



LA BANQUE POSTALE 2030

**SHAPING
A JUST TRANSITION
FOR OUR CUSTOMERS**

2020 RESULTS

2030 STRATEGIC PLAN

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**2030 STRATEGIC PLAN,
BECOME FRANCE'S FAVOURITE BANK**

SPEAKERS



Philippe Heim

Chairman of the Executive Board



François Géronde

Chief Financial Officer

2020 RESULTS

Attributable net profit of €4,155m as reported

Attributable net profit of €738m excluding CNP first-time consolidation entries

2020 results shaped by non-recurring transactions

- €3.4bn positive net impact of CNP first-time consolidation
- €484m positive effect of increase in the Group's interest in CNP from 20% to 63% (effect of change in scope excluding badwill and PPA)
- Covid-19 effects on consolidated operating profit, estimated at €807m

1



RESILIENT NET BANKING INCOME (NBI) OF €7,724m

including €2,309m positive effect of CNP first-time consolidation and negative Covid-19 effect of €377m
Historical scope NBI of €5,435m, down 2.6% in 2020 excluding PEL/CEL provision

2



COST/INCOME RATIO OF 70.2%

(EXCLUDING BADWILL & PPA)
Historical scope operating expenses stable at €4,648m, excluding non-recurring effects¹

3



ROME² OF 6.3%

(EXCLUDING BADWILL & PPA)

2030 BUSINESS PLAN

Become France's favourite bank,
close to its customers, with impeccable service quality, unrivalled community ambitions
and a highly engaged workforce



Position La Banque Postale
among the **leaders in
customer experience**



Place the **employee
experience** at the centre of
the strategic project



Reaffirm community
ambitions to support the **just
transition**

LEVERS

Consolidate
the Retail Banking base

Increase the pace of
diversification

**Prepare the bank of the
future** by building an
innovative international
partnership model

>3%
GROUP NBI
2020-2025 CAGR

20%
INTERNATIONAL NBI
IN 2025

-10 pts
**GROUP COST/INCOME
RATIO**
BETWEEN 2020 AND 2025

>8%
RONE¹
IN 2023

01

LA BANQUE POSTALE TODAY

A UNIQUE MODEL

A YOUNG BANK



2006
La Banque Postale created as the vehicle for La Poste's savings, deposit and lending businesses (Livret A, postal checking accounts)

2009
Consumer finance business created in partnership with **Société Générale**

2010
P&C insurance business created in partnership with **Groupama**

2011
Corporate lending business launched

2012
Local authority lending business launched

2013
BPE acquired



2015
Asset management partnership with **Aegon AM** and with **Malakoff-Médéric**

2017
KissKissBankBank acquired



2019
La Banque Postale becomes sole shareholder of **LBP Consumer Finance**

2019
Ma French Bank launched



2020
La Banque Postale becomes majority shareholder of **CNP Assurances**



2020
La Banque Postale becomes sole shareholder of **LBP Assurances IARD**

2020
Joint venture, **Ostrum AM**, set up with **Natixis** to manage fixed income and insurance-related assets



A UNIQUE BANK



ACCESSIBLE

Financially accessible

20 million customers, ranging from vulnerable (1.4 million customers) to high net worth (600,000 customers)

Physically accessible

with a unique network of local branches:

- 17,000 contact points with 1 million visits/day in post offices
- 7,400 ATMs

Digitally accessible

with 1.5 billion visits to La Banque Postale's website in 2020



ENGAGED

Inclusive banking services mission

No.1 bank worldwide in latest Vigeo Eiris annual ranking

No.3 bank worldwide out of the 353 banks rated by Sustainalytics in 2021

Leading 100%-SRI asset manager (LBP AM)



RESPONSIBLE

Transformations and successes

achieved thanks to the Group's employees

Long-term support for all employees, with 267,000 days of training provided in 2020

Gender pay ratio of 97/100

AN AMBITIOUS BANK



A DIVERSIFIED BANK

Leader in bancassurance

33% of NBI from insurance

3 banking brands

- La Banque Postale (full service bank)
- BPE (private bank)
- Ma French Bank (mobile bank)

1 insurance brand

- CNP Assurances

15% of NBI in international markets

Leading local authority banker

Dynamic asset management business

- LBP AM, multi-specialist SRI conviction manager, managed assets of ~€50bn
- 34 LBP AM funds awarded 4* or 5* by Morningstar
- Ostrum joint venture with Natixis: €448bn in managed assets in 2020

Leader in crowdfunding with KissKissBankBank



A ROBUST BANK

11th largest euro zone bank (based on total assets)

20.4% CET1 ratio at end-2020

208% SCR coverage ratio for CNP Assurances

Conservative provisioning policy, 46 bps in 2020

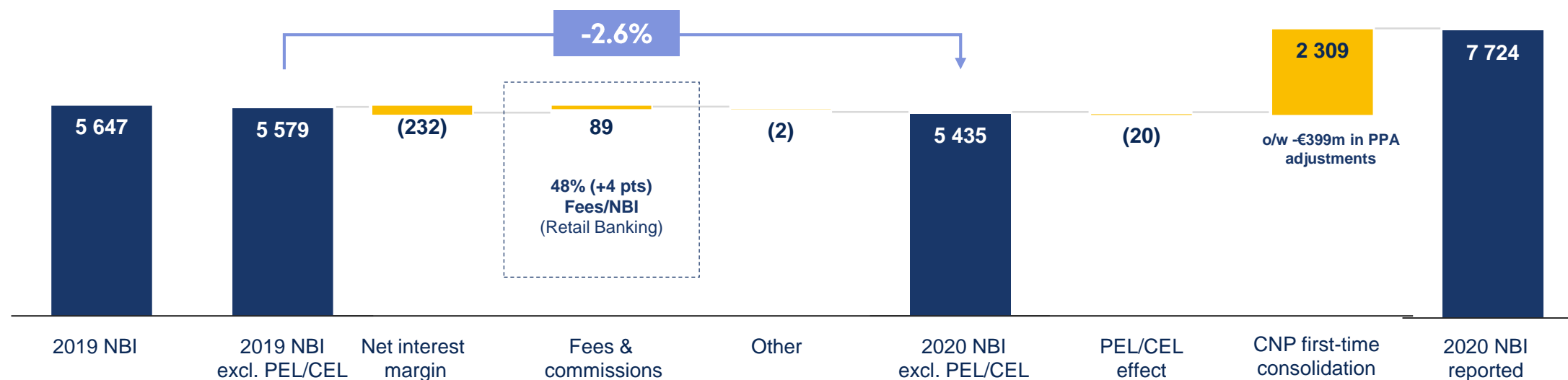
High-quality loan portfolio, 0.7% non-performing loan ratio

02

2020

RESULTS

RESILIENT NBI IN ENVIRONMENT SHAPED BY HEALTH CRISIS AND LOW INTEREST RATES

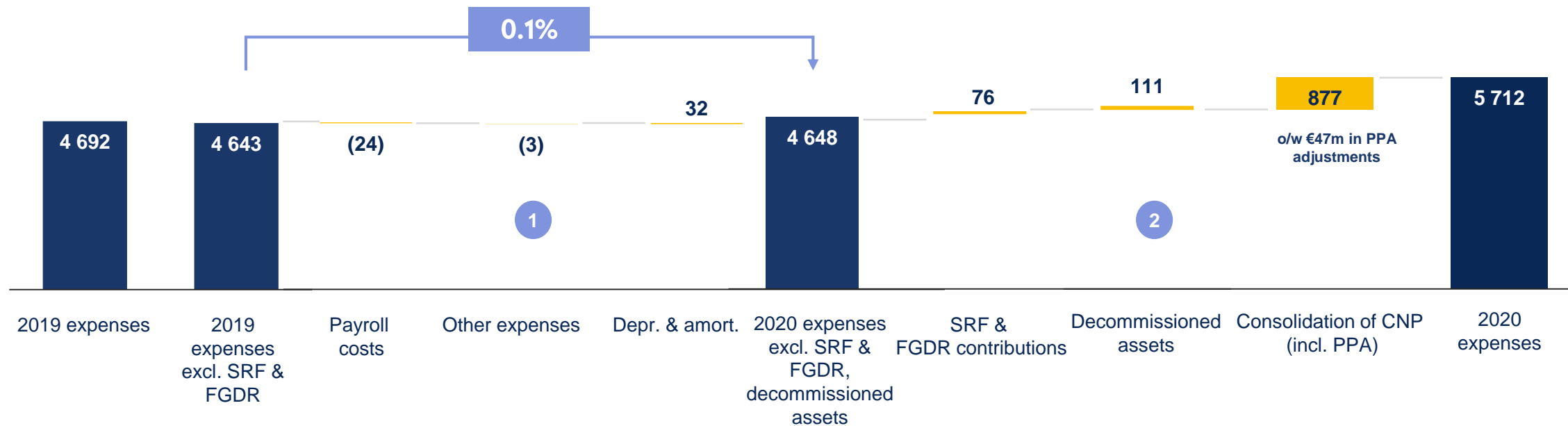


COMMENTS

- Historical scope NBI down 2.6% (excluding PEL/CEL effect).
- Net interest margin down 8%¹ (-€232m) due to low interest rate environment and reduced trading room activity.
- 4% growth in fees and commissions (+€90m), led by higher financial commissions, mainly on life insurance, and development of diversification businesses (advisory, wealth management, etc.).
- Outstanding retail loans up 1.7% and savings deposits up 4.6%.
- €2.2bn net outflow from life insurance contracts (€3.1bn outflow from traditional contracts, €0.8bn inflow to unit-linked).
- Corporate outstanding loans up 12.5%.

¹ Excluding PEL/CEL effect

EXPENSES KEPT UNDER CONTROL



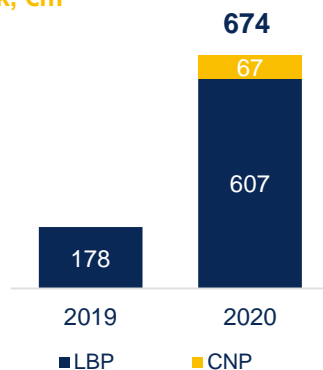
COMMENTS

- Expenses were stable, excluding non-recurring items related to taxes, depreciation and amortisation, with ongoing expenditure to support business development, transformation programmes and strengthening of corporate functions
- Two non-recurring items concerning the Banking Division:
 - €27m increase in contributions to the Single Resolution Fund (SRF) and its French equivalent, the FGDR
 - Non-recurring measures (decommissioning of non-current assets for €111 million)

PRUDENT RISK MANAGEMENT

Conservative provisioning policy no defaults to date

Cost of risk, €m



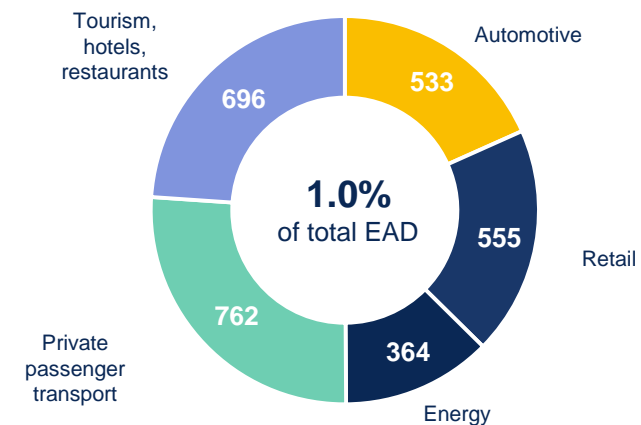
Cost of risk, bps



Limited exposure to crisis-hit sectors

Exposure at default (EAD)

Excluding CNP 31 Dec. 2020, €m



- Exposure to sectors the worst hit by the crisis limited to €2.9bn
- €208m in provision charges

Limited increase in non-performing loan exposure

Excluding CNP

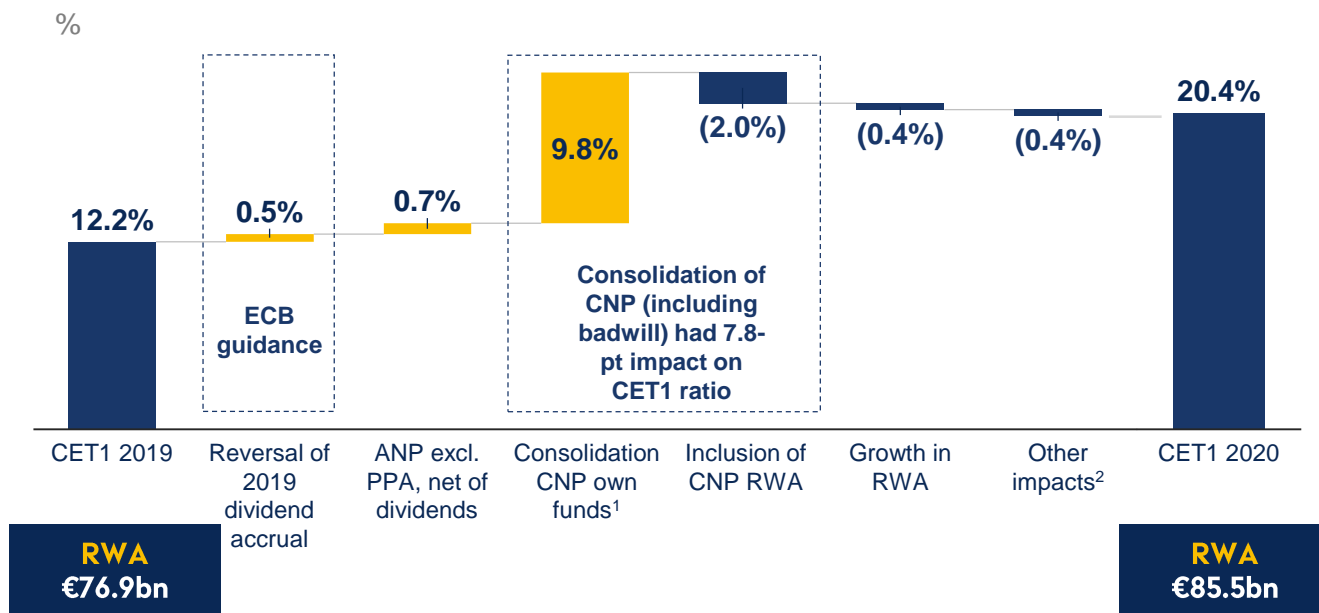
Bucket 3	2019	2020
EAD (€m)	1,285	1,506
EAD (%)	0.53%	0.52%
Coverage rate	42%	39%

NPL rate in 2020

0.70%

A ROBUST BALANCE SHEET STRUCTURE

Core Equity Tier 1 (CET1) ratio

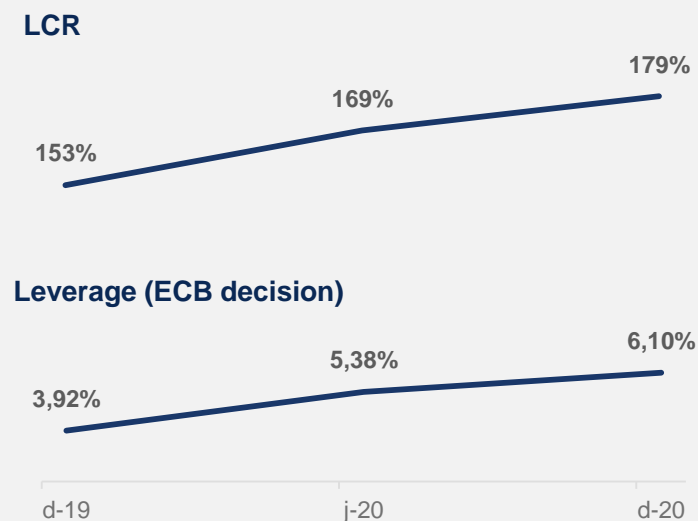


- The impact of first-time consolidation of CNP (including badwill) on the CET1 ratio was approximately 7.8 pts
- Restated for €7.1bn increase linked to the inclusion of CNP into RWA, growth in Banking Division RWA was very limited (around €1.5bn)
- 1.2-point impact of reversing 2019 dividend accrual (€351m) and of including 2020 attributable net profit excluding PPA and net of dividends (around €180m based on ECB guidance)

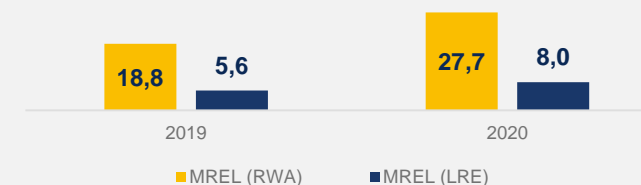
¹ Including share issue and recognition of negative goodwill (badwill), PPA and impact of CNP Assurances asset contribution in consolidated reserves

² Mainly change in OCI

LCR & LEVERAGE



Subordinated MREL (%)



ATTRIBUTABLE NET PROFIT OF €4,155M

Consolidated results (€m)	2019 Actual	2020 Actual (excl. badwill & PPA)	2020 Actual (incl. badwill & PPA)
Net banking income	5,647	8,124	7,724
Operating expenses	(4,692)	(5,664)	(5,711)
Gross operating profit	955	2,459	2,013
Cost of risk	(178)	(657)	(674)
Operating profit	777	1,803	1,339
Attributable net profit	780	738	4,155
	RONE¹	6.3%	
	Cost/income ratio	70.2%	

¹ RWA capitalised at 14% without applying internal model

COMMENTS

2020 results shaped by non-recurring transactions

- Attributable net profit of €4.15bn as reported
- €484m positive effect of increase in the Group's interest in CNP from 20% to 63% (effect of change in scope excluding badwill and PPA)
- Covid-19 crisis effects on consolidated operating profit estimated at €807m

Excluding first-time consolidation impact and PPA adjustments, attributable net profit was €738m

- Attributable net profit reduced to €738m from €780m in 2019
- Cost/income ratio of 70.2% (excluding PPA adjustments)

03

STRATEGIC PLAN

2030 VISION/2025 AMBITIONS

AMBITION

Become France's favourite bank

CUSTOMERS



Position La Banque Postale among the leaders in customer experience



NPS¹ among Top 3
of remote banks between 2023-2025

COMMUNITY



Reaffirm community ambitions in support of the just transition



Global leader in impact finance

EMPLOYEES



Place the employee experience at the centre of our strategic project



NPS of +20 for question
“Would you recommend La Banque Postale as an employer?”

POSITION LA BANQUE POSTALE AMONG THE LEADERS IN CUSTOMER EXPERIENCE

FOR EVERYONE,
FROM VULNERABLE
TO WEALTH
MANAGEMENT
CUSTOMERS

A CHALLENGING NEW
OBJECTIVE



**RANK AMONG THE
TOP 3**
by 2023

Place the **customer culture** at the centre of the organisation

New quality governance with closer management and monitoring

Top 3 based on NPS¹

Top 3 for customer satisfaction²

10 priority projects identified for faster irritant resolution from 2021



¹ Net Promoter Score – Source La Voix du Client
² La Voix du Client

REAFFIRM COMMUNITY AMBITIONS IN SUPPORT OF THE JUST TRANSITION

Community commitments platform

Finance the energy transition and responsible consumption

- Offset the Group's 2020 carbon footprint with target of **net zero emissions by 2040** across all businesses, with validated Science Based Targets for the emissions reduction trajectory
- **€25bn in financing for energy transition projects** in 2023
- Launch of new software application, **HelloCarbo**, in 2021, enabling all Group customers to discover their transactions' **carbon impact**

Correct emerging inequalities

Increase support for **vulnerable customers**:

- **Specific support from the very first signs** of a problem, through early detection of financial vulnerability
- **Digital platform offering a range of dedicated products and services**: protection/insurance, telephony, etc.

Broaden access to impact financing

- Proprietary **Impact Weighting Factor** developed to measure all the social and environmental impacts of an investment or a loan
- **Tracing** and **channelling customer savings**
- **LBP AM** assets under management and **BPE** advisor-directed portfolios **100% SRI**

Engage employees at all levels

- Create a **Community Engagement Department** reporting to the Chairman of the Executive Board
- Ensure employee engagement at all levels through a **remuneration policy aligned** with these objectives
- **Involve all employees** in defining and implementing community engagement

Social responsibility issues placed top-of-mind

Non-financial value creation included in performance measures

Commitments made in a challenging framework

PLACE THE EMPLOYEE EXPERIENCE AT THE CENTRE OF THE STRATEGIC PROJECT

A bank that is proud of its employees' engagement and expertise¹
Employees closely involved in deploying the business plan



New leadership model
aligned with strategic
challenges and incorporating

1. Service quality

- Increase **empowerment** and reward initiatives to become closer to customers

2. The just transition

- Involve employees in deploying the **community engagements platform** (internal consultation)

100% of managers trained in the new leadership model



Collective performance

Sharpen focus on value-added tasks by digitising customer experiences and processes

Develop individual and collective skills

Agile working methods: cross-functional test & learn; increased collective intelligence

Short decision-making paths

Over 300,000 days' training per year



Attractive employer brand
Employee NPS of +20²

Flexible working arrangements to promote a better quality of life

Personalised **mobility** plans to offer employees diversified and enhanced opportunities fostering a fulfilling career

Policies to **attract and retain** "digital natives"

Responsible employment policies promoting **diversity, gender balance and integration**

40% women managers by 2023

¹ La Voix du Client: LBP among the top 3 for friendliness and people skills

² Target Net Promoter Score for 2025, based on the question "Would you recommend La Banque Postale as an employer?"

OUR ROADMAP



Consolidate the Retail Banking base

Three brands
to meet the needs
of all customers

A distribution network
that is close to customers, refurbished
and multi-channel

Digitised customer experience
from end-to-end, for both individual and
business customers

Enhanced operating performance
through mass processing of low value-
added tasks



Increase the pace of diversification

Retail customers: develop
consumer finance and asset
management businesses

Business customers: expand
business scope and product range

Bancassurance: tap the model's
full potential



Prepare the bank of the future

Grow internationally

**Develop an innovative
partnership model**

€3.4bn in IT INVESTMENTS by 2025

CONSOLIDATE THE RETAIL BANKING BASE

1

LEVERAGE

our 3 brands

- La Banque Postale
- Ma French Bank
- BPE

2

COMBINE

deep regional roots,
digital excellence and
operating efficiency

CONSOLIDATE THE RETAIL BANKING BASE

Leverage the brands

Develop the franchise and diversify the offerings

FULL-SERVICE BANK



Consolidate the franchise through ambitious customer acquisition
Hold firm to inclusive banking mission
Increase cross-selling rate

Over 3 million
new customer relationships by 2025

MOBILE BANK



Continue building the franchise

Expand the product and service range

1.3 million
customers by 2025

PRIVATE BANK



A unique responsible wealth management model

Strengthen the regional footprint

Develop advisor-directed asset management business and family office expertise

Become LPB's specialist wealth management unit

+50 BPE service desks by 2025
x2 customer deposits by 2025 (+€10bn)

CONSOLIDATE THE RETAIL BANKING BASE

Combine deep regional roots,
digital excellence and operating efficiency

MORE MULTI-CHANNEL

End-to-end digital customer experience
for both individual and business customers

Multi-channel management
of customer experiences

100% of standard products available in digital form by 2022

3 quick wins in 2021: customer relationship creation, home loans and KYC procedures

DEEPER REGIONAL ROOTS

Deep regional roots
maintained

Ongoing post office **refurbishment** programme

17,000 La Poste contact points

2,600 post offices refurbished to date and **300-400** per year in the coming years

New formats trialled

INCREASED SUPPORT of a higher quality for customers

Differentiated CRM model

Personalised CRM, giving account managers more time to offer value-added sales advice and improving their knowledge of their customers

Pooled management promoting **selfcare** for **simple transactions**

70% of sale transactions using selfcare services¹ by 2025

INCREASED EFFICIENCY

Operating model transformed through **mass processing of low value-added tasks**

Optimised counter service practices through expanded use of **ATMs** and **selfcare services**

10-pt improvement in **cost/income ratio** by 2025

INCREASE THE PACE OF DIVERSIFICATION

1

RETAIL CUSTOMERS

develop the consumer
finance and asset
management businesses

2

BUSINESS CUSTOMERS

expand the business
scope and product
range

3

BANCASSURANCE

tap the model's full potential

INCREASE THE PACE OF DIVERSIFICATION

Retail customers: develop consumer finance and asset management businesses



Consumer finance

- Increase **cross-selling rates** to LBP customers
- Develop an **impact consumer finance** offering
- **Diversify distribution** channels, especially through **e-commerce**
- Deploy the **Credit-as-a-Service model**, distributing LBP CF white label products

+40%
growth in loan
portfolio by
2025



Asset management

LBP AM, globally-recognised asset manager (34 funds awarded 4* or 5* by Morningstar)

- **Expand the conviction management offering**, including investments in real assets
- Develop **external distribution**
- **Leadership in SRI**: develop impact investing and multi-asset climate strategies

Ostrum

- Develop service offering for institutional investors and insurers

€70bn
in managed
assets by 2025

INCREASE THE PACE OF DIVERSIFICATION

Business customers: expand business scope and product range



Large corporates, SMEs & mid-caps

- Partner customers' development projects in **Europe**, leveraging expertise in **structured finance** and DCM **origination**
- Promote “**originate to distribute**” model (origination, arrangement and syndication)
- Develop **interest rate & forex management** offering and cash management offering
- **Digitise customer experiences** and open up growth model to Fintech partners

x2 customers by 2025
x2.5 transaction volume by 2025

30% ratio fees & commissions/NBI by 2025

c. 5% market share with corporates ¹



Financial institutions

- Develop French and European financial institutions customer base to meet syndication (DCM, loans) and funding needs

+30% NBI by 2025



Local public sector

- Consolidate the Group's position as **leading local public sector lender**, in partnership with SFIL

30% market share by 2025

INCREASE THE PACE OF DIVERSIFICATION

Bancassurance: tap the model's full potential



Life insurance

Strengthen integrated bancassurance model

- Assertively **transform technical provisions and new money**, supported by a refreshed offering
- **CNP-LBP multi-channel process**

~30% of new money from unit-linked sales by 2025



Non-life Insurance

Multiply cross-selling synergies

- Increase **cross-selling rates to LBP customers**
- **Digitise** customer relations
- **Diversify distribution** networks (partners, brokers, digital networks)
- Create an **offering for professionals and micro-enterprises**

100% of customer experiences digitised

Cross-selling rate of more than **30%** by 2025¹

A single insurance unit – CNP Assurances – following integration of non-life business

PREPARE THE BANK OF THE FUTURE

1

GROW

internationally

2

DEVELOP

an innovative
partnership model

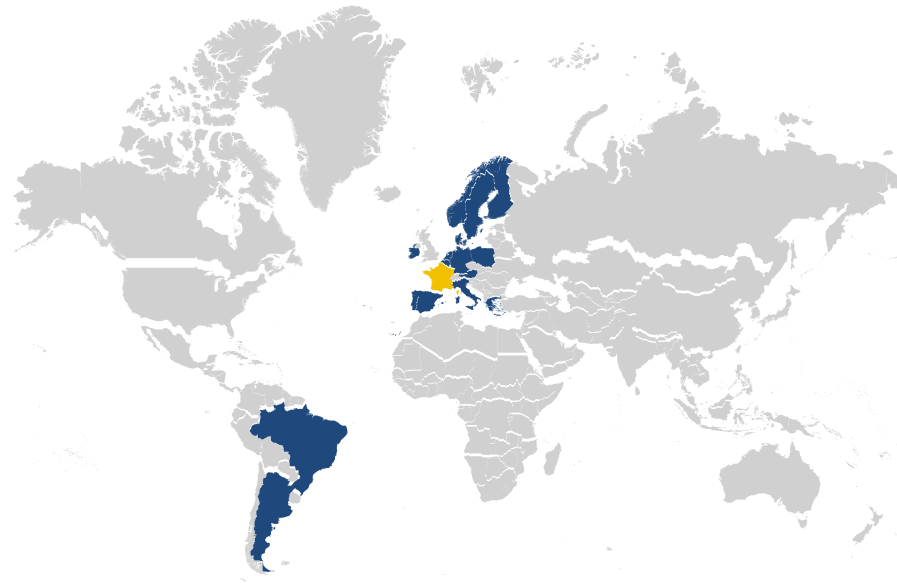
PREPARE THE BANK OF THE FUTURE

Grow internationally

1 Expand into international markets

- to **diversify the business portfolio**
(reduce NIM sensitivity and the domestic market)
- to **tap** the potential of **fast growing** geographic markets

2 By leveraging the geographic footprint of CNP and its partnerships



■ CNP Assurances presence

■ LBP domestic market

PREPARE THE BANK OF THE FUTURE

Develop an innovative partnership model



Open Banking platforms

Develop Open Banking platforms (B2B)

- integrate **various partners**
- offer **agile, data-driven solutions**
- leverage the Group's **expertise**

Starting with:

- **consumer finance**
- **non-life insurance**

LBP CF Business Solution launched in 2021



Companion bank

Develop B2B2C ecosystems to become the bank that **partners its customers at important points in their lives**

- organise the **customer experience around needs or life event universes**
- join forces with **full-service partners** offering services **other financial ones** across the entire needs chain
- position the bank as an **advisor across the entire needs chain**, leveraging responsible use of data to serve customers more effectively

Pilot launched in 2021

Leverage unique traffic on La Banque Postale's website

1.5bn visits in 2020

PREPARE THE BANK OF THE FUTURE

Use Tech to drive innovation

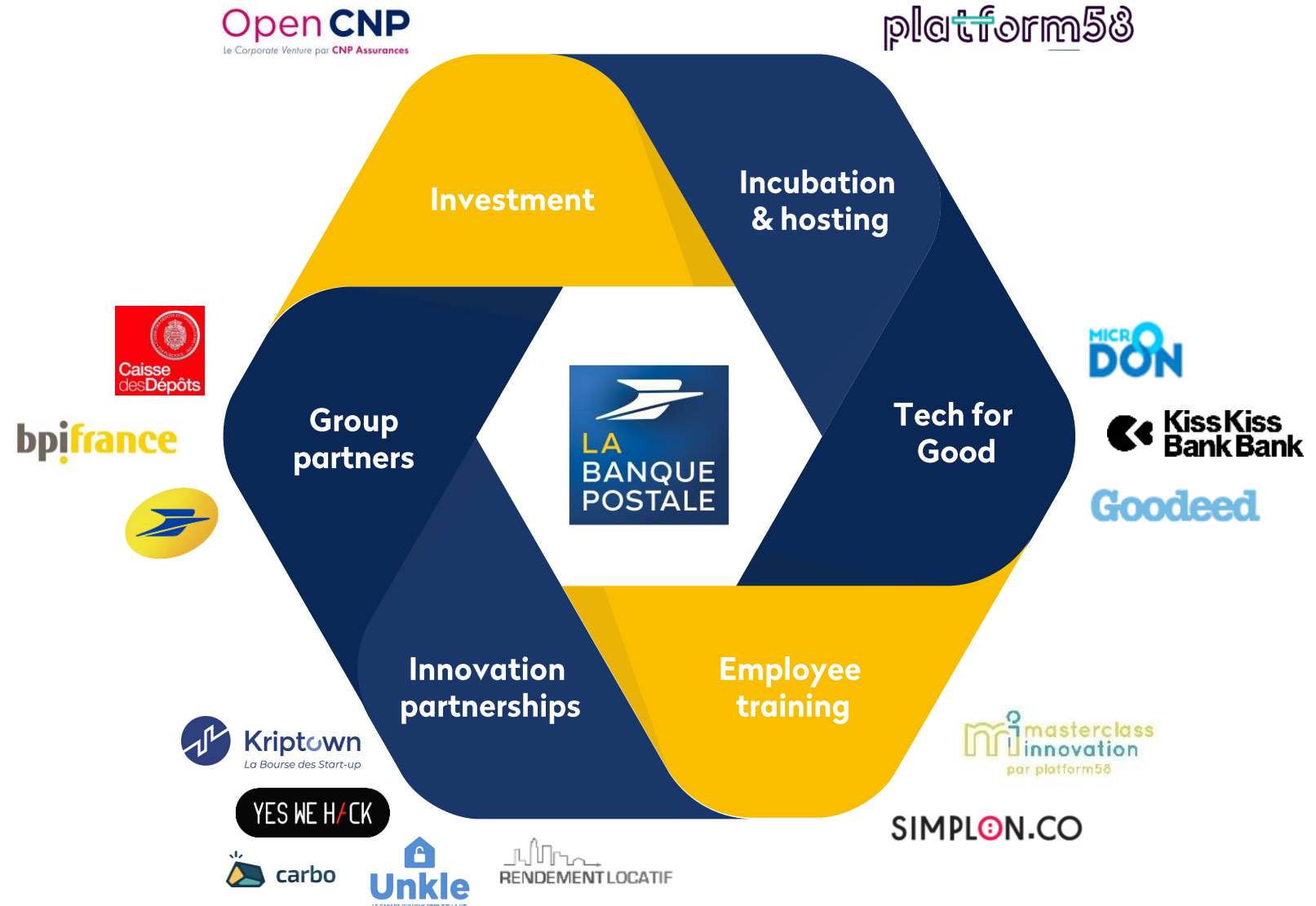
Enhance the innovation ecosystem to transform the bancassurance model

- Collaborate with startups, notably through the **platform58** incubator
- **€150m innovation fund** launched in 2021

Identify **emerging trends for LBP**

Promote an **innovation culture**

- Systematically, across all businesses and all departments
- Benefiting La Banque Postale's customers, employees and partners
- With new working methods to reduce time to market



LEVERAGE UNIQUE DEVELOPMENT POTENTIAL TO DELIVER PROFITABLE GROWTH

PROFITABLE GROWTH

>3%
GROUP NBI
2020-2025 CAGR

20%
INTERNATIONAL NBI
IN 2025

-10 PTS
GROUP COST/
INCOME RATIO
BY 2025

RONE²
8% in 2023

SUSTAINABLE GROWTH

ROBUST CAPITAL TO
SUPPORT GROWTH
20.4% CET1 IN 2020

CONTROLLED
GROWTH IN RWA¹
~3.5% CAGR 2020-2025

STANDARD DIVIDEND
PAYOUT RATE
45% IN PERIOD TO 2025

¹ Excluding Basel IV effects; ² RWA capitalised at 14% without applying internal model

Q&A

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YOU**