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Risk & Capital Analysis

BNP Paribas SA

Reporting Period: H1 2026 (30 June 2026)

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RISK VIEW
Risk Analytics for Financial Institutions

Produced by the Risk Analytics team
Dynamic Strategies

Contents

Executive Summary

Overall Assessment: Stable

Key Findings

- Capital is adequate but not a peer-group strength. CET1 was 12.97% on a phased-in basis (reported 13.0%), up from 12.46% a year earlier; management reports its 13% end-2027 target met eighteen months early. Headroom of 254bps over the 10.43% MDA trigger compares with a peer median of 271bps, and CET1 is the lowest of 7 in the peer group.(5)
- The binding constraints are balance-sheet ratios rather than CET1. Leverage of 4.40% leaves 55bps over the 3.85% requirement; EUR 15bn is the smallest MDA distance. NSFR of 108.6% is the lowest of 7 (median 122.0%).(5)
- Asset quality is sound but not a relative strength. On the EBA KRI basis the NPL ratio is 2.87% (FY2025 2.88%; the bank's 2.4% headline includes central bank balances), the 2nd highest of 7 peers. Cost of risk of 39bps sits at the top of the <40bps guidance and includes a EUR 155m forward-looking overlay.(3)
- Profitability improved: H1 2026 net income was EUR 7.56bn and RoTE 13.3% (H1 2025 restated 12.0%). Part of the gain is non-recurring (a EUR 858m Ageas/AGI capital gain), and cost/income of 59.3% is above the 55.0% peer median.(3)
- In the EBA 2025 stress test the fully loaded CET1 depletion was 235bps (2023: 398bps), against 272bps at Deutsche Bank, 173bps at Santander and 187bps at ING. The fully loaded CRR3 starting point was only 11.0%, however.(8)
- The outlook carries two identifiable headwinds: FRTB capital rules from 1 January 2027, and a soft French economy (Banque de France: GDP 0.5% in 2026, unemployment 8.1%) following sovereign downgrades by all three agencies.(5)

Key Metrics Dashboard

Metric	Value	Status	Comment
CET1 Ratio (13.0%)	12.97%	AMBER	Target met; the lowest of 7 peers
MDA Headroom (254bps)	254bps	AMBER	Over 10.43% trigger; median 271bps
Leverage Ratio (4.4%)	4.40%	AMBER	55bps over 3.85%; tightest MDA distance
TLAC Ratio (27.1%)	27.1%	GREEN	~430bps over requirement incl. buffers
LCR, 12m avg (135%)	134.8%	GREEN	The 6th highest of 7; period-end 149%
NSFR (108.6%)	108.6%	AMBER	The lowest of 7 peers; median 122.0%
NPL Ratio, EBA (2.9%)	2.87%	AMBER	The 2nd highest of 7 peers; headline 2.4%
NPL Coverage (45%)	45.3%	GREEN	Gross EBA basis; Stage 3 net of collateral 66%
Cost of Risk (39bps)	39bps	AMBER	Top of <40bps guidance; EUR 155m overlay
RoTE (13.3%)	13.3%	GREEN	Up from 12.0% restated; one-off gain
Cost/Income (59.3%)	59.3%	AMBER	Peer median 55.0%; <56% targeted for 2028
EBA Stress Depletion (235bps)	235bps	GREEN	Improved from 398bps in 2023 exercise

Improving: capital and risk metrics trending positively. Stable: metrics broadly unchanged. Deteriorating: material weakening in key risk di

(5) BNP Paribas 2nd amendment to 2025 URD (Pillar 3 at 30.06.2026), AMF 5 August 2026.

(3) BNP Paribas 2Q26 results press release, 23 July 2026.

(8) EBA 2025 EU-wide stress test results, 1 August 2025; BNP Paribas press release.

Macroeconomic Context

France entered the second half of 2026 in a stagflationary patch. The Banque de France's June 2026 projections cut 2026 GDP growth to 0.5% (from 0.9% in 2025), with a rebound to 0.9% in 2027. HICP inflation is forecast to jump to 2.5% in 2026 as the energy shock from the Middle East conflict feeds through, before easing to 1.7% in 2027. Unemployment rises from 7.7% to 8.1%.(1)

Monetary policy has turned. The ECB raised its three key rates by 25bps on 11 June 2026, taking the deposit facility rate to 2.25%, and held on 23 July 2026 while signalling data dependence.(2) For a deposit-rich universal bank this supports the net interest margin on euro-zone retail franchises, but it also raises funding costs for leveraged corporates and consumer borrowers at a time of weak activity.

Public finances are the structural French weakness. The Banque de France expects the government deficit at 5.2% of GDP in 2026 and public debt rising towards 122% of GDP by 2028. All three rating agencies have downgraded the sovereign since December 2024, which BNP Paribas identifies as a channel to its own ratings and funding costs.(1)(5)

Macro Projections: France

Indicator	2024	2025	2026E	2027E	Source
Real GDP growth	1.1%	0.9%	0.5%	0.9%	(1)(11)
Unemployment (ILO)	7.4%	7.7%	8.1%	8.1%	(1)(11)
HICP inflation	2.3%	0.9%	2.5%	1.7%	(1)(11)
3M Euribor (assump.)	n/a	2.2%	2.4%	2.8%	(1)
10Y OAT yield (assump.)	n/a	3.4%	3.7%	4.0%	(1)
Gov. deficit, % GDP	5.8%	5.1%	5.2%	n/a	(1)

Medium-Term Outlook for BNP Paribas's Business Model

- Diversification is the main shock absorber. Revenues are split across corporate and institutional banking (CIB), commercial, personal banking and specialised businesses (CPBS) and investment and protection services (IPS). In H1 2026 the markets and securities services franchises offset weaker used-car values at Arval. Commercial and Personal Banking in France accounts for about 12% of Group RWA, which limits direct exposure to the domestic slowdown.(4)
- Rates are a tailwind for the euro-zone retail networks. Net interest revenue rose by double digits in the French, Belgian and Luxembourg networks in 2Q26 as deposits reinvested at higher yields.(4) The Pillar 3 NII sensitivity turns positive after year 1 (+EUR 273m in year 3 for +50bps), so the June hike helps with a lag.(5)
- Consumer finance is the credit pressure point. Personal Finance runs a cost of risk of about 153bps and carries Spanish revolving-credit legal costs. Higher unemployment and inflation in 2026-27 would test this book first.(5)
- Capital is being redeployed through the balance sheet as much as through earnings. The AXA IM integration, the Athlon acquisition, and the BMCI and Uptevia disposals reshape IPS and Arval. Significant risk transfer (SRT) and credit insurance now save about 90bps of CET1.(5)
- Regulation remains a moving target. FRTB own-funds requirements apply from 1 January 2027 with a three-year transition, and the CRR3 output floor is applied at 55% in 2026 without binding. Both matter for a bank whose credit RWA is largely internal-model based.(5)
- The 2027-2030 strategic plan, due in February 2027, is the next inflection point for the payout policy. Management has signalled at least a 60% payout and annual decisions on distributing CET1 above 13%.

(1) Banque de France, Macroeconomic projections for France, June 2026.
(2) ECB monetary policy decisions, 11 June 2026 and 23 July 2026.
(5) BNP Paribas 2nd amendment to 2025 URD (Pillar 3 at 30.06.2026), AMF 5 August 2026.
(4) BNP Paribas 2Q26 results presentation and appendices, 23 July 2026.

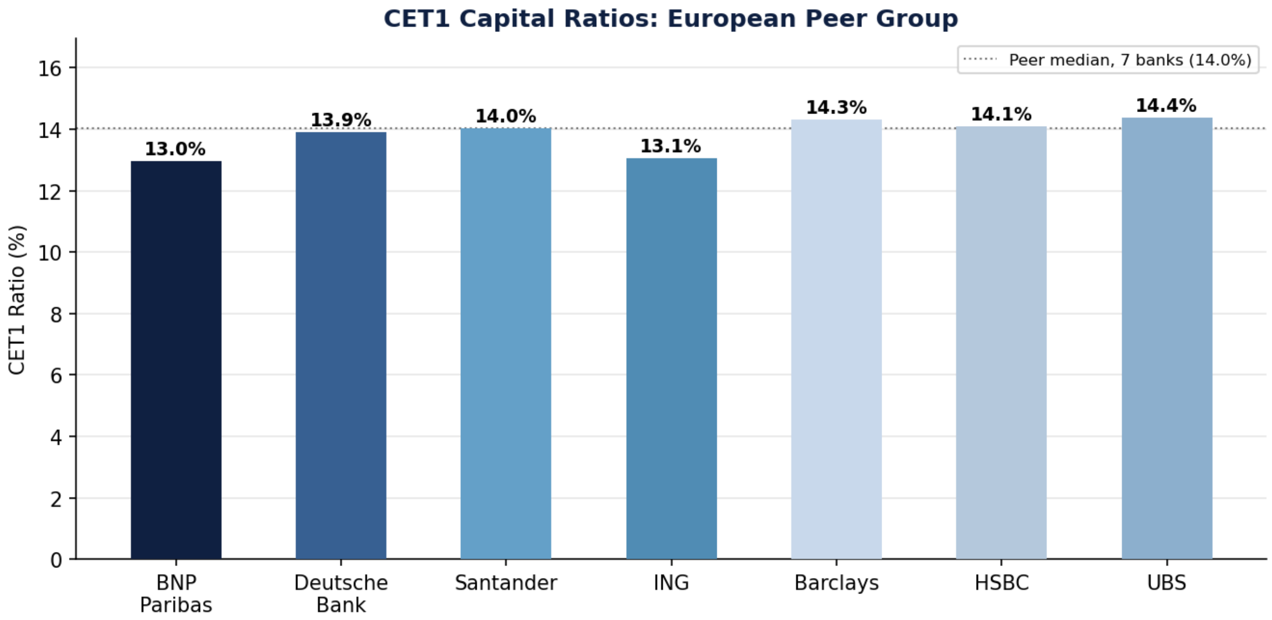
1. Capital Position

BNP Paribas reported a CET1 ratio of 12.97% at 30 June 2026 on a phased-in CRR3 basis. That was up 36bps in the half and 51bps year on year, and meets the 13% objective for end-2027 early.(5) The 2Q26 bridge shows +30bps of organic generation net of RWA growth, -20bps for the 60% payout accrual and +10bps from scope and other items.(3) Output-floored and un-floored RWA are identical, so the floor does not bind in 2026.

In peer terms the position is modest. CET1 is the lowest of 7 in the group (median 14.0%), Tier 1 is 15.5% and total capital 17.7%. Leverage of 4.40% is the 6th highest of 7 (median 4.8%). RWA density of 25.8% (RWA of EUR 795bn on EUR 3,084bn of assets) reflects heavy use of internal models and a large low-risk-weight markets balance sheet. The leverage exposure measure grew to EUR 2,797bn, which explains why leverage rather than CET1 sets the tighter distance to MDA.

The phased-in convention matters. In the EBA 2025 stress test BNP Paribas's end-2024 CET1 fell from 12.9% under CRR2 to 11.0% on a fully loaded CRR3 basis, a gap of about 190bps.(8) Peer comparisons on fully loaded ratios would therefore place the bank lower still.

CET1 Ratios: European Peer Comparison



Capital Ratios Comparison

The MREL/TLAC row mixes bases: BNP Paribas reports TLAC; Deutsche Bank, Santander, ING and Barclays report MREL (ING's TLAC ratio is identical); HSBC's figure sums its resolution groups; UBS reports Swiss TLAC. All are shown as a share of RWA.

Metric	BNP Par.	Deutsche	Santander	ING	Barclays	HSBC	UBS	Median
CET1 ratio	13.0%	13.9%	14.0%	13.1%	14.3%	14.1%	14.4%	14.0%
Tier 1 ratio	15.5%	17.2%	15.7%	15.7%	18.0%	16.7%	19.1%	16.7%
Total capital	17.7%	19.0%	18.8%	18.7%	20.3%	19.7%	19.1%	19.0%
Leverage ratio	4.4%	4.5%	4.8%	4.2%	4.9%	4.9%	5.8%	4.8%
MDA headroom	254bps	271bps	401bps	197bps	210bps	300bps	355bps	271bps
MREL/TLAC	27.1%	36.4%	40.9%	32.5%	36.7%	33.0%	38.4%	36.4%

(5) BNP Paribas 2nd amendment to 2025 URD (Pillar 3 at 30.06.2026), AMF 5 August 2026.
(3) BNP Paribas 2Q26 results press release, 23 July 2026.
(8) EBA 2025 EU-wide stress test results, 1 August 2025; BNP Paribas press release.

Capital Requirements, MDA and Structure

The 2026 SREP lowered the CET1 Pillar 2 requirement to 1.05% from 1.14% (total P2R 1.73% from 1.84%).(9) The combined buffer of 4.87% includes the 1.50% G-SIB buffer. The resulting CET1 requirement of 10.43% leaves 254bps of headroom, equal to about EUR 20bn. The EBA 2025 result placed the bank in the lowest Pillar 2 Guidance bucket (0-100bps).(8) The leverage requirement is 3.85% (3.10% SREP plus the 0.75% G-SIB leverage buffer). The TLAC ratio is 27.14% and the MREL ratio 30.29% of RWA, with distances of about 430bps and 310bps (to M-MDA) respectively. The capital stack uses AT1 and Tier 2 fully: AT1 adds 250bps over CET1 and Tier 2 a further 224bps.

Requirement layer (% RWA)	CET1	Tier 1	Total capital
Pillar 1 minimum	4.50%	6.00%	8.00%
Pillar 2 requirement (P2R)	1.05%	1.34%	1.73%
Combined buffer (CCB, CCyB, SyRB, G-SIB)	4.87%	4.87%	4.87%
Total requirement (MDA trigger)	10.43%	12.22%	14.60%
BNP Paribas ratio, 30 June 2026	12.97%	15.47%	17.71%
Headroom	+254bps	+325bps	+311bps

RWA Composition: BNP Paribas

RWA component, 30 June 2026	EUR bn	Share
Credit risk (excl. CCR, securitisation)	582.3	73.2%
Counterparty credit risk and CVA	45.5	5.7%
Securitisation (banking book)	24.0	3.0%
Market risk (IMA and SA)	31.0	3.9%
Operational risk	112.5	14.1%
Settlement risk and rounding	0.1	0.0%
Total RWA (phased-in)	795.4	100.0%

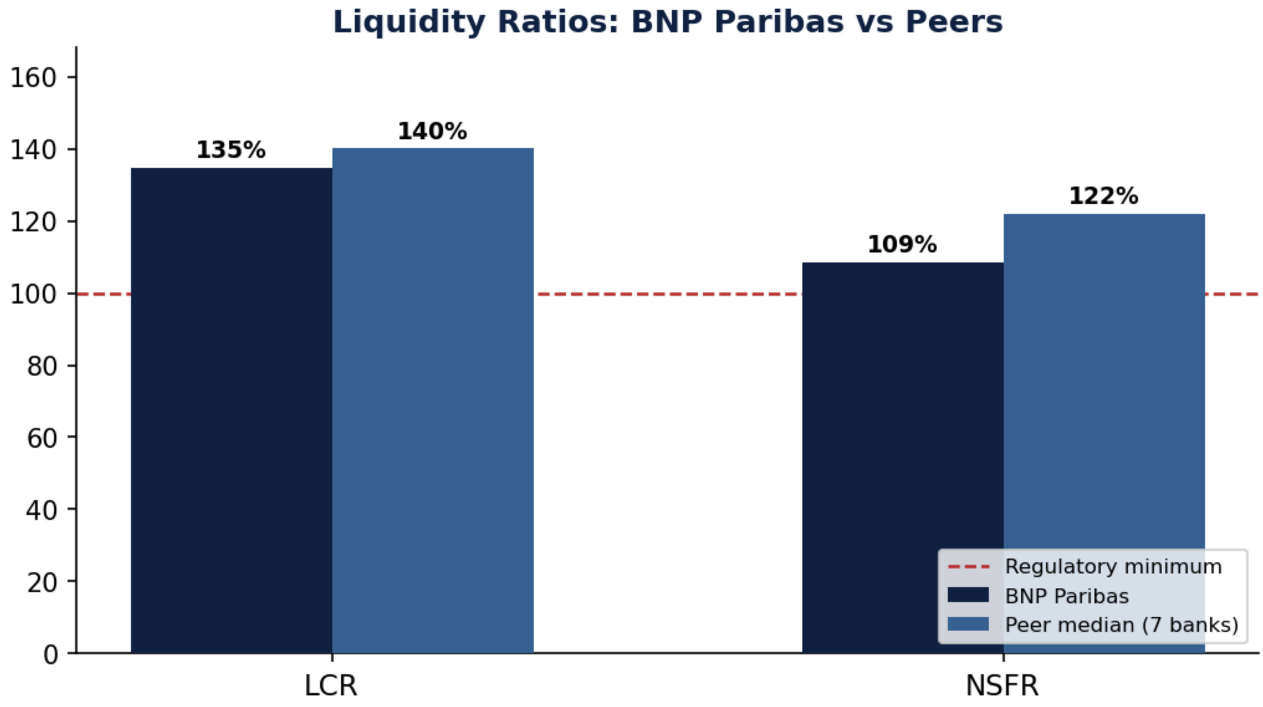
2. Liquidity Position

On the Pillar 3 12-month average basis used across this peer set, the LCR was 134.8% at 30 June 2026 (FY2025 134.5%; H1 2025 130.4%).(5) The bank's headline period-end LCR was higher at 149%, with EUR 430bn of period-end HQLA and an immediately available liquidity reserve of EUR 521bn.(4) The HQLA is 46% central bank deposits and 54% mostly level 1 securities. On the average basis the bank ranks 6 of 7 in the peer group (median 140.1%); its period-end figure would place it 3 of 7. Peer bases are not fully aligned: UBS discloses a quarterly average and Santander's 12-month average runs to 31 March 2026.

Structural funding is the thinner metric. The NSFR of 108.63% is the lowest of 7 in the peer group against a median of 122.0%. The customer loan-to-deposit ratio of 80.9% (EUR 939bn of loans against EUR 1,161bn of deposits) shows the thin NSFR is not a retail funding gap. It reflects the stable-funding charge on a large markets, securities-financing and securities-services balance sheet. Deposits are diversified: 42% retail (about two-thirds insured), 45% corporate and 13% financial clients.(4)

(9) BNP Paribas 1Q26 results press release, 30 April 2026.
(8) EBA 2025 EU-wide stress test results, 1 August 2025; BNP Paribas press release.
(5) BNP Paribas 2nd amendment to 2025 URD (Pillar 3 at 30.06.2026), AMF 5 August 2026.
(4) BNP Paribas 2Q26 results presentation and appendices, 23 July 2026.

Liquidity Ratios vs Peer Median



Liquidity Metrics

Metric	BNP Paribas	Peer median	Position	Basis (BNP)
LCR, 12-month average	134.8%	140.1%	rank 6 of 7	Pillar 3 LIQ1
LCR, period-end	149%	n/a	n/a	Bank headline
NSFR	108.6%	122.0%	rank 7 of 7	Pillar 3 KM1
Loan/deposit ratio	80.9%	80.9%	n/a	Computed
HQLA, EUR bn	430	300	n/a	Period-end
Liquidity reserve, EUR bn	521	n/a	n/a	Bank-reported

3. Asset Quality

On the EBA key risk indicator basis (gross non-performing loans and advances over gross loans and advances, excluding cash balances at central banks and other demand deposits), BNP Paribas's NPL ratio was 2.87% at 30 June 2026, against 2.88% at FY2025 and 2.79% a year earlier. RiskView computes these from Pillar 3 template CR1 to match ING's basis.(5) The bank's headline ratio of 2.4% keeps central bank balances in the denominator, and its Stage 3 ratio for customer loans is a steady 1.6%. Gross coverage of non-performing loans and advances is 45.3% (FY2025 47.3%), well below the bank-reported Stage 3 coverage of 66.4%, which nets collateral. On the gross basis coverage is the highest of 7 in the peer group (median 33.5%).

Cost of risk was 39bps in 2Q26 (EUR 949m), in line with the <40bps 2026 guidance. The first half included EUR 155m of forward-looking Stage 1 and 2 provisions for the geopolitical environment, and a further EUR 344m of legal-risk costs on financial instruments sits outside cost of risk.(3) The Stage 2 ratio of loans and advances is 6.9% on CR1 data. Sector concentration is low (no sector above 4% of exposures), and private-credit exposure is about 3% of loans with no non-performing exposure.(3)

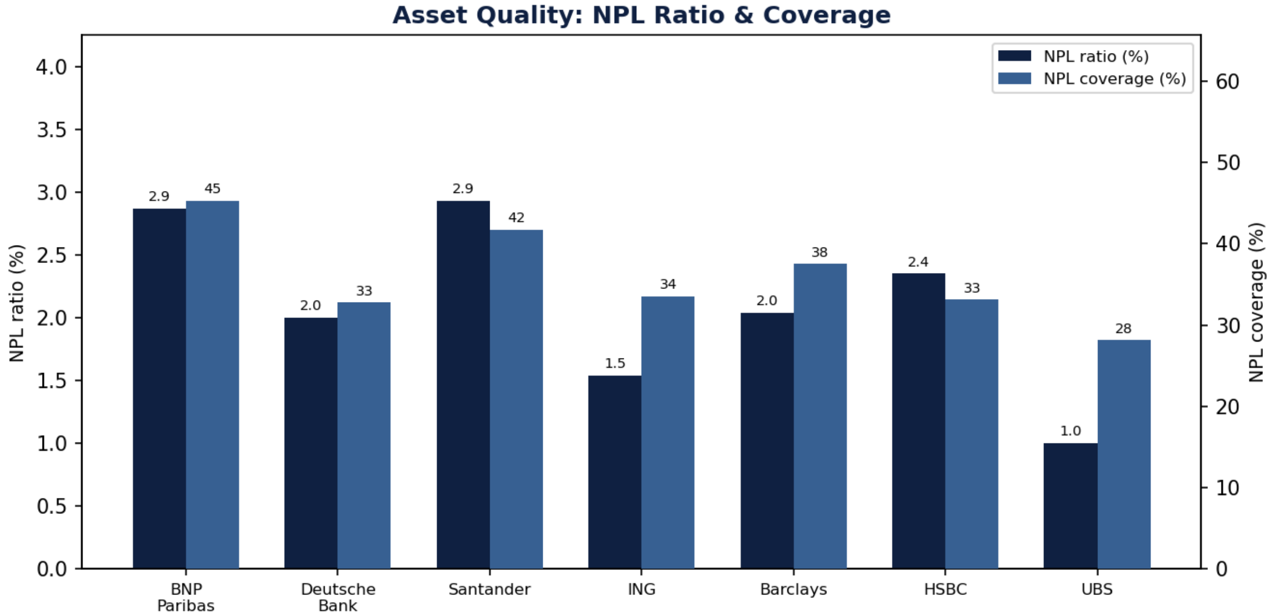
The KRI-basis NPL ratio of 2.87% is the 2nd highest of 7 in the group (median 2.0%). On the bank's headline basis (2.4%) it would sit 0.4pp above the median rather than 0.8pp above it, so the denominator choice matters for peer positioning. Definitions still differ:

(5) BNP Paribas 2nd amendment to 2025 URD (Pillar 3 at 30.06.2026), AMF 5 August 2026.

(3) BNP Paribas 2Q26 results press release, 23 July 2026.

Deutsche Bank and ING use EBA-based ratios, while Santander, Barclays, HSBC and UBS use Stage 3 or credit-impaired measures.

NPL Ratio & Coverage: Peer Comparison



Asset Quality Trajectory

Metric	30 Jun 2025	31 Dec 2025	30 Jun 2026	Basis
NPL ratio (EBA KRI)	2.79%	2.88%	2.87%	Computed, CR1
NPL ratio (incl. CB cash)	2.3%	2.3%	2.4%	Bank-stated
NPE coverage, gross (EBA)	48.5%	47.3%	45.3%	Computed, CR1
Stage 3 ratio (APM)	1.6%	1.6%	1.6%	Bank APM
Stage 3 coverage (APM)	n/a	66.9%	66.4%	Net of collateral
Stage 2 ratio	n/a	n/a	6.9%	Computed, CR1
Cost of risk (quarter)	38bps	34bps	39bps	2Q25/4Q25/2Q26

4. Market Risk & Trading

Trading risk is moderate for a bank with a top-tier European markets franchise. Average one-day 99% VaR was EUR 34m in 2Q26 with no backtesting exception in the quarter. One theoretical exception in March 2026, during Middle East volatility, had no capital impact.(4)(5) The regulatory 10-day VaR averaged EUR 103m in the half (FY2025: EUR 106m), but stressed VaR rose to EUR 269m from EUR 248m and IRC to EUR 352m from EUR 324m. Market risk RWA was EUR 31.0bn, only 3.9% of total RWA.

Interest rate risk in the banking book is contained. The regulatory EVE shock is -6.57% of Tier 1 under a parallel up move, well inside the -15% outlier threshold, and the SOT NII ratio of -0.51% (parallel down) is far from the -5% threshold. NII is marginally liability-sensitive in year 1 (-27m for +50bps) and turns asset-sensitive by year 3 (+EUR 273m).(5)

FRTB is the principal regulatory swing factor. A European Commission delegated act of 4 June 2026 applies the new market-risk own-funds requirements from 1 January 2027, with transitional measures to 2029 that include a possible multiplier to dampen the increase.(5) Management has presented its capital trajectory on a post-FRTB basis, but no quantified day-one impact is disclosed in the H1 documents reviewed.

(4) BNP Paribas 2Q26 results presentation and appendices, 23 July 2026.
(5) BNP Paribas 2nd amendment to 2025 URD (Pillar 3 at 30.06.2026), AMF 5 August 2026.

Market Risk and IRRBB Metrics

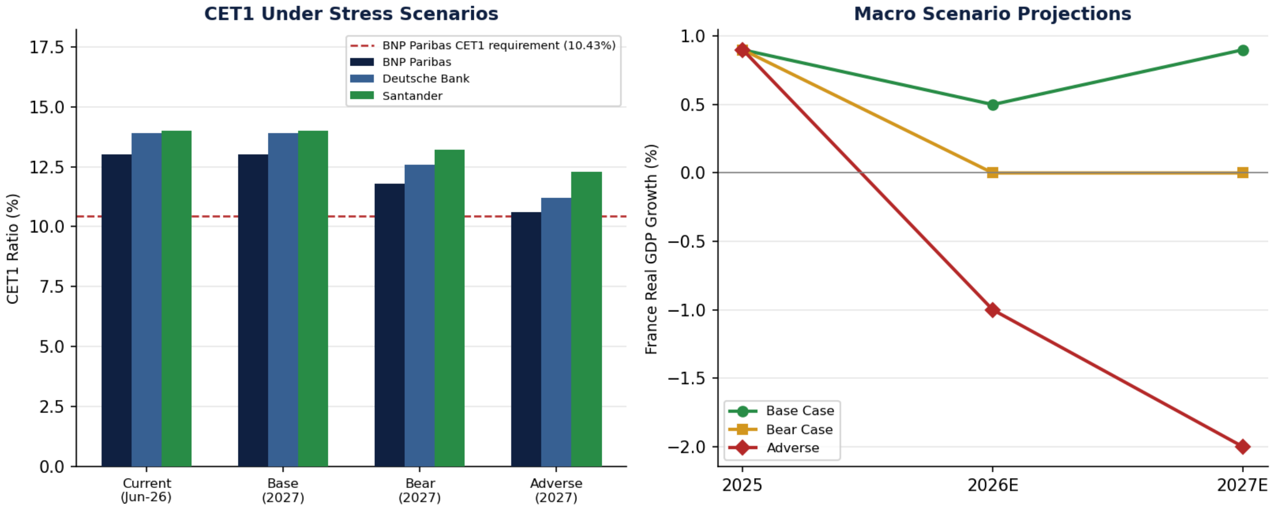
Market risk and IRRBB metric	1H26 / 30 Jun 26	FY25 / 31 Dec 25
Average VaR, 1-day 99% (2Q26), EUR m	34	n/a
Regulatory VaR, 10-day 99%, average, EUR m	103	106
Stressed VaR, 10-day 99%, average, EUR m	269	248
IRC (99.9%), average, EUR m	352	324
Market risk RWA, EUR bn	31.0	30.9
NII sensitivity, +50bps, year 1, EUR m	-27	-104
EVE, parallel up, % of Tier 1	-6.57%	-6.90%
SOT NII, parallel down, % of Tier 1	-0.51%	-0.40%

5. Stress Test Results

The latest regulatory test is the EBA 2025 EU-wide stress test, published on 1 August 2025. It runs a three-year adverse scenario (2025-2027) on a static end-2024 balance sheet.(8) BNP Paribas's fully loaded CET1 fell from a CRR3-restated 11.0% to a low of 8.7% in the first year, a peak-to-trough depletion of 235bps. That compares with 398bps in the 2023 exercise. The fully loaded leverage ratio bottomed at 3.9% from 4.6%.(8) For comparison, Deutsche Bank's fully loaded depletion was 272bps from 9.7%, and Santander's 173bps from 12.2%.

Two features stand out. First, the depletion is the 3rd lowest of the 7 peers' latest regulatory stress tests (the exercises differ in design), consistent with the earnings diversification the bank emphasises. Second, the starting point is low on a fully loaded basis: a 8.7% trough is below today's 10.43% CET1 requirement. The EBA test has no hurdle, but a repeat of that path on a fully phased CRR3 balance sheet would bring distribution restrictions into view. The shared illustrative paths below apply the 235bps depletion to the phased-in 30 June 2026 CET1 of 12.97%.

Scenario Analysis: CET1 Paths and Macro Projections



(8) EBA 2025 EU-wide stress test results, 1 August 2025; BNP Paribas press release.

Scenario Assumptions

Variable	Base Case	Bear Case	Adverse
France real GDP 2026	+0.5%	+0.0%	-1.0%
France real GDP 2027	+0.9%	+0.0%	-2.0%
Unemployment 2027	8.1%	~9.0%	~10.5%
HICP inflation 2026	2.5%	4.0%	~4.5%
ECB deposit rate, end-2027	~2.25%	~2.75%	~1.25%
Anchor	BdF June 2026	BdF adverse	RiskView
BNP Paribas CET1, 2027 (shared rule)	13.0%	11.8%	10.6%
Headroom to 2026 requirement	+257bps	+137bps	+17bps

Scenario Narrative

- Base Case: Anchored to the Banque de France June 2026 baseline.(1) GDP grows 0.5% in 2026 and 0.9% in 2027, unemployment peaks at 8.1% and inflation normalises to 1.7% in 2027. Organic generation funds the 60% payout, so CET1 holds near 13.0%. Cost of risk stays around 40bps, with Personal Finance the main source of losses.
- Bear Case: Follows the Banque de France's most adverse energy scenario, in which GDP stagnates in 2026 and 2027 and HICP inflation runs at about 4% in both years.(1) Real incomes fall, unemployment drifts towards 9%, and consumer finance and SME defaults rise. Under the shared rule CET1 declines to 11.8%, +137bps over the current requirement. Management would likely trim buybacks and lean on SRT capacity.
- Adverse Scenario: A RiskView illustrative severe recession, with French GDP falling 1.0% in 2026 and 2.0% in 2027, unemployment above 10%, a renewed sovereign spread shock and ECB cuts. Applying the full EBA 2025 depletion gives CET1 of 10.6%, only +17bps above the 10.43% requirement. Deutsche Bank would end at 11.2% and Santander at 12.3% on the same rule. Against each bank's own CET1 requirement the adverse buffers are 17bps (BNP Paribas), -1bps (Deutsche Bank) and 229bps (Santander), so Deutsche Bank's is the thinnest of the three.

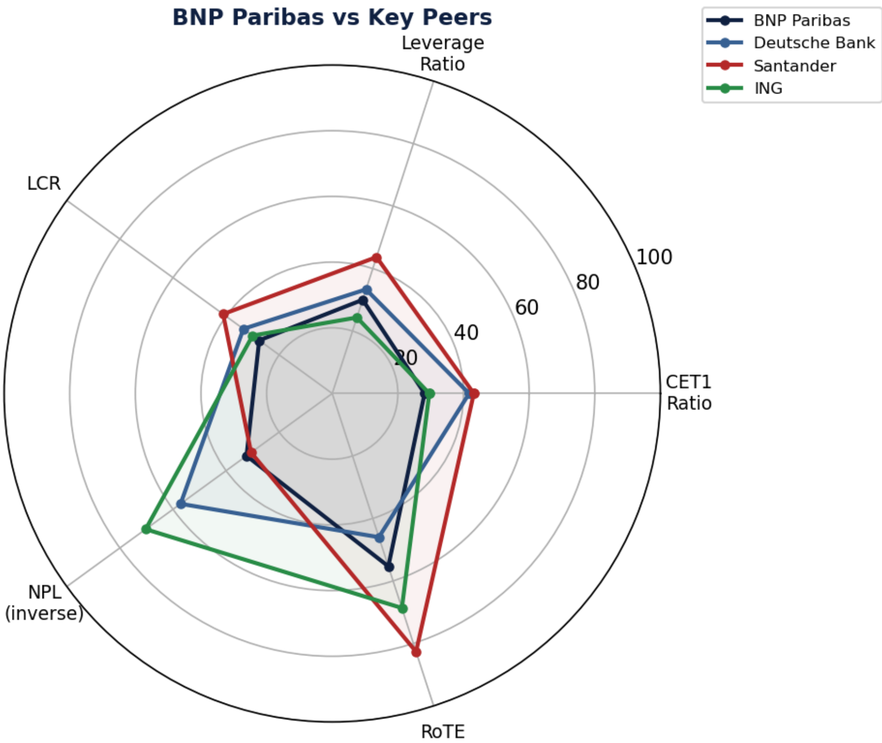
6. Peer Comparison

The peer set comprises 7 large European universal banks. Total assets range from EUR 1,161bn at ING to EUR 3,084bn at BNP Paribas, the largest in the group. Amounts are converted to euros at ECB rates for 30 June 2026. Regulatory stacks differ: UK banks report leverage excluding central bank claims, and NPL definitions range from the EBA ratio to Stage 3 or credit-impaired measures.(12) LCRs are Pillar 3 12-month averages for BNP Paribas, Deutsche Bank, ING, Barclays and HSBC, a 12-month average to 31 March 2026 for Santander and a quarterly average for UBS.

BNP Paribas combines the largest balance sheet with ratios at the lower end of the group. It ranks 7 of 7 on CET1, 6 of 7 on leverage and 7 of 7 on NSFR. RoTE of 13.3% ranks 6 of 7 (1.5pp below the median), and the bank ranks 1 of 7 on gross NPL coverage. The low EBA 2025 stress depletion suggests diversification, rather than ratio strength, is the bank's main resilience argument.

(1) Banque de France, Macroeconomic projections for France, June 2026.
(12) RiskView H1 2026 history files for peer banks (each bank's H1 2026 disclosures).

Metric	BNP Par.	Deutsche	Santander	ING	Barclays	HSBC	UBS	Median
CET1 ratio	13.0%	13.9%	14.0%	13.1%	14.3%	14.1%	14.4%	14.0%
Leverage ratio	4.4%	4.5%	4.8%	4.2%	4.9%	4.9%	5.8%	4.8%
LCR	134.8%	140.1%	147.0%	137.0%	157.7%	134.0%	177.3%	140.1%
NSFR	108.6%	118.0%	122.0%	127.7%	135.8%	140.0%	115.0%	122.0%
NPL ratio	2.9%	2.0%	2.9%	1.5%	2.0%	2.4%	1.0%	2.0%
NPL coverage	45.3%	32.8%	41.7%	33.5%	37.5%	33.1%	28.1%	33.5%
RoTE	13.3%	11.9%	17.4%	15.3%	14.8%	18.2%	13.9%	14.8%
Cost/income	59.3%	60.9%	42.8%	52.1%	55.0%	46.2%	72.7%	55.0%
Total assets, EURbn	3,084	1,521	1,954	1,161	2,008	3,018	1,498	1,954
H1 net income, EURbn	8	4	9	4	5	13	5	5



Commentary

- CET1: BNP Paribas at 13.0% is 1.0pp below the peer median of 14.0%. Peers: Deutsche Bank 13.9%, Santander 14.0%, ING 13.1%, Barclays 14.3%, HSBC 14.1%, UBS 14.4%. Part of the gap reflects phased-in versus fully loaded conventions and different P2R and buffer stacks.
- Leverage and NSFR: at 4.4% and 108.6% the bank sits 0.4pp below and 13.4pp below the respective medians. These are the ratios most sensitive to the size of its markets and securities-financing balance sheet.
- Returns: RoTE of 13.3% compares with a median of 14.8%. HSBC leads at 18.2%. BNP Paribas's figure includes an exceptional Ageas/AGI gain that is not annualised.
- Efficiency: cost/income of 59.3% is 4.3pp above the median. Santander is the most efficient at 42.8%; the H1 figure carries IFRIC 21 levies and AXA IM integration costs.
- Scale: H1 2026 net income of EUR 7.6bn against a peer median of EUR 5.1bn gives the bank a large absolute earnings buffer despite the thin ratios.

7. Year-over-Year Changes

Year on year, capital and profitability improved while liquidity and asset quality moved sideways. All three periods are like-for-like: H1 2025 RoTE is restated to the 4Q25 methodology (12.0%; 11.6% as reported), the NPL ratio is on the EBA KRI basis and the LCR is the Pillar 3 12-month average.(4)

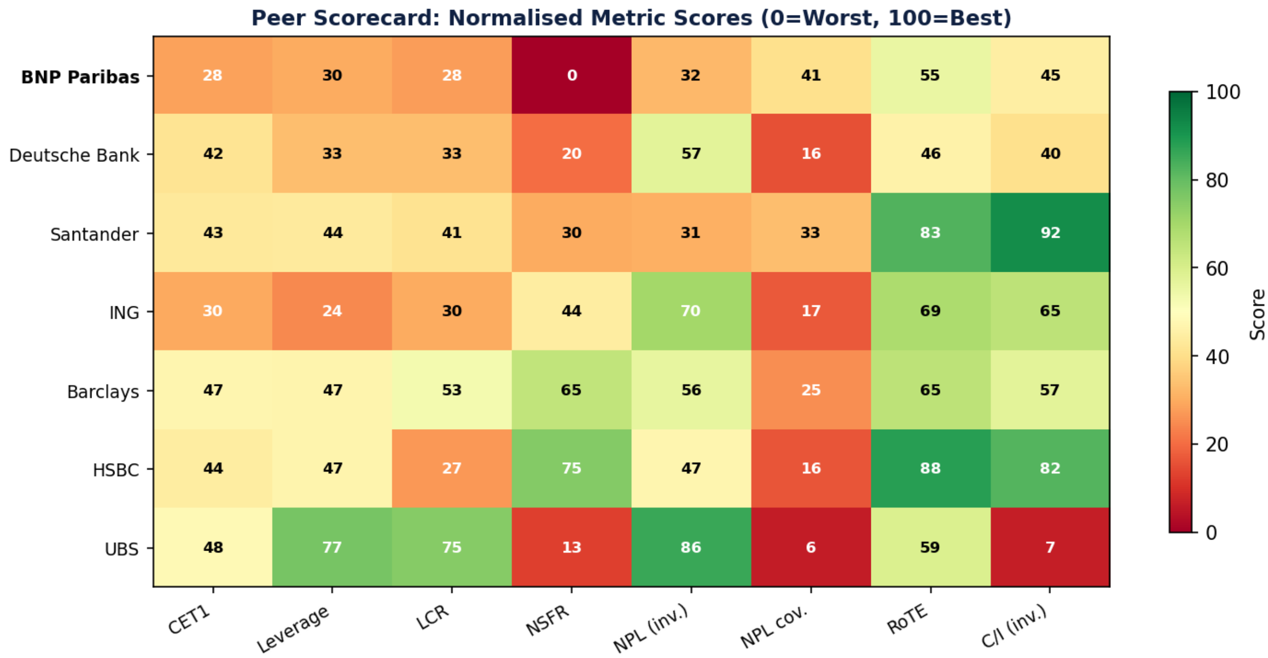
Metric	H1 2025	FY 2025	H1 2026	vs H1 2025
CET1 ratio	12.5%	12.6%	13.0%	Improved
Leverage ratio	4.4%	4.5%	4.4%	Weaker
LCR	130.4%	134.5%	134.8%	Improved
NPL ratio	2.8%	2.9%	2.9%	Weaker
RoTE	12.0%	11.6%	13.3%	Improved
Cost/income	60.6%	61.2%	59.3%	Improved

- CET1 rose 51bps to 12.97% on organic generation and SRT and credit insurance savings (EUR 44bn to EUR 63bn of RWA, about 90bps of CET1).(3)(7)
- Leverage was essentially flat at 4.40% (4.41% a year earlier), even as the exposure measure expanded with markets activity.
- The KRI-basis NPL ratio rose from 2.79% to 2.87%; the steady Stage 3 ratio hides this.
- Cost/income improved to 59.3% from 60.6% in H1 2025, and net income rose to EUR 7.56bn from EUR 6.21bn, helped by non-recurring items.(4)

8. Potential Improvements

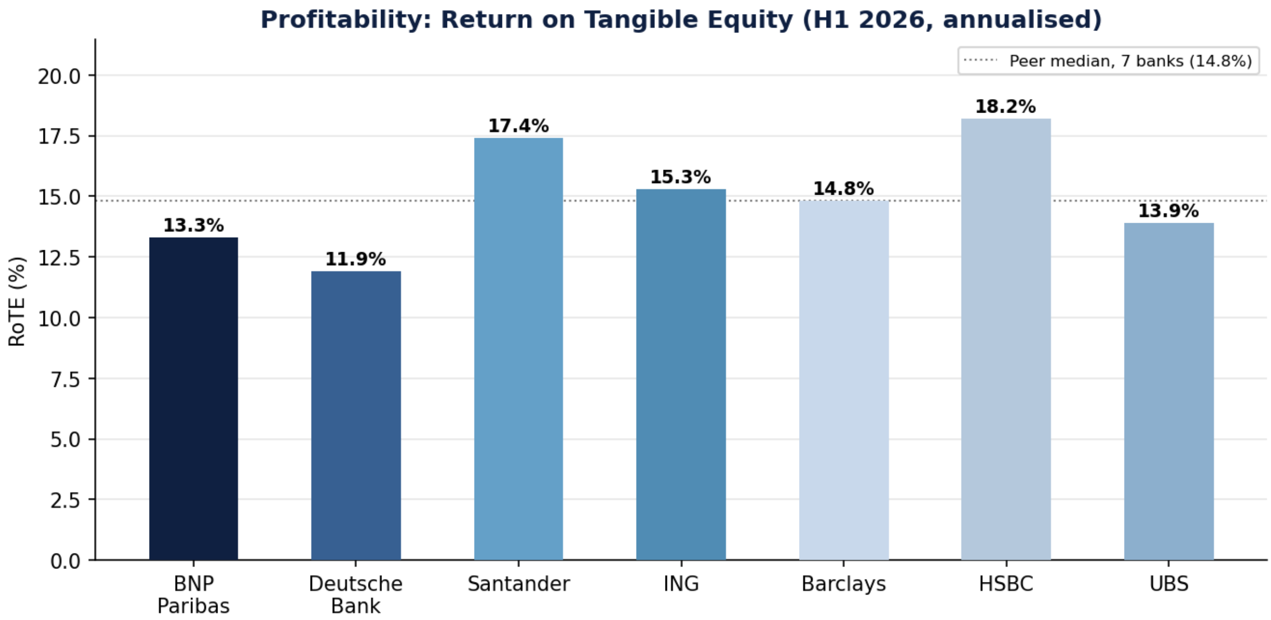
The following areas would strengthen BNP Paribas's position before the 2027-2030 plan and the FRTB go-live.

Scorecard: BNP Paribas vs Peers

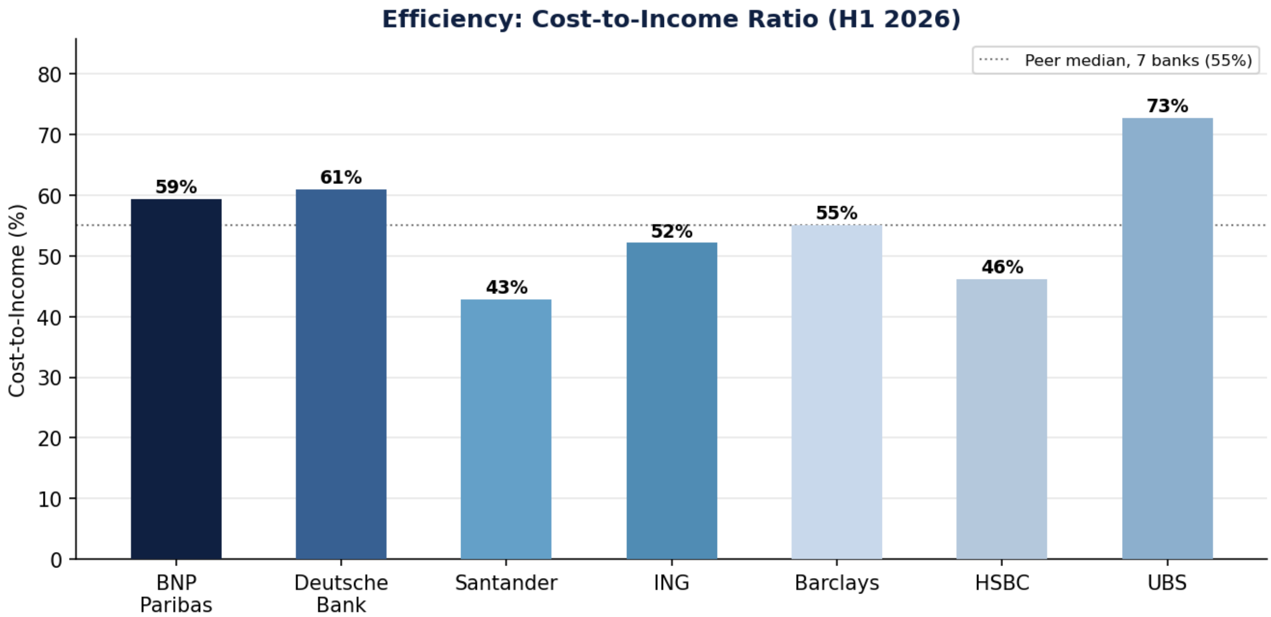


(4) BNP Paribas 2Q26 results presentation and appendices, 23 July 2026.
(3) BNP Paribas 2Q26 results press release, 23 July 2026.
(7) BNP Paribas 2Q25 results press release and appendices, 24 July 2025.

Profitability: Return on Tangible Equity



Efficiency: Cost-to-Income Ratio



BNP Paribas: Areas for Improvement

- Build a buffer above 13% CET1: With headroom of 254bps against a peer median of 271bps, holding surplus CET1 into 2027 would absorb FRTB and output-floor phase-in before any distribution above the 13% target.
- Disclose a fully loaded CRR3 ratio: The EBA 2025 restatement from 12.9% to 11.0% shows how much the phased-in headline flatters comparability. Publishing fully loaded CET1 and a quantified FRTB day-one estimate would close the gap.
- Lift the NSFR: At 108.6% the NSFR is 13.4pp below the median. Extending the term funding of securities-financing and prime services activity would add resilience.
- Manage the leverage exposure: The EUR 2,797bn exposure measure sets the tightest MDA distance (EUR 15bn). Netting and balance-sheet discipline in Global Markets would protect the 55bps leverage cushion as markets activity grows.

- Reduce reliance on SRT: About 90bps of CET1 comes from risk transfer and credit insurance. The programme is well structured, but the dependence exposes capital to any supervisory tightening of significant-risk-transfer recognition.
- Reduce the Personal Finance credit cost: A cost of risk near 153bps, plus Spanish revolving-credit legal costs, is the main drag on CPBS returns and the most cyclical exposure in a French and southern European slowdown.
- Deliver structural cost savings: Cost/income of 59.3% is 4.3pp above the peer median. Delivering the <56% 2028 target without relying on one-off gains is necessary for sustainable RoTE above 13%.
- Headline asset-quality metrics on the EBA KRI basis: the bank's 2.4% NPL ratio includes central bank balances (2.87% without them), and its 66.4% Stage 3 coverage nets collateral (45.3% gross). Both flatter peer comparison.

Appendix

Data Sources

- (1) Banque de France, Macroeconomic projections for France, June 2026 (published 17 June 2026), Tables A and C1
- (2) European Central Bank, Monetary policy decisions, 11 June 2026 and 23 July 2026
- (3) BNP Paribas, Second quarter 2026 results press release, 23 July 2026
- (4) BNP Paribas, 2Q26 results presentation and appendices (details by business line), 23 July 2026
- (5) BNP Paribas, Second amendment to the 2025 Universal Registration Document (half-year report and Pillar 3 at 30 June 2026), filed with the AMF 5 August 2026
- (6) BNP Paribas, Fourth quarter and full year 2025 results press release, 5 February 2026
- (7) BNP Paribas, 2Q25 results press release and appendices, 24 July 2025; Second amendment to the 2024 Universal Registration Document (Pillar 3 at 30 June 2025), 1 August 2025
- (8) European Banking Authority, 2025 EU-wide stress test results, 1 August 2025 (Tables A1, A2, A4); BNP Paribas press release on the 2025 EBA stress test, 1 August 2025
- (9) BNP Paribas, First quarter 2026 results press release, 30 April 2026
- (10) BNP Paribas, Debt Investors Presentation, June 2026 (ratings and capital stack)
- (11) Banque de France, Macroeconomic projections for France, December 2025 (2024 outturns)
- (12) RiskView H1 2026 bank-analyst history files for Deutsche Bank, Santander, ING, Barclays, HSBC and UBS, each sourced from the bank's H1 2026 results and Pillar 3 disclosures

Methodology Notes

Data basis. BNP Paribas figures are taken from the H1 2026 results documents and the Pillar 3 disclosures at 30 June 2026 contained in the second amendment to the 2025 Universal Registration Document (refs. 3-5). Comparatives come from the FY2025 and H1 2025 disclosures (refs. 6-7). Every figure is recorded with a document and page pointer in the RiskView source log. Ratios computed by RiskView (RWA density, loan-to-deposit ratio, EBA KRI NPL ratio, Stage 2 ratio, gross EBA-basis coverage, H1 NII, MDA headroom) are labelled as computed. Peer data (ref. 12) is read from the same cited history files used in every RiskView H1 2026 European report, so peer figures, medians and ranks are identical across reports. Medians use all banks with data. All seven banks report under IFRS; EU banks under CRR3/CRD6, UK banks under the PRA rulebook and UBS under Swiss FINMA rules.

Definitional caveats. (a) NPL definitions differ: BNP Paribas, Deutsche Bank and ING use EBA-based NPL ratios from Pillar 3 template CR1, while Santander, the UK banks and UBS report Stage 3 or credit-impaired measures. RiskView restates BNP Paribas's NPL ratio and coverage from CR1 on the EBA KRI basis used by ING (excluding central bank balances; gross coverage). The bank's own headline ratio (2.4%) includes central bank balances, and its Stage 3 coverage (66.4%) nets collateral. (b) LCRs are the Pillar 3 LIQ1 12-month average where disclosed (BNP Paribas, Deutsche Bank, ING, Barclays, HSBC, and Santander to 31 March 2026 from its Q1 2026 Pillar 3); UBS reports a quarterly average. BNP Paribas's headline period-end LCR (149%) and period-end HQLA are shown separately. (c) CET1 ratios are phased-in for BNP Paribas (CRR3 transitional arrangements); fully loaded CRR3 ratios would be lower, as the EBA 2025 restatement shows. (d) UK leverage ratios exclude central bank claims, which flatters them relative to EU and Swiss ratios. (e) RoTE methodologies differ; BNP Paribas changed its definition in 4Q25 and does not annualise exceptional items. (f) The MREL/TLAC field mixes bases: TLAC for BNP Paribas, MREL for Deutsche Bank, Santander, ING and Barclays, a sum of resolution groups for HSBC and Swiss TLAC for UBS, each as a share of RWA.

FX. ECB euro foreign exchange reference rates, 30 June 2026 (EUR 1 = USD 1.1394 = GBP 0.86178).

Scoring. Scorecard and radar scores are linear 0-100 scores on fixed ranges shared by every RiskView H1 2026 European report, capped at 0 and 100: CET1 11-18 (higher is better); Leverage 3.5-6.5 (higher is better); LCR 110-200 (higher is better); NSFR 110-150 (higher is better); NPL (inv.) 0.5-4 (lower is better); NPL cov. 25-75 (higher is better); RoTE 5-20 (higher is better); C/I (inv.) 40-75 (lower is better).

Scenarios. Illustrative CET1 paths (RiskView estimates, not bank or supervisory projections) use one rule for every bank so peer bars match across reports: Base holds CET1 at its 30 June 2026 level (organic capital generation offsets distributions); Bear deducts half, and Adverse the full, CET1 depletion from the bank's latest published regulatory stress test (EBA 2025 for EU banks, Bank of England 2025 for UK banks, Federal Reserve 2026 for UBS's US intermediate holding company). Stress tests differ in scope, horizon and methodology, so the paths indicate relative resilience rather than forecasts. For BNP Paribas, the Base Case macro path is the Banque de France June 2026 baseline, and the Bear Case uses its most adverse energy-price scenario (GDP stagnation in 2026-27). The Adverse Case and all unemployment, rate and inflation assumptions not attributed to the Banque de France are RiskView illustrative settings.

Glossary

APM	Alternative performance measure (bank-defined, not a regulatory template figure)
CET1	Common Equity Tier 1 capital as a share of risk-weighted assets
CRR3	EU Capital Requirements Regulation as amended by Regulation (EU) 2024/1623
EVE	Economic value of equity; IRRBB supervisory outlier test at -15% of Tier 1
FRTB	Fundamental Review of the Trading Book, the Basel market-risk framework
HQLA	High-quality liquid assets held for the Liquidity Coverage Ratio
IRC	Incremental risk charge for default and migration risk in the trading book
MDA	Maximum distributable amount; restrictions apply below the combined buffer
NSFR	Net Stable Funding Ratio: available over required stable funding
P2R / P2G	Pillar 2 requirement (binding) and Pillar 2 guidance (non-binding)
RoTE	Return on tangible equity; BNP Paribas annualises H1 results excluding one-offs
SRT	Significant risk transfer via securitisation or credit insurance
TLAC / MREL	Loss-absorbing capacity requirements for resolution (FSB / EU SRB)

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