of the BNP Paribas Group, especially in the Appendix dedicated to counteracting corruption. An anti-corruption clause is an integral part of each agreement concluded by the Bank with its business partners.

The applicable policies in the area of counteracting corruption are listed in the "Policies and procedures related to ESG" section.

Anti-corruption processes must be transparent and understandable for all employees of the Bank. Therefore, we conduct relevant training, available to all

employees, and we provide additional information through internal communication channels. A separate training course is addressed to employees particularly exposed to the risk of corruption. It provides i.a., practical solutions which help to counteract the risks. The Corruption Prevention Correspondent organises additional training for individual units of the Bank.

In 2022, the Bank implemented an updated training programme devoted to the Code of Conduct. One of its modules was devoted to counteracting corruption. Additionally, we designed a dedicated intranet site, which describes the anti-corruption system. IT solutions that will enhance the monitoring of key corruption indicators are also being developed.

Table 27. Courses on anti-corruption policies and procedures for employees and managers in 2022

Number and percentage of employees who completed anti-corruption training in 2022	7 531	73,72%
Management	9	100,00%
Key managers	99	95,19%
Managers	805	78,08%
Other employees	6618	72,96%

The statistics include the training "Conduct Journey-Season 2". Some employees who were hired at the Bank in the second half of the year in the first instance were required to undergo ethical conduct training, incorporating material from the first two parts of the training, also covering the aspect of anti-corruption

Number and percentage of employees to whom the Bank's anti-corruption policies and procedures were communicated in 2022	7873	100%
Management	9	100%
Key managers	119	100%
Managers	828	100%
Other employees	6917	100%

The calculation includes active employees in 2022.



ESG risk management

ESG risk management policies and procedures

At the Bank, we defined the concept of materiality of risks and the factors determining them. To check whether the risks identified by the Bank are material, we implement a materiality assessment process common to all risks. The result of the analyses is a list of material risks. From 2020 ESG risks are recognised as material - so it became necessary to include the impact of environmental, social policy and corporate governance factors in the traditional risk management model. ESG risks are included in the Risk Management Strategy and Risk Appetite. The ESG Risk Management Principles and the principles for measuring ESG risk in the Bank's Internal Capital Assessment Process (ICAAP) have also been developed. BNP Paribas Bank Polska S.A.'s capital plan for 2022-2025 was supplemented with limits for ESG risk determined based on the risk measurement performed.

In analysing ESG risks, we consider factors that may have a - positive or negative - impact on the financial performance, the solvency of Clients or the value of the business. In accordance with the principle of double materiality, we also analyse the effect of the Client's activities on ESG factors.

Factors considered in the ESG risk analysis:

Environmental factors:

- greenhouse gas emissions,
- energy consumption and efficiency,
- water, air and soil pollution,
- efficient management of water usage (risk of freshwater scarcity),
- soil degradation,
- deforestation,
- natural resource consumption,
- waste management,
- biodiversity and ecosystem protection,
- risk of no energy transition,
- developing low-carbon and other environmental technologies (transition risk)),
- regulatory constraints, including additional taxes and charges e.g. carbon tax (transition risk),
- physical risks associated with climate change (extreme weather events and gradually worsening climatic conditions), including the effects of natural disasters, which may affect, e.g., the value of assets,

- changes in consumer sentiment and preferences related to increasing awareness of environmental risks,
- risk of financial liability for the negative impact of operations (compensation, fines).

Social factors:

- integration of various social groups,
- promoting social cohesion,
- respect for diversity,
- whistle-blower protection,
- investments in human capital and communities,
- anti-discrimination on all bases,
- tackling inequalities and promoting equality of opportunity,
- safe and healthy working environment,
- health and safety of Customers, local communities, surroundings,
- Customer privacy protection,
- training and development,
- non-respect of human rights (forced labour, child labour, modern slavery),
- non-respect of workers' rights: right to organise, right to strike, right to collective bargaining, ethical standards of employment,
- risk of lack of threat prevention against terrorism and cybercrime,
- contagious diseases (affecting humans or animals),
- risk of financial liability for the negative impact of the business (compensations, fines).

Corporate governance factors:

- unethical and fraudulent business practices,
- non-compliance with corporate governance standards (code of ethics, grievance and whistleblowing mechanisms, transparency of information),
- gender diversity in corporate bodies,
- internal audit,
- independence of the board,



- executive remuneration,
- fraud and corrupt practices,
- shareholders' rights,
- stakeholder engagement,
- deficient ESG risk control systems,
- requirements in the supply chain,
- compliance with non-financial sector regulations,
- risk of financial liability for the negative impact of the business (compensations, fines).

At the Bank we recognise as important the regulatory risk as well, i.e. changes in the law related to the areas covered by the ESG strategy. In order to properly manage and control this risk, we monitor the work of supervisory authorities and legislative proposals concerning the financial sector. We recognise that changes in the ESG area will have a real impact on the operation of our organization.

ESG analysis in the credit process

All credit process participants on the Bank's side assess ESG risks, including the CIB and Corporate Client Risk Division as a second line of ESG risk control. The process has been systematised and made more detailed through the implementation of the EBA/GL/2020/06 Guidelines on loan origination and monitoring.

Since 30 June 2021, for all new financing and additional increases in financing, ESG risk assessment has been included in the credit risk assessment process for Corporate Clients and SMEs.

Since 1 September 2021, ESG risk assessment has also been included for Micro Clients. The ESG assessment carried out on the basis of information obtained from Clients is taken into account in the credit analysis. If a high level of ESG risk is identified, it is possible to downgrade the Client's rating.

In 2022 Bank conducted 29,553 ESG risk assessments in the credit processes.

The BNP Paribas Group applies the Equator Principles (EP) to identify, assess and manage the risks associated with financing a project and its environmental and social impacts. The principles provide minimum standards for conducting due diligence on projects.

At the Bank, we also comply with the BNP Paribas Group policies:

- **Policy on Ocean Protection**, which establishes funding criteria for activities deemed risky to the environment and ocean biodiversity.
- **The Human Rights Policy**, which sets out the BNP Paribas Group's ethical standards and ensures respect for human rights in all its activities.

ESG criteria in the Client's assessment

BNP Paribas Group policies identify nine sectors that are highly sensitive in terms of ESG risks. These sectors are: coal-based power generation, mining, fuel in unconventional oil and gas resources, nuclear, forestry - wood pulp, forestry - palm oil, tobacco, agri-food, defence and safety.

In 2022, Bank conducted **207 CSR analyses in sectors that are highly sensitive in terms of sustainability.**

All entities operating in these sectors that seek to become our Clients or obtain financing are required to comply with the requirements described in our sector policies and CSR principles. At the same time, Bank has taken the strategic decision to end its service to the most harmful sectors in terms of sustainability.

since 2018

we are in the process of executing an exit from tobacco financing. No new Clients from this sector will receive financing from the Bank

in 2020

The Group has strengthened its policy towards Clients whose operations involve energy coal

since 2020

Bank has discontinued its financing of the fur farming sector.



BNP Paribas Group sector policies

Coal-based power generation sector	<ul style="list-style-type: none"> • The Bank will not commence working with any new Client that generates more than 25% of its revenue from coal-based power generation and coal-based activities. • The Bank will only engage with coal-based power companies that have a coal exit strategy by 2030 for both coal-based power plants owned and operated by the company. • The Bank will not provide financial products or services to new coal-based power projects, regardless of their location, or to retrofit existing Coal-based Power Plants/Electricity Plants to extend their useful life or increase their capacity.
Mining sector	<ul style="list-style-type: none"> • The Bank will not provide any financial products or services to infrastructure companies significantly involved in the energy coal industry. • The Bank will not provide any financial products or services to entities that are part of mining groups that produce more than 10 million tonnes of energy coal per year or generate more than 20% of their revenue from energy coal. • Bank will not provide any financial products or services to companies involved in energy coal mining.
Fuel in unconventional oil and gas resources sector	<ul style="list-style-type: none"> • Bank will not be offering financial products and services to companies involved in unconventional oil and gas resources. • The Bank will not finance exploratory and production projects for unconventional oil and gas resources. • The Bank will not finance entities that engage in activities related to unconventional oil and gas resources - i.e. trading, transporting or transmitting those resources.

Nuclear sector	<ul style="list-style-type: none"> • The Bank, as a financial institution, can offer its products and financial services to government entities supporting companies developing non-military nuclear energy. Bank believes that it is essential for countries planning to develop nuclear power or new power plants, as well as for the international community, not only to act in accordance with the requirements of safety, population protection, but also to protect the environment for future generations. • Through the implementation of its CSR Policy, Bank would seek to ensure that the projects it might finance comply with the principles of monitoring as well as mitigating the social and environmental impacts of the nuclear energy sector.
Forestry – wood pulp	<ul style="list-style-type: none"> • The Bank noted that due to the wood pulp production process, heavy industry activity has a major impact on the environment, polluting water, land and air, but also on the health and safety of pulp mill workers and surrounding communities. • Bank wants to support responsible producers with sustainable development practices in the wood pulp sector.
Forestry – palm oil	<ul style="list-style-type: none"> • Bank refrains from financing or investing in companies whose activities actively contribute to deforestation or which violate the rights of local communities. • Bank seeks to support responsible producers with sustainable development practices in the palm oil production sector.
Tobacco sector	<ul style="list-style-type: none"> • Following the BNP Paribas Group's decision in 2017 to cease its financing and investment activities in relation to tobacco producers and planters and wholesalers whose main business is related to tobacco, the Bank is implementing an exit process from financing this sector.



Agri-food sector

- The Bank offers a wide range of financial products and services to the agri-food sector along the entire value chain. Bank's partners are characterised by a high level of responsibility, which is reflected in a commitment to provide people with healthy and safe products in a way that does not endanger the food supply for future generations. The sector policy reflects the Bank's commitment to supporting sustainable development.
- Since 2021, the Group operates with new criteria for companies involved in soy and beef activities in the Brazilian Amazon and Cerrado. The Bank will only offer financial products or services to companies that have adopted a zero-deforestation strategy in their production and supply chains by no later than 2025.
- In the specific case of Amazon, the Bank will not finance Clients producing or buying beef and soya from areas grubbed up or converted after 2008, in the case of Cerrado, in areas grubbed up or converted after 1 January 2020, according to global standards.
- For all clients, the Bank will require full traceability of beef and soy supply chains (direct and indirect) by 2025.
- The Group invites Clients to commit to a transition to systems including cage-free infrastructure for broilers and laying hens by 2025 and to implement the FARMS Initiative's Responsible Minimum Standards by encouraging all chicken breeding companies (broilers and laying hens) to adhere to a maximum stocking density of 30 kg/m².

Defence and safety sector

- The Bank has included in the CSR Policy provisions on defence and security equipment, which relate generally to weapons (including controversial weapons), military equipment, dual-use goods, for internal repression, and for internal security bodies and the police.
- The Bank has committed itself to the application by all areas, units and organisational units of a specific set of principles and guidelines, included in the Defence and Security Sector Policy.

For more information on the risk management system and a description of climate-related risks and opportunities (as recommended by the TCFD), refer to **the Management Board Activity Report**.

Contact

Thank you for reading our report. For a complete picture of our activities, we encourage you to review the Management Report, which is the result of our strategic approach to conducting business in line with sustainability principles. We fully integrate ESG matters into our business model and one of our key commitments is to contribute to the transformation of the economy towards sustainability and to finance Clients and investments ethically and responsibly.

If you have any questions or suggestions regarding the content we report, please do not hesitate to contact us: relacjeinwestorskie@bnpparibas.pl or csr@bnpparibas.pl.

More information is available at: <https://www.bnpparibas.pl/relacje-inwestorskie> and <https://www.bnpparibas.pl/csr>



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

28.02.2023	Przemysław Gdański President of the Management Board	<i>qualified electronic signature</i>
28.02.2023	Jean-Charles Aranda Vice-President of the Management Board	<i>qualified electronic signature</i>
28.02.2023	André Boulanger Vice-President of the Management Board	<i>qualified electronic signature</i>
28.02.2023	Przemysław Furlepa Vice-President of the Management Board	<i>qualified electronic signature</i>
28.02.2023	Wojciech Kembłowski Vice-President of the Management Board	<i>qualified electronic signature</i>
28.02.2023	Kazimierz Łabno Vice-President of the Management Board	<i>qualified electronic signature</i>
28.02.2023	Magdalena Nowicka Vice-President of the Management Board	<i>qualified electronic signature</i>
28.02.2023	Volodymyr Radin Vice-President of the Management Board	<i>qualified electronic signature</i>
28.02.2023	Agnieszka Wolska Vice-President of the Management Board	<i>qualified electronic signature</i>