

BNP PARIBAS

STRATEGIC PRIORITIES & KEY STRENGTHS IN THE NEW PHASE OF THE ECONOMIC CYCLE

CONFERENCES - SEPTEMBER 2024



BNP PARIBAS

The bank for a changing world

DISCLAIMER

The figures included in this presentation are unaudited.

As a reminder, on 29 February 2024 BNP Paribas reported restated quarterly series for 2023 to reflect, in particular, the end of the build-up of the Single Resolution Fund (SRF), effective 1 January 2024, and the assumption of a similar contribution to local bank taxes at a level estimated at about 200 million euros annually beginning in 2024, as well as an accounting heading separated from cost of risk and entitled "Other net losses for risks on financial instruments", beginning in the fourth quarter 2023. This presentation reflects this restatement.

This presentation includes forward-looking statements based on current beliefs and expectations about future events. Forward-looking statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future events, operations, products and services, and statements regarding future performance and synergies. Forward-looking statements are not guarantees of future performance and are subject to inherent risks, uncertainties and assumptions about BNP Paribas and its subsidiaries and investments, developments of BNP Paribas and its subsidiaries, banking industry trends, future capital expenditures and acquisitions, changes in economic conditions globally, or in BNP Paribas' principal local markets, the competitive market and regulatory factors. Those events are uncertain; their outcome may differ from current expectations which may in turn significantly affect expected results. Actual results may differ materially from those projected or implied in these forward-looking statements. Any forward-looking statement contained in this presentation speaks as of the date of this presentation.

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The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding.

— OUTLOOK | BNP Paribas confirms its 2024 trajectory in the new phase of the economic cycle

	1	2	3	4
	Revenues	Jaws effect ¹	Cost of risk	Net Income ²
2024 trajectory	Growth > +2% vs. 2023 ³ revenues (€46.9bn)	Positive	< 40 bps	> 2023 Net Income ³ (€11.2bn)
1H24 results	€24.8bn (+1.7% vs. 1H23 ³)	+0.5 pt	31 bps	€6.5bn

— Strategic priorities

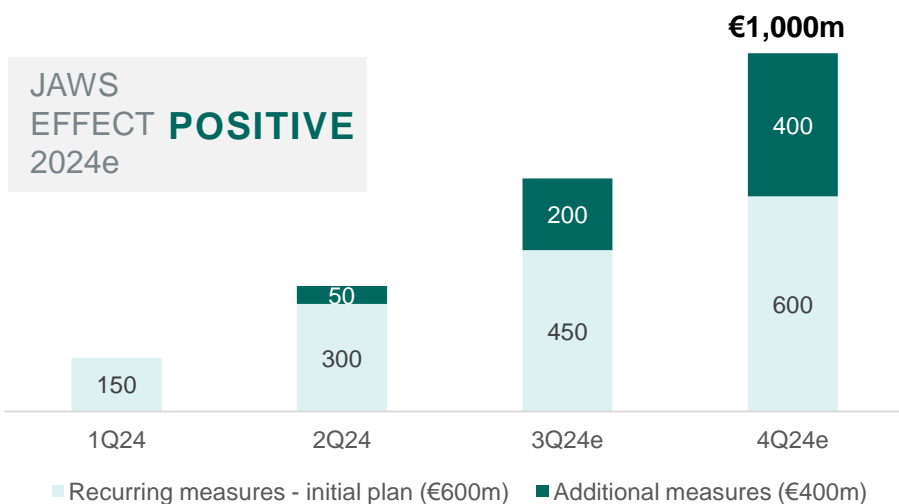
- To further step up the implementation of operating efficiency measures
- To deliver further optimization of RWA in 2H24
- To continue to gain market shares at marginal cost at CIB while sticking to a balanced allocation of capital
- To further develop the leading positions in key segments at CPBS (Commercial & Personal Banking, Specialized Businesses)
- To finalise the project of acquisition⁴ of AXA IM by Cardif (IPS) to become the European leading player in the management of long-term savings assets

— Key strengths

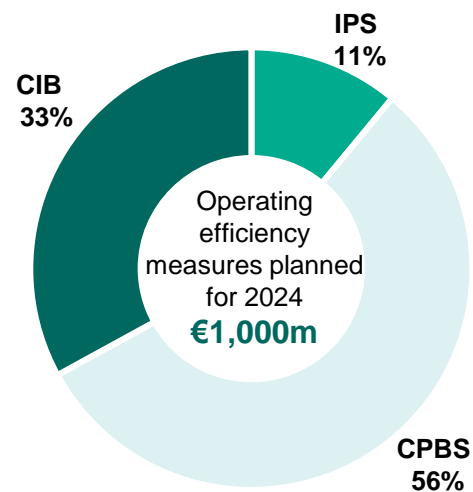
- Model adapted to a scenario of gradual interest-rate cuts with leading positions in fee-generating businesses
- Low cost of risk through the cycle thanks to the quality of the client portfolio
- Positioning at scale in Europe
- Capacity to grow with a track-record through the cycle

— STRATEGIC PRIORITIES | BNP Paribas will further step up the implementation of operating efficiency measures from 2H24

— Operational efficiency measures 2024: €350m completed in 1H24, €650m to come in 2H24 (€m)

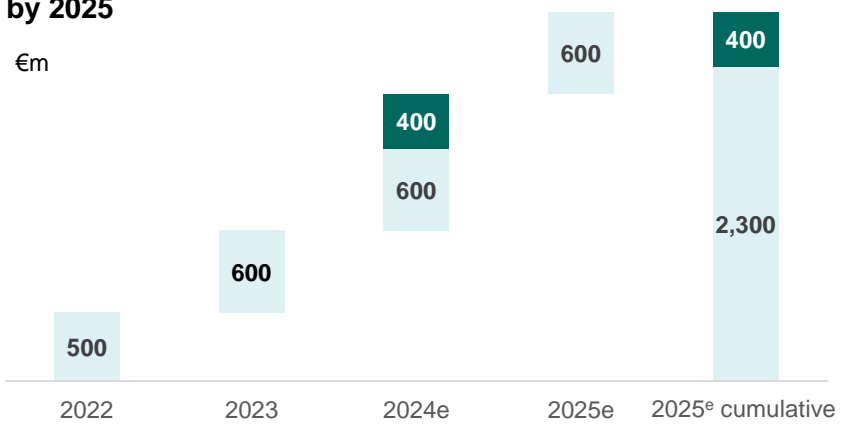


JAWS EFFECT POSITIVE 2024e

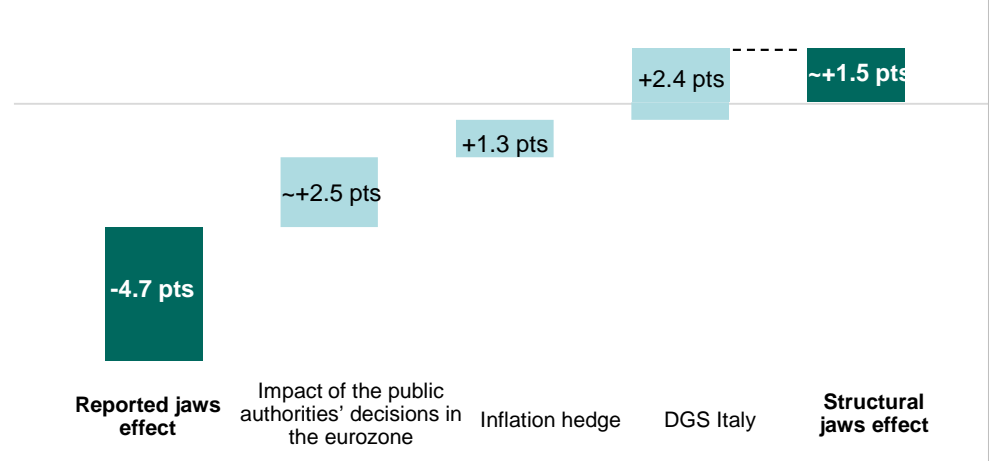


- Mutualisation (*nearshoring / offshoring*)
- Acceleration of deployment of AI use cases
- Optimisation and flexibility of premises
- Discipline in managing external expenses
- Reinforcement of global sourcing

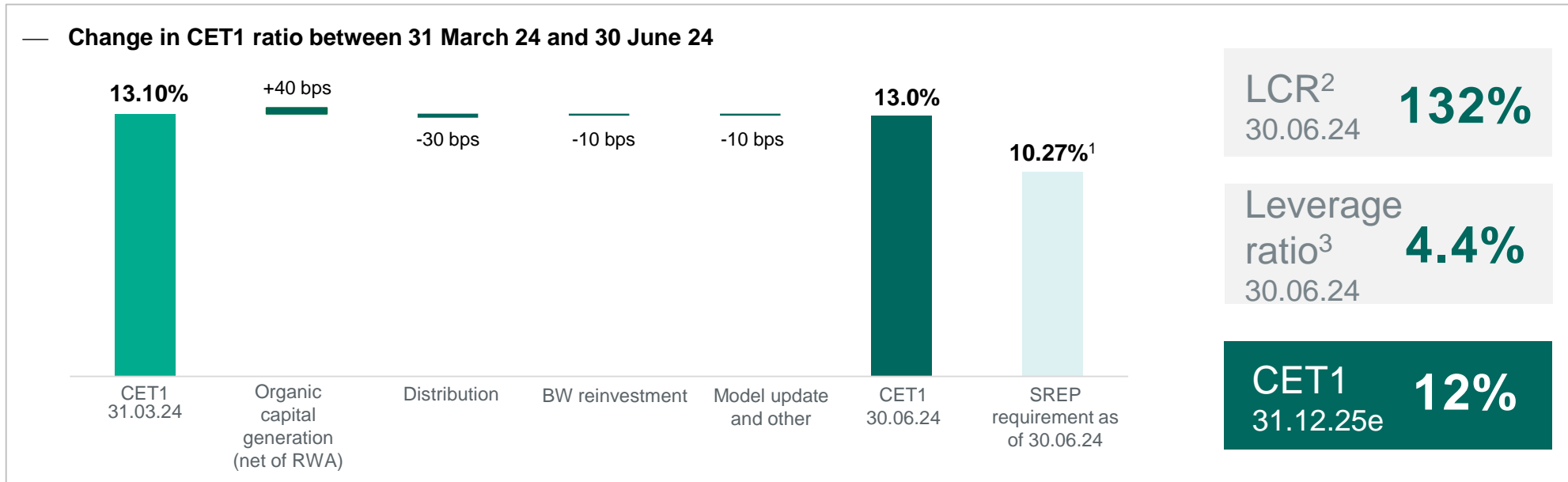
— These €400m of additional measures are part of an overall operational efficiency plan amounting to €2.7bn cumulatively by 2025



— Jaws effect¹ of Commercial and Personal Banking in the eurozone is intrinsically positive in 2Q24

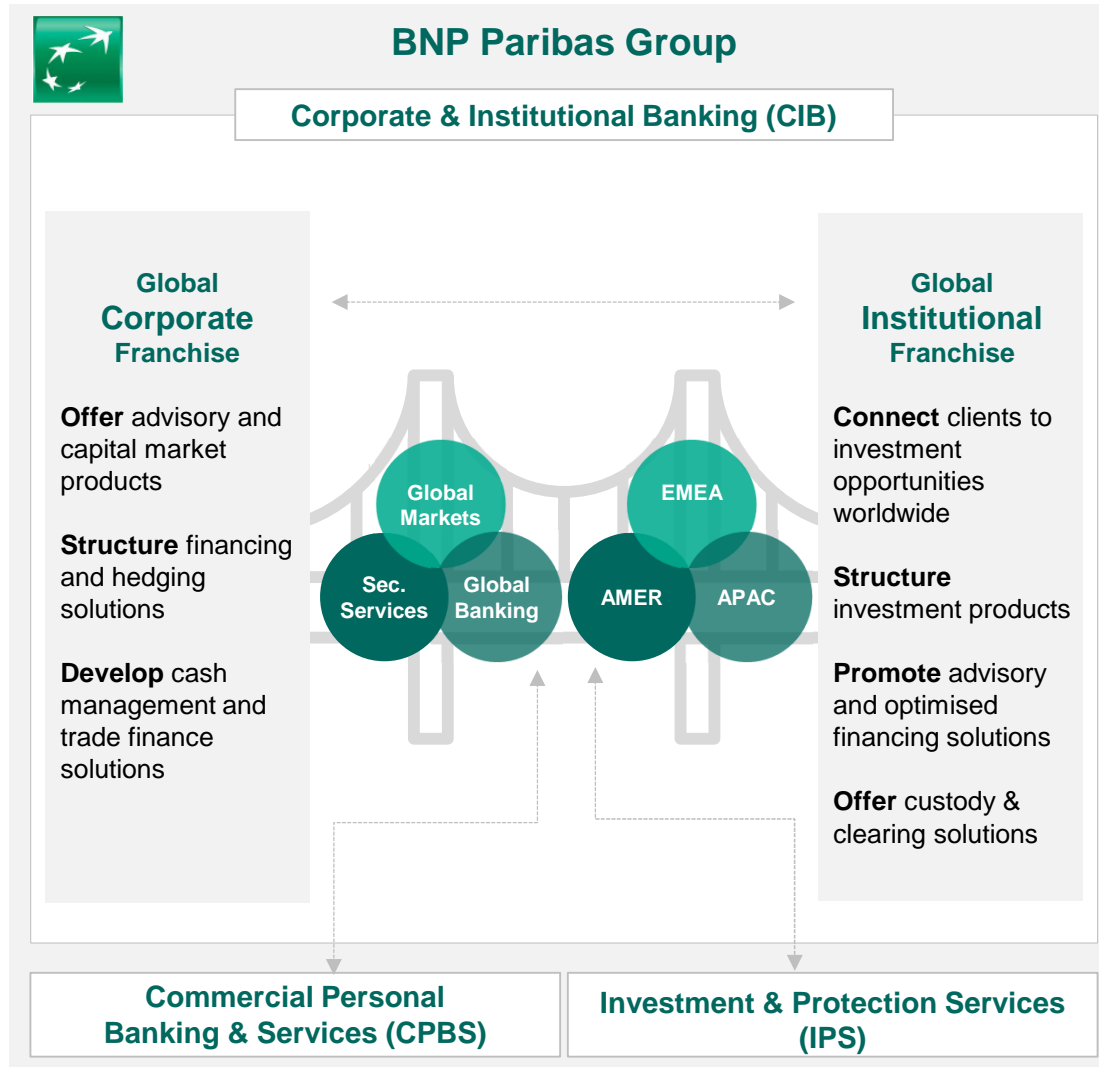


— STRATEGIC PRIORITIES | BNP Paribas will deliver further optimization of RWA in 2H24



2Q24	Trajectory out to end-2025	2026 & MT prudential outlook
<ul style="list-style-type: none"> Organic generation: +40 bps Distribution: -30 bps Redeployment of Bank of the West proceeds: -10 bps <p>Prudential impacts: -10 bps anticipated</p> <ul style="list-style-type: none"> Anticipation of model updates initially planned in 2025: -10 bps Limited impact of OCI <p>CET1 : 13.0% at 30.06.24</p>	<ul style="list-style-type: none"> Further RWA optimisation (securitisation, distribution, divestment) Organic capital generation Capital distribution – pay-out ratio = 60% AXA IM project: -25bps Arval: prudential consolidation (-30 bps) as of 1 July 2024 Basel 4 (excl. FRTB) : impact of the finalisation on 1 January 2025 (-50 bps) 	<ul style="list-style-type: none"> FRTB (-30 bps): impact and application depending on the outcome of “level playing field” (US/ Europe) discussions Main EBA consultation papers (Market risk / Prudent valuation; Credit risk / Off-balance sheet items; etc.) Capital Markets Union / Securitisation: potential publication of initial text by the Commission in 2H25 (average duration of legislative process: ~18 months)

— STRATEGIC PRIORITIES | CIB plays a critical role in bridging the corporate and institutional client franchises to finance an increasingly disintermediated global economy



— **BNP Paribas' vision**

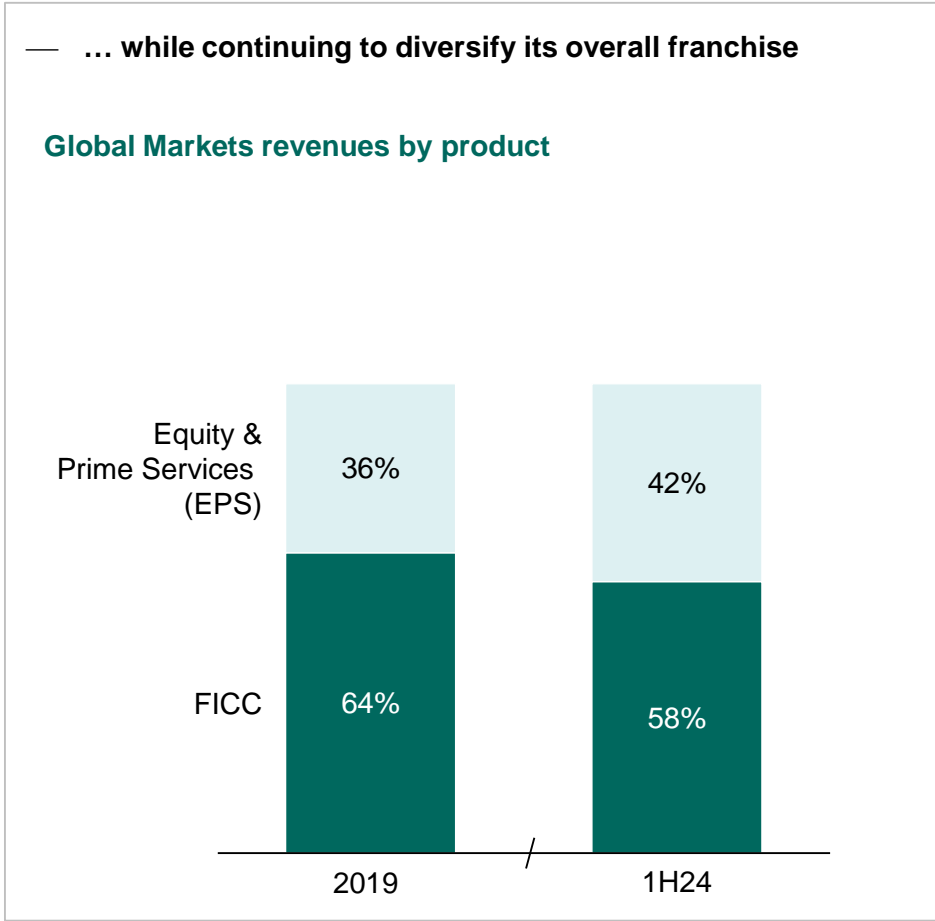
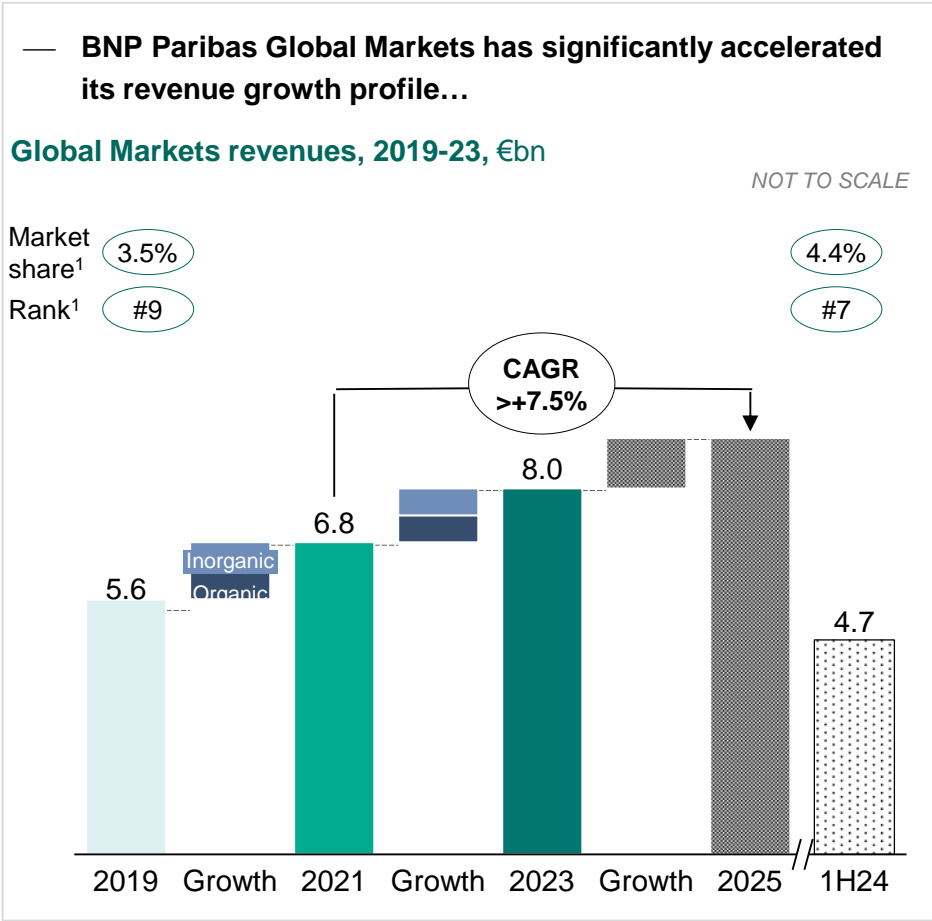
Bridging Corporate and Institutional clients is at the core of the BNP Paribas CIB model:

- Providing Institutional clients with investment opportunities...
- ... by enabling them to **support unprecedented financing needs of Corporates** (e.g. on Climate transition), especially in an environment where resources are constrained
- Thus playing a critical role for all clients and in **financing the global economy**

- **Complementing the Debt offering with Equities** increases BNP Paribas' **relevance with both Institutional and Corporate clients...**
- ...which **strengthens the bridge** between them
- **BNP Paribas' diversified Equities offering** covers the full value chain of research – execution – financing – derivatives
- ...allowing BNP Paribas to **unlock other businesses in CIB including ECM and M&A**

— STRATEGIC PRIORITIES | Execution of the CIB strategy has resulted in a step change in the revenue profile of the Global Markets franchise

DEEP DIVE
EPS **17 Sept.**



Transformational inorganic growth

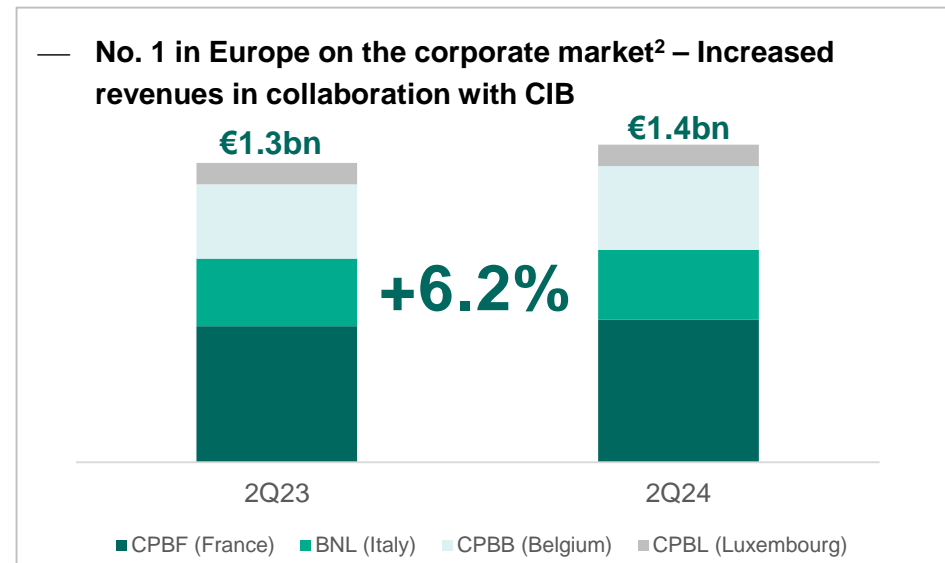
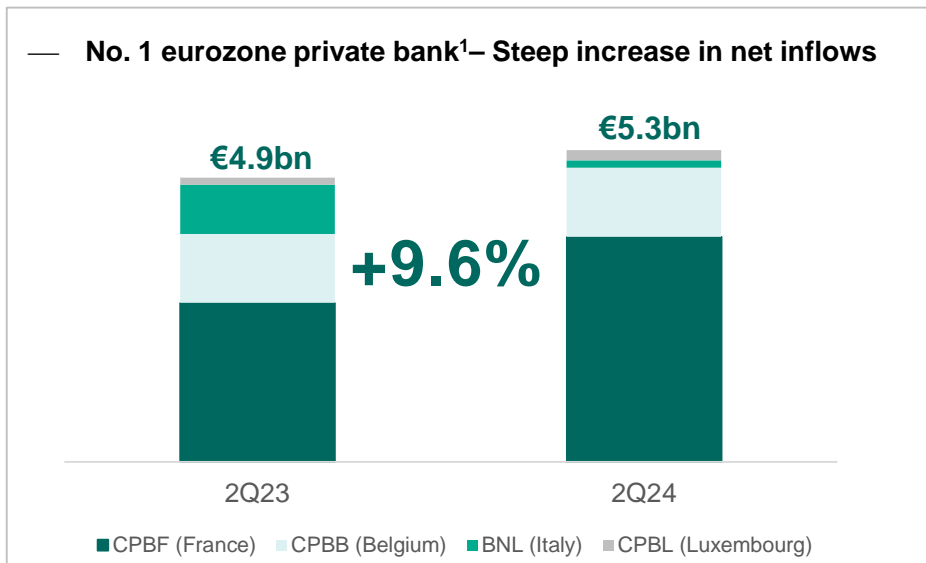
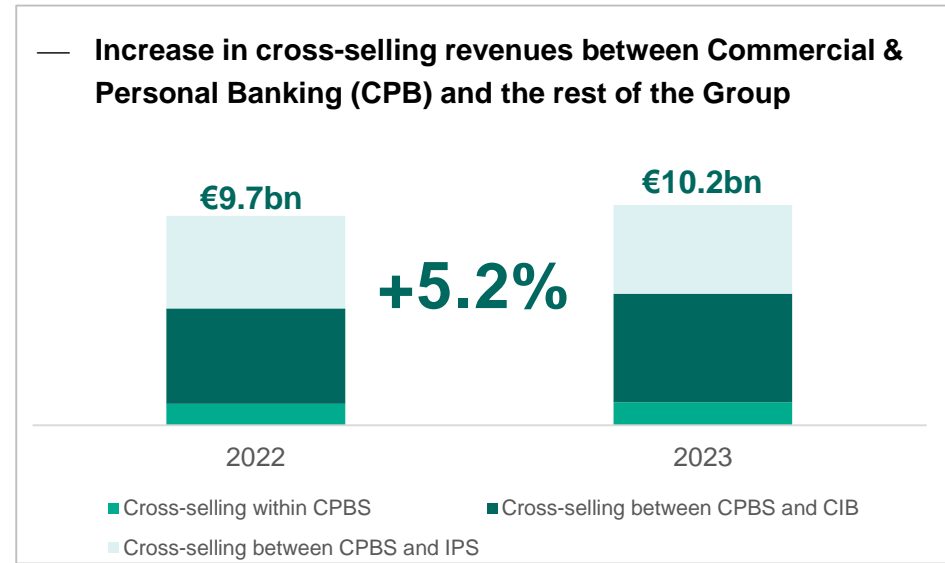
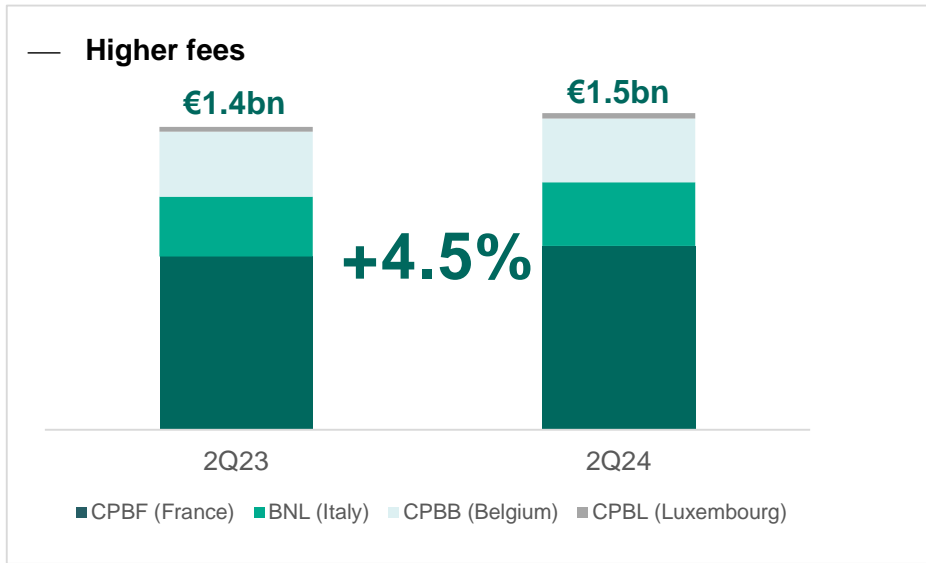
Business diversification

Broader client base

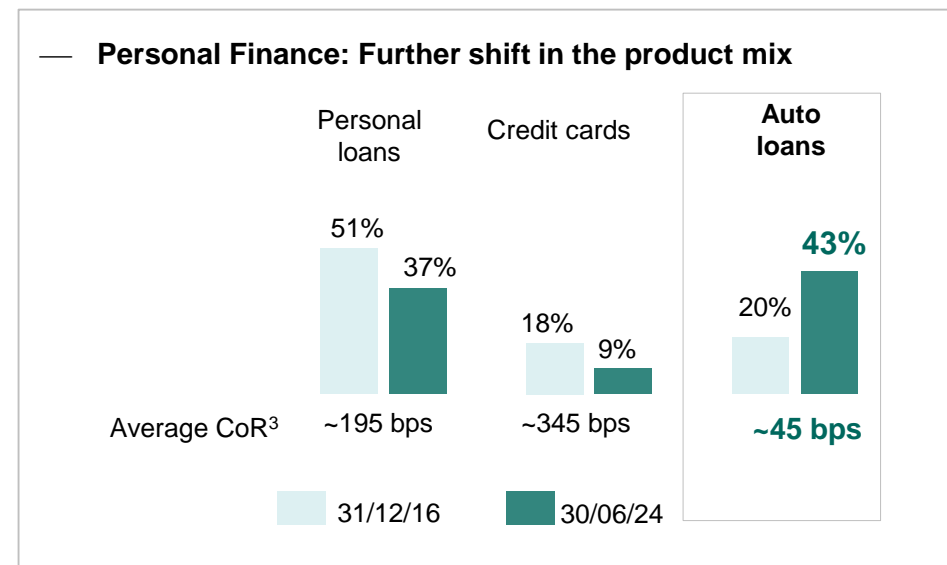
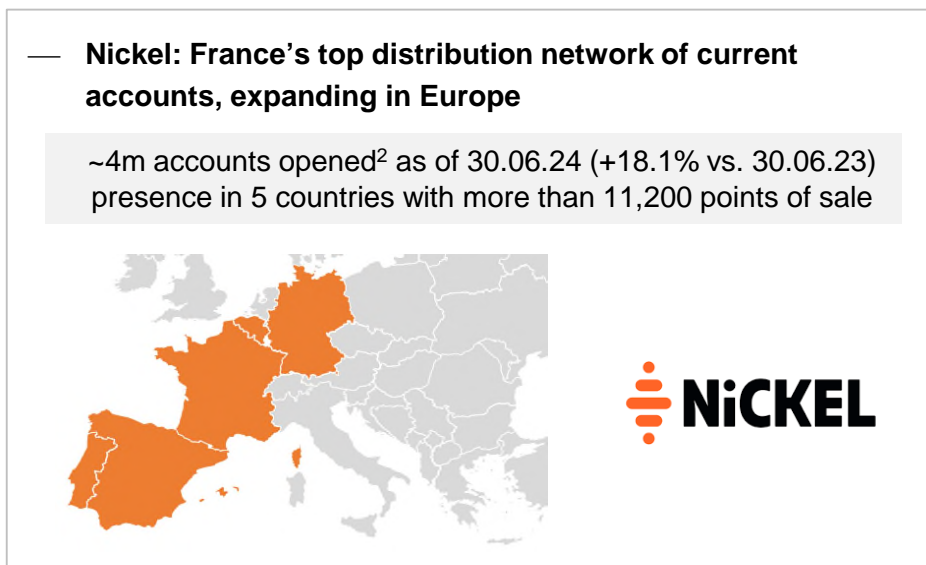
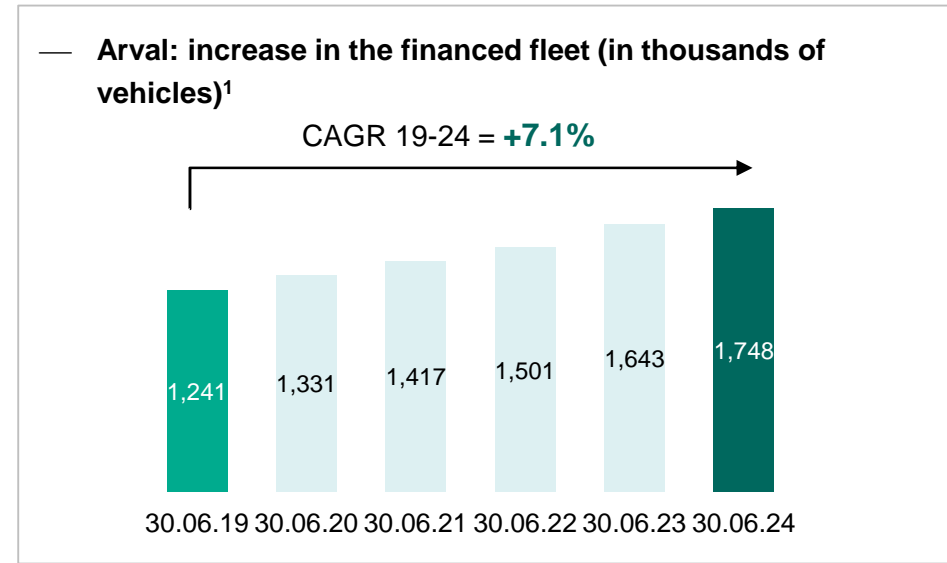
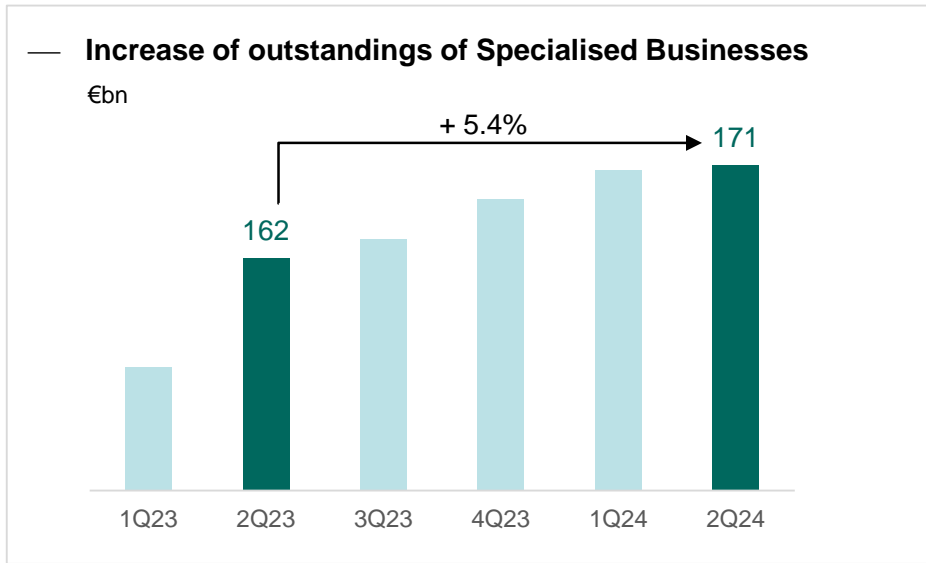
Growth in all regions

Prudent risk mgmt., investment in tech

— STRATEGIC PRIORITIES | CPBS will further develop its leading positions (1/2) - CPB in the eurozone



— STRATEGIC PRIORITIES | CPBS will further develop its leading positions (2/2) - Specialized businesses



— STRATEGIC PRIORITIES | BNP Paribas Cardif (IPS) should complete the project of acquisition of AXA IM

— Key financials

- **Price:** EUR5.1bn (including the acquisition of AXA IM and the long-term partnership)
- **CET1 consumption: 25bps** (EUR 1.8bn)
- Project to be financed by a **capital increase at the level of BNP Paribas Cardif**
- **ROIC by 2028 > 18%**
- **BNP Paribas CET1 trajectory** (taking into account the project): 12%
- *Additional details upon finalisation of the process of information and consultation of employees' representative bodies of the impacted entities*

— Project timeline

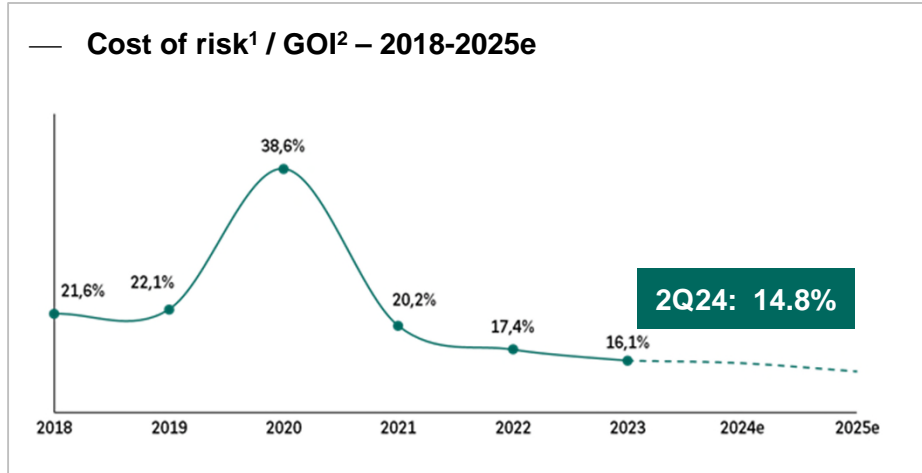
- **1 August 2024: Signature of the MoU**
- Process of information and consultation of employees' representative bodies of the impacted entities
- **By end 2024: Signing¹**
- Regulatory and antitrust approvals
- **By Mid 2025: Closing¹**

DEEP DIVE
INSURANCE **4Q24**

— BNP Paribas' vision

- **Position asset management** at the service of **life insurance**
- **Become the European leading player in the management of long-term savings assets for insurers as well as pension funds**, with **EUR850bn** of assets
- **Scale-up our asset management platform** and **leverage powerful platforms of public and private assets**: total combined assets under management of c. **EUR1,500bn**
- **Benefit from AXA IM Alternatives' leading market position and track record in private assets** to drive further growth with both institutional and retail investors
- **Generate cross-sell with the rest of the Group**: become a key provider of products and service across IPS and CIB to the largest insurers and pension funds

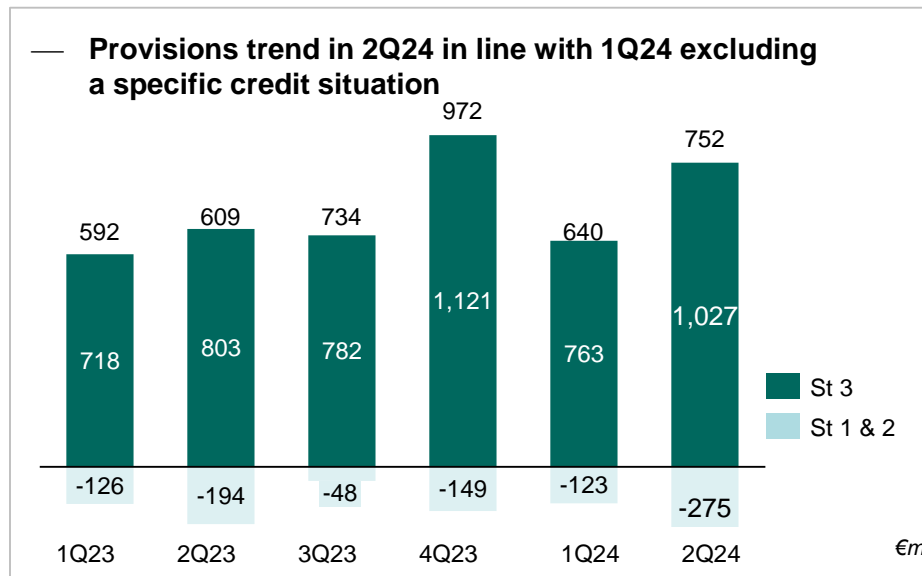
— KEY STRENGTHS | Cost of risk under control, thanks to the quality and diversification of the portfolio



— 2Q24 illustrates the conservative and proactive risk culture

Cost of risk ¹ / customer loans outstanding	33 bps	Stock of provisions	€19.0bn o/w €4.5bn Stage 1&2
Doubtful loans / gross outstandings*	1.6%	Coverage ratio*	69.8%

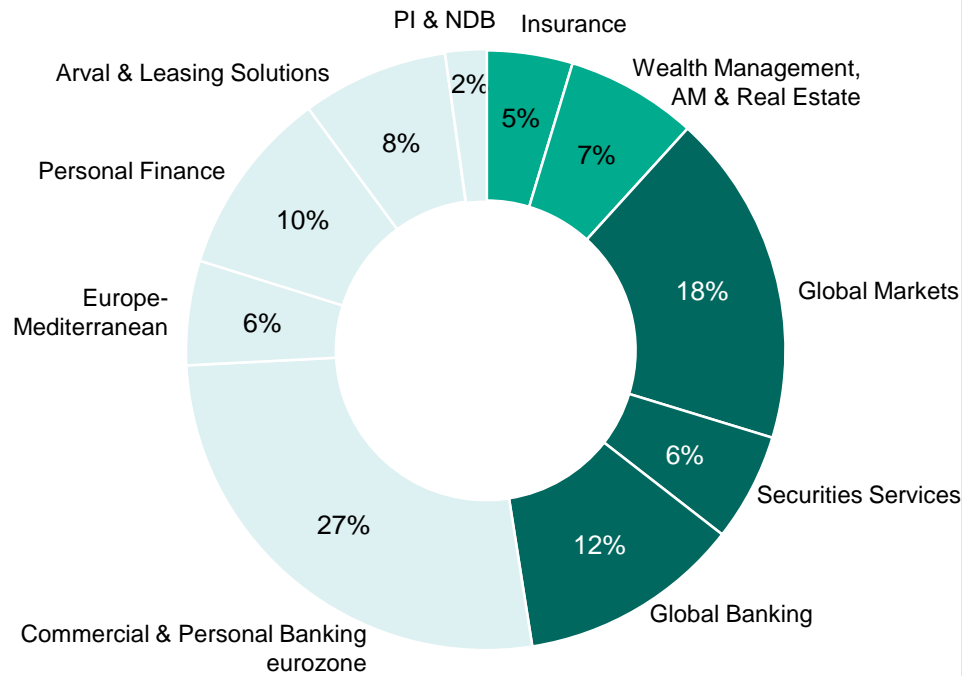
* See details in the appendix of Q2 24 results



- Limited exposure to sensitive sectors
- **Commercial real estate: 3.9%** of total gross exposure³, or €69.9bn; ~45% of counterparties rated investment grade⁴
 - 3.1% of customer loans outstanding classified as doubtful
 - >90% of exposures are in Europe
 - **Construction: 2.0%** of total gross exposure³, or €34.5bn; ~62% of counterparties rated investment grade⁴
 - 3.7% of customer loans outstanding classified as doubtful
 - 77% of customer loans outstanding in Europe
 - **Leveraged financing⁵: 0.7%** of total gross exposure³, or €13.1bn

— KEY STRENGTHS | BNP Paribas' model and leading platforms position it at scale in Europe

— The breakdown in revenues in 2Q24 illustrates the complementarity of Group businesses. Cross-selling accounted for 32% of Group revenues in 2023, up by +4%



% 2023 REVENUES RELATED TO **CROSS-SELLING** **32%**

— BNP Paribas has developed leading European platforms at the service of clients

Flow businesses¹

Leader in Europe in **Cash Management**

Leader in Europe in **Trade Finance**

Top **Factor** network in Europe

Corporate & Institutional Banking

Top European CIB
Top 3 globally in EMEA

Leader in **Capital Markets** in EMEA

No.1 in **Securities Services** in EMEA

Investment & Protection Services

Insurance: **#1 in CPI** worldwide²

Leader in **Wealth Management** in the Eurozone³

#2 in sustainable Asset Management⁴

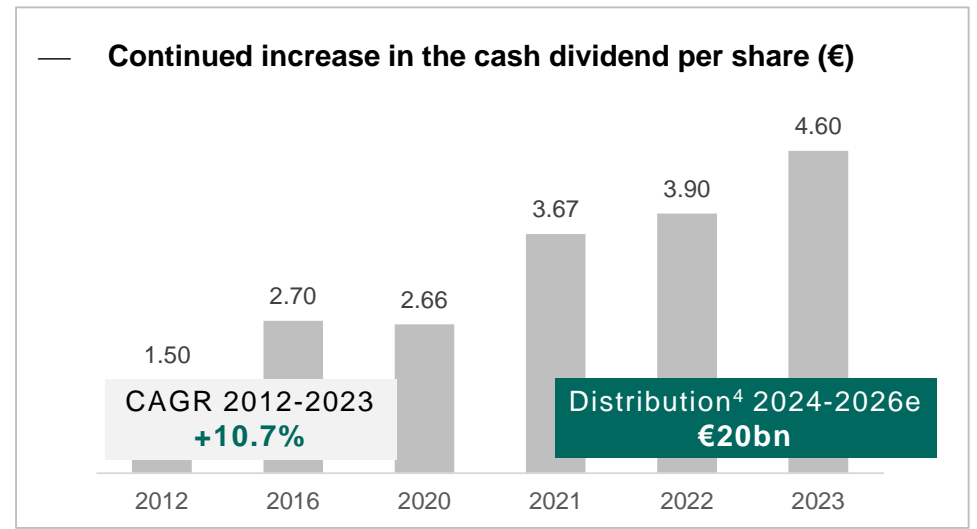
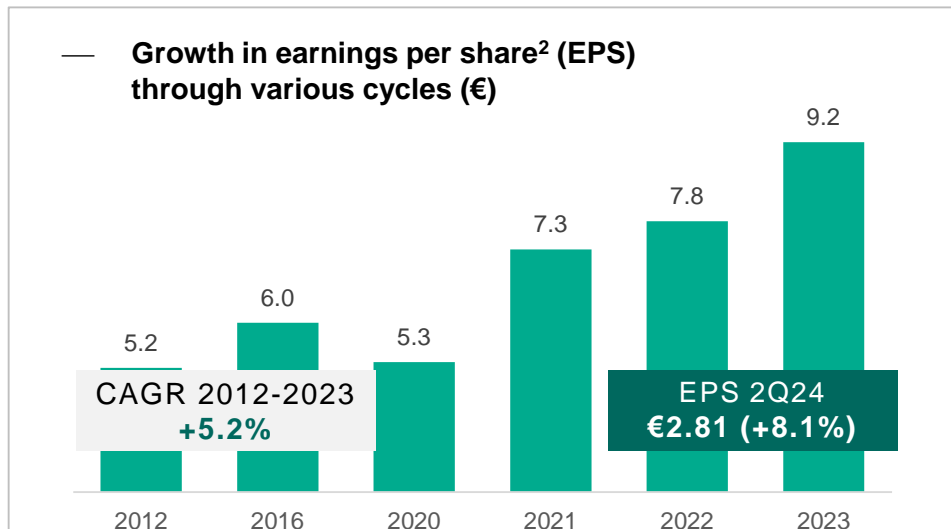
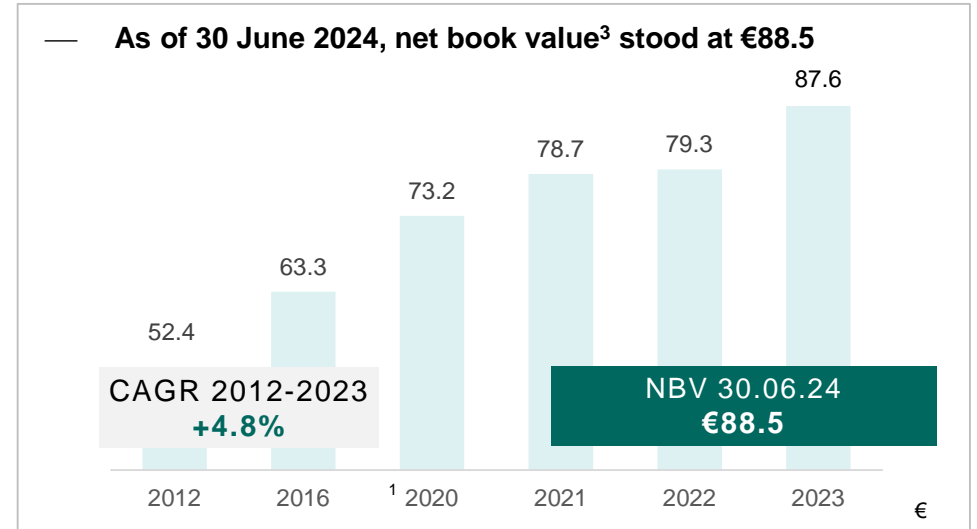
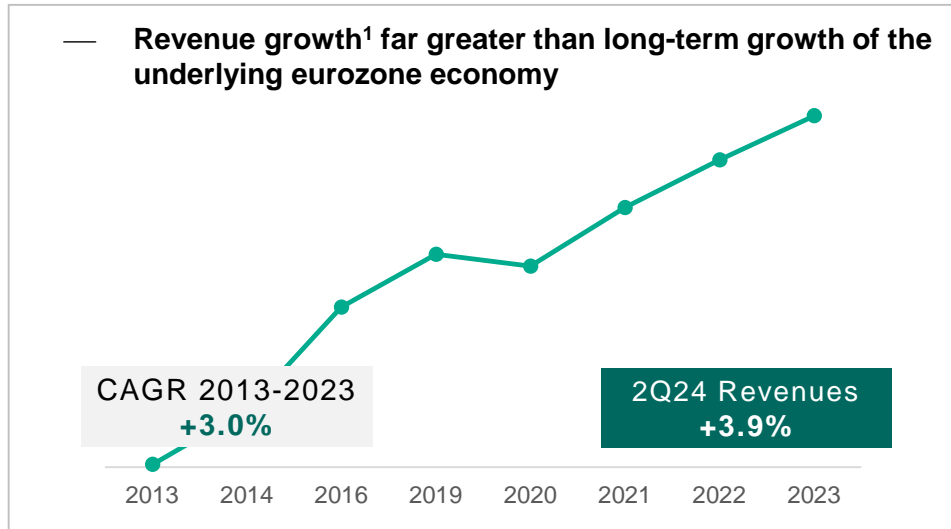
Specialised Businesses

Leading player in Europe for full-service leasing (**Arval**)

Top 3 leasing company in Europe (**Leasing Solutions**)

Leading player in **consumer credit** in Europe

— KEY STRENGTHS | BNP Paribas has a long track-record and capacity to grow through various cycles



ENDNOTES

- **Slide 3**

1. Increase in Group revenues between 2023 (distributable) and 2024 minus the increase in Group operating expenses between 2023 (distributable) and 2024
2. Attributable to equity holders
3. Restated quarterly series published on 29 February 2024. Results serving as a basis for calculating the 2023 distribution and reflecting the Group's intrinsic performance post Bank of the West divestment and post contribution to the ramp-up of the Single Resolution Fund (SRF), excluding extraordinary items
4. This project remains subject to applicable procedures relative to employees involved, and to approval from relevant regulatory and competition authorities

- **Slide 4**

1. Revenue growth between 2Q23 and 2Q24 minus management fees growth between 2Q23 and 2Q24. Scope of commercial banks in the euro zone, at 100% of private banking, excluding PEL/CEL effect in France. The impact of public authorities' decisions in the euro zone concerns the end of the remuneration of minimum reserves and the issuance of Belgian government bonds.

- **Slide 5**

1. CET1 SREP requirement, including a countercyclical buffer of 65 bps as of 30.06.24
2. End of period LCR calculated in accordance with Regulation (CRR) 575/2013 art. 451a
3. Leverage calculated in accordance with Regulation (EU) n°2019/876

- **Slide 7**

1. Source: Coalition Greenwich FY19 and 1H24 (preliminary) Competitor Analytics, Global Markets excluding US Munis. Pool shares and ranks based upon BNP Paribas internal revenues and taxonomy, and Coalition Index Banks: BofA, BARC, BNP Paribas (Private), Citi, CS, DB, GS, HSBC, JPM, MS, SG, UBS. BNP Paribas Split between financing and fee and market making revenues based upon BNP Paribas internal analysis of revenues

- **Slide 8**

1. Amount of AuM as reported by the main eurozone banks for 1Q24
2. Source: ranking based on a penetration rate – Coalition Greenwich Share Leaders European vs. Large Corporate Banking 2024

- **Slide 9**

1. End-of-period increase in the fleet
2. Accounts opened since inception, total for all countries
3. 2019-1Q24 average calculated on the basis of management data and average outstandings excluding Floa

- **Slide 10**

1. This project remains subject to applicable procedures relative to employees involved, and to approval from relevant regulatory and competition authorities

- **Slide 11**

1. Cost of risk excluding "Other net losses for risk on financial instruments"
2. GOI: excluding exceptional items, excluding contribution of Bank of the West and 2023 distributable base to reflect the Group's intrinsic performance post Bank of the West divestment and post contribution to the ramp-up of the Single Resolution Fund (SRF); application of IFRS 17 and IFRS 5, effective from 2022
3. Gross credit exposure, on- and off-balance sheet, not weighted as of the end of March 2024 (Total Group: €1,770bn)
4. Investment grade – external or equivalent internal rating
5. Leveraged buyouts with financial sponsors – Alignment with European regulatory standards applied as of 31.12.22

- **Slide 12**

1. Rankings based on penetration rates; Coalition Greenwich Share Leaders European Large Corporate Banking 2023 and Coalition Greenwich Voice of Client, 2023 European Large Corporate Cash Management and 2023 European Large Corporate Trade Finance studies
2. Finaccord ranking 2023
3. Assets under management, as published by the main Eurozone banks in 2Q24
4. ShareAction report

- **Slide 13**

1. Restated quarterly series published on 29 February 2024. Results serving as a basis for calculating the 2023 distribution and reflecting the Group's intrinsic performance post Bank of the West divestment and post contribution to the ramp-up of the Single Resolution Fund (SRF), excluding extraordinary items. Percentage change in 2Q24 in comparison with 2Q23 on a distributable basis
2. EPS: Earnings per share calculated on the basis of 2nd quarter 2024 Net Income adjusted for the remuneration of undated super-subordinated notes and the average number of shares at the end of the period. 2023 earnings per share calculated on the basis of 2023 distributable income and the number of shares at the end of the period. See slide in appendices. Percentage change in 2Q24 in comparison with 2Q23 on a distributable basis
3. Net Book Value, revalued at the end of the period, in euros
4. Distribution based on a 60% pay-out ratio applied to 2023 results and net income Group share 2024 and 2025, after taking into account the remuneration of Undated Super- Subordinated Notes subject to approval at Annual General Meetings and regulatory approvals (for share buybacks)

— CONTACTS AND UPCOMING EVENTS

— Investor Relations and Financial Information

Bénédicte Thibord, Head of Investor Relations and Financial Information

Equity

Raphaëlle Bouvier-Flory
Lisa Bugat
Didier Leblanc
Olivier Parenty

Debt & ratings agencies

Didier Leblanc
Olivier Parenty

Individual shareholders & ESG

Patrice Menard
Antoine Labarsouque

Investor.relations@bnpparibas.com

— Upcoming events in 2024 and 2025

16 Oct. 2024 *Quiet period begins*
31 Oct. 2024 3Q 2024 earnings reporting date
04 Feb. 2025 4Q 2024 earnings reporting date

2024 Deep Dives

26 June 2024 Payments (transcript online)
17 Sept. 2024 Equity & Prime Services
Q4 2024 Insurance

The consensus, compiled and aggregated by the Investor Relations team, is now available via the following link: [Equity BNP Paribas | Investors & Shareholders | BNP Paribas Group](#)

It reflects the arithmetic average of forecasts for the Group, sent by analysts invited by BNP Paribas to contribute to the consensus.