



PSA BANQUE FRANCE GROUP

November 2021

PSA BANQUE FRANCE
STELLANTIS

www.psa-banque-france.com

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- I Note: Statements as to historical performance or financial accretion are not intended to mean that future performance, share price or future earnings (including earnings per share) for any period will necessarily match or exceed those of any prior year. Nothing in this presentation should be construed as a profit forecast.

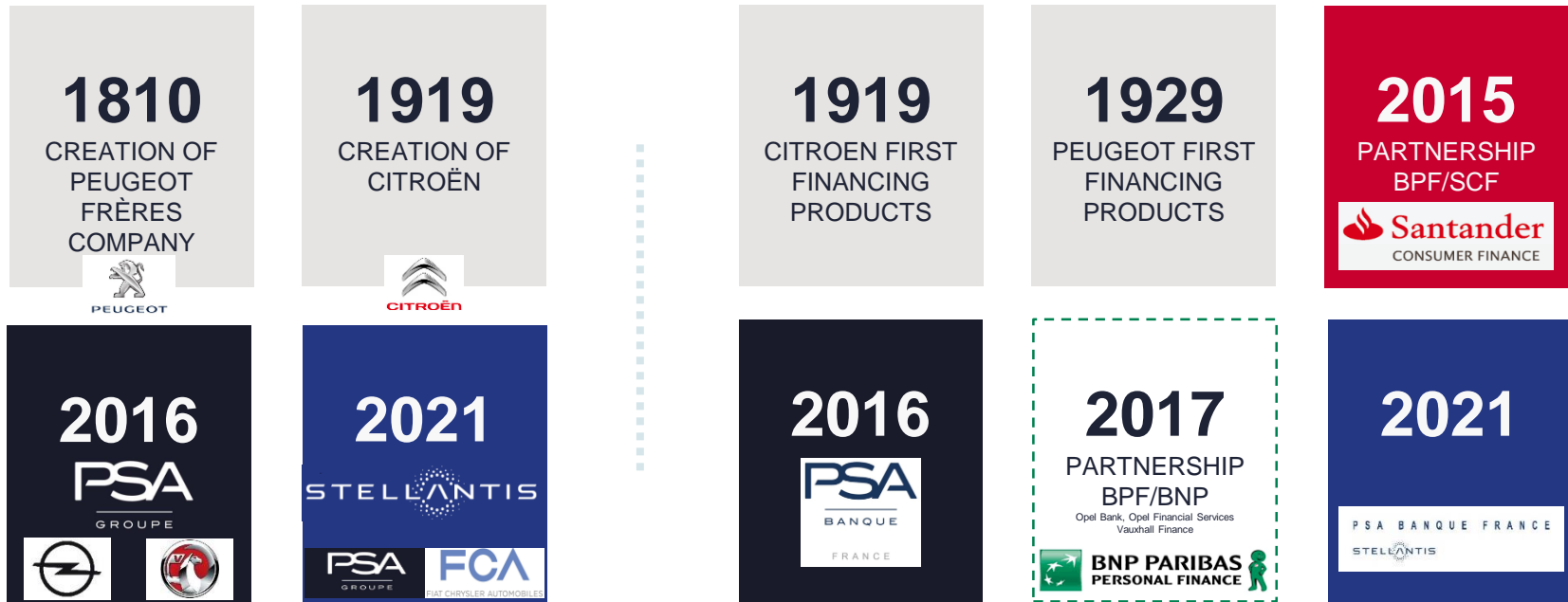
- 1 > **PSA Banque France Group presentation**
- 2 > Business overview
- 3 > Financial results
- 4 > Financial policy and funding



Long-time expertise in the auto financing industry

I PSA Banque France within PSA Group

- A global car manufacturer with over two centuries of history
- Auto financing industry for one century

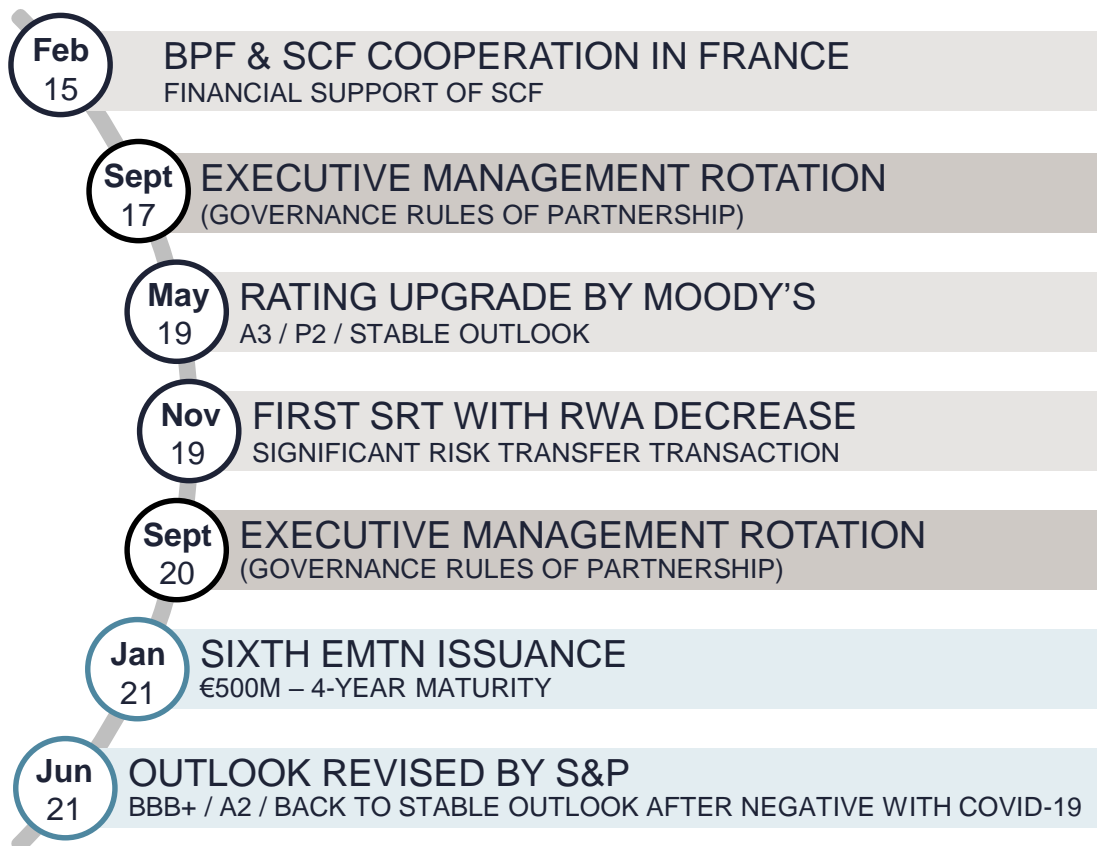


CAR MANUFACTURING

AUTO FINANCING INDUSTRY

BPF : Banque PSA Finance; SCF : Santander Consumer Finance

Overview



33.5%
NEW CAR
PENETRATION
RATE ⁽¹⁾

13.9€bn
OUTSTANDING
LOANS ⁽¹⁾
(END USERS &
DEALERS)

2.0x
INSURANCES &
SERVICES PER
NEW
CONTRACT

3.0€bn
NET RETAIL
DEPOSITS
AMOUNT
COLLECTED ⁽¹⁾

(1) 06/30/2021

PSA Banque France Group since 2015

I Joint-venture between BPF and SCF in France

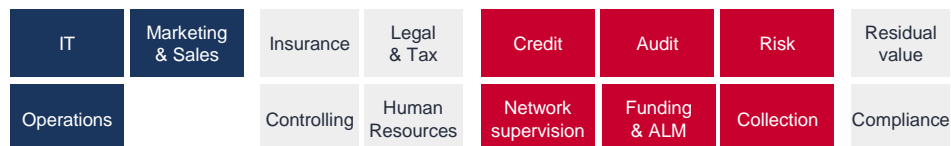
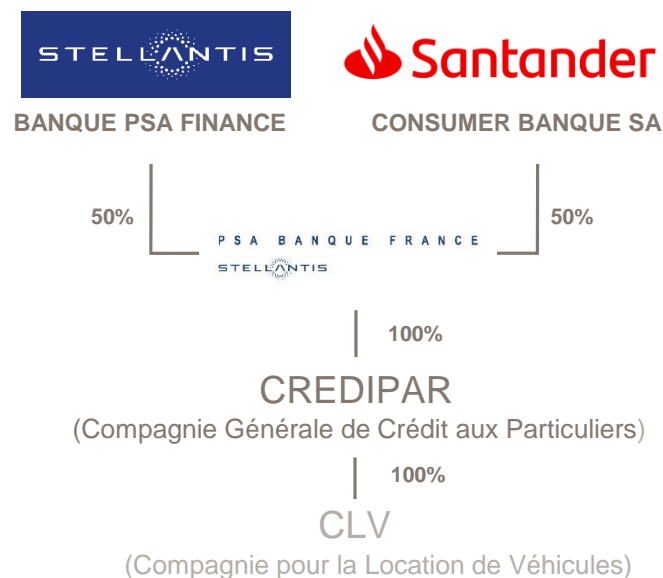
- BPF, historic shareholder / SCF, providing financial support
- Through a shared governance

Operating in France since 1919, PSA Banque France has more than 670,000 active clients (including individuals, professionals, dealers, and small, medium or large corporates, retail deposit).

Since February 2015, PSA Banque France is 50/50 controlled by Banque PSA Finance and Santander Consumer Banque, the French subsidiary of Santander Consumer Finance.

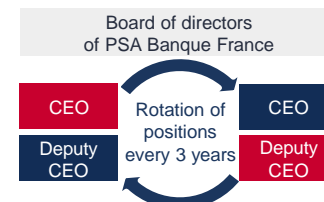
PSA Banque France is a credit institution and parent company that holds 100% of CREDIPAR, which itself holds 100% of CLV. All financing activities are therefore carried out by PSA Banque France and its CREDIPAR and CLV subsidiaries.

PSA Banque France is a credit institution regulated under the supervision of ECB since December 2015 while continuing to send the required information to the French regulator, the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR).



■ BPF casting vote

■ SCF casting vote



- First rotation in September 2017
- Second rotation in September 2020

PSA Banque France Group activities

PSA BANQUE FRANCE

HOLDING OF THE FRENCH GROUP



Banking activities for dealers

Current accounts
Overdraft facilities
Treasury and property loans



Savings accounts
Term accounts



Access to capital markets
NEU CP - NEU MTN - EMTN

CREDIPAR

COMPAGNIE GENERALE DE CREDITS AUX PARTICULIERS



Entity employing the group workforce



LOANS WITH
OR WITHOUT
BALOON

LEASES
WITH PURCHASE
OPTION

LONG TERM
LEASES

INSURANCES & SERVICES

SOFIRA Stock financing

NEW &
DEMO
VEHICLES

USED
VEHICLES

SPARE PARTS



Securitisation transactions
Seller – Servicer – Junior notes

CLV

COMPAGNIE POUR LA LOCATION DE VEHICULES



Legal entity used for public tenders on
Citroën vehicles only.

NO SET-OFF RISK ON RETAIL CLIENTS



Retail clients may subscribe
loans or leases financings and
at the same time be a client of
the DISTINGO offer.

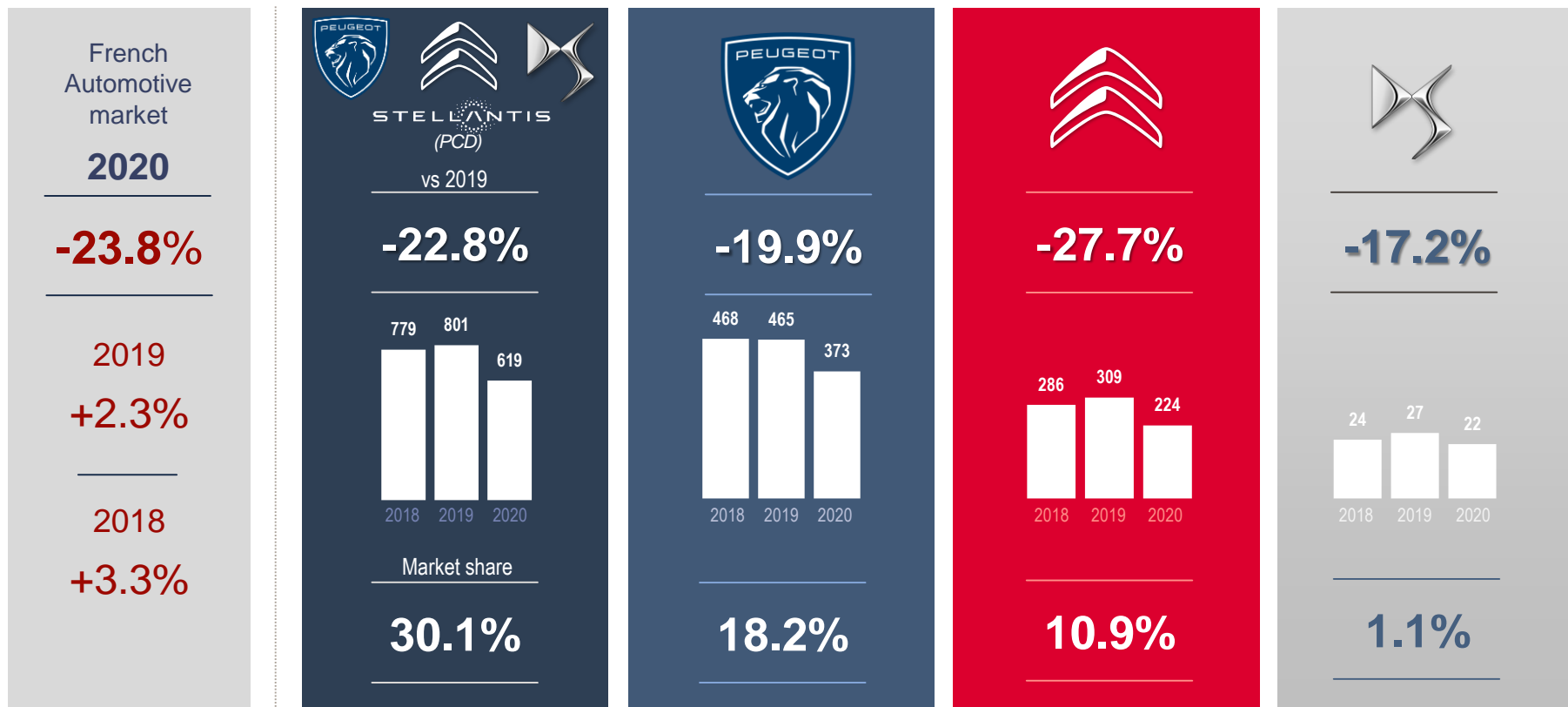
Both offers are provided by
separate legal entities mitigating
the set-off risk:

- PSA Banque France for savings
- CREDIPAR and CLV for financings

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French Automotive annual market trend



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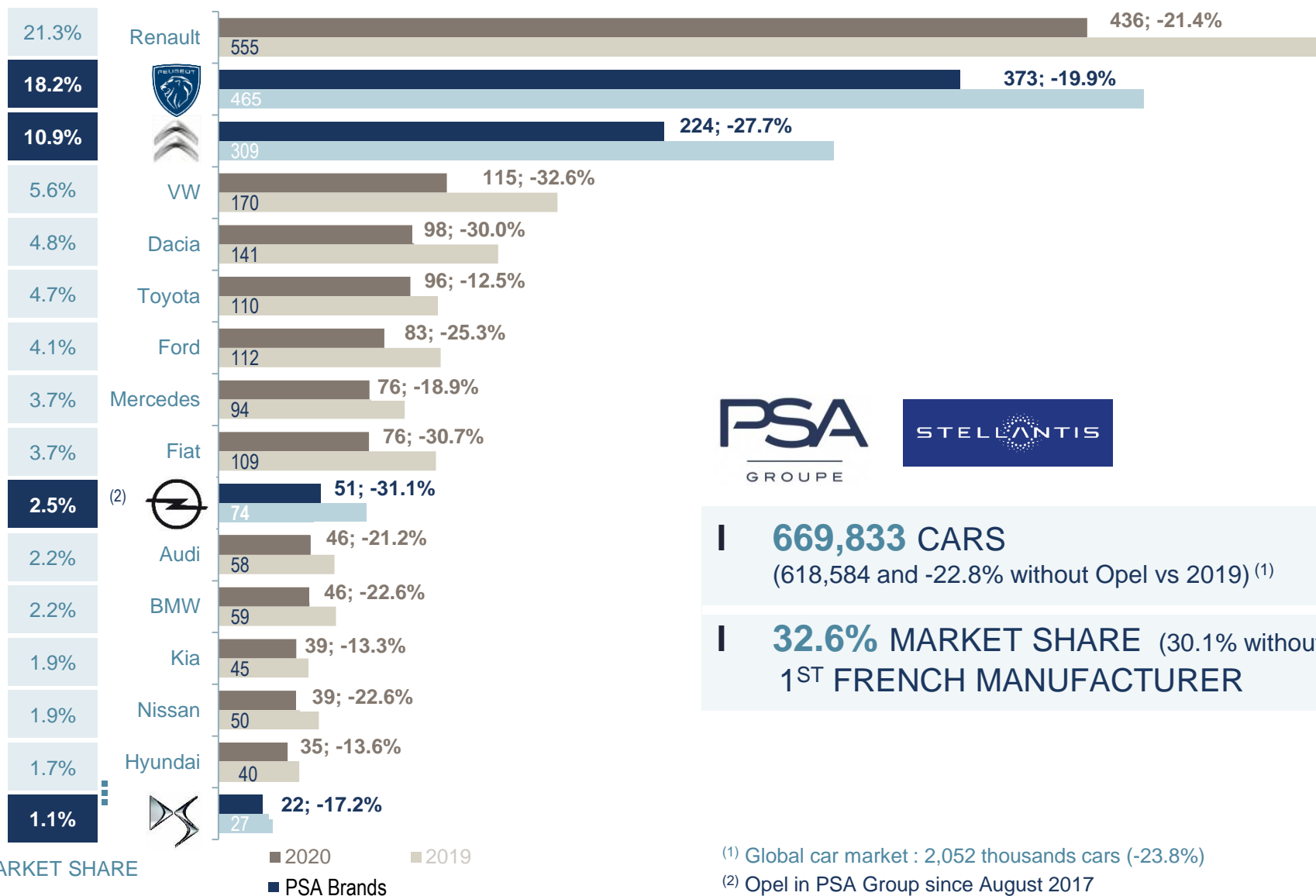
Number of vehicles financed

-14.6%



French new car registrations (2020 / 2019)

(in thousands)

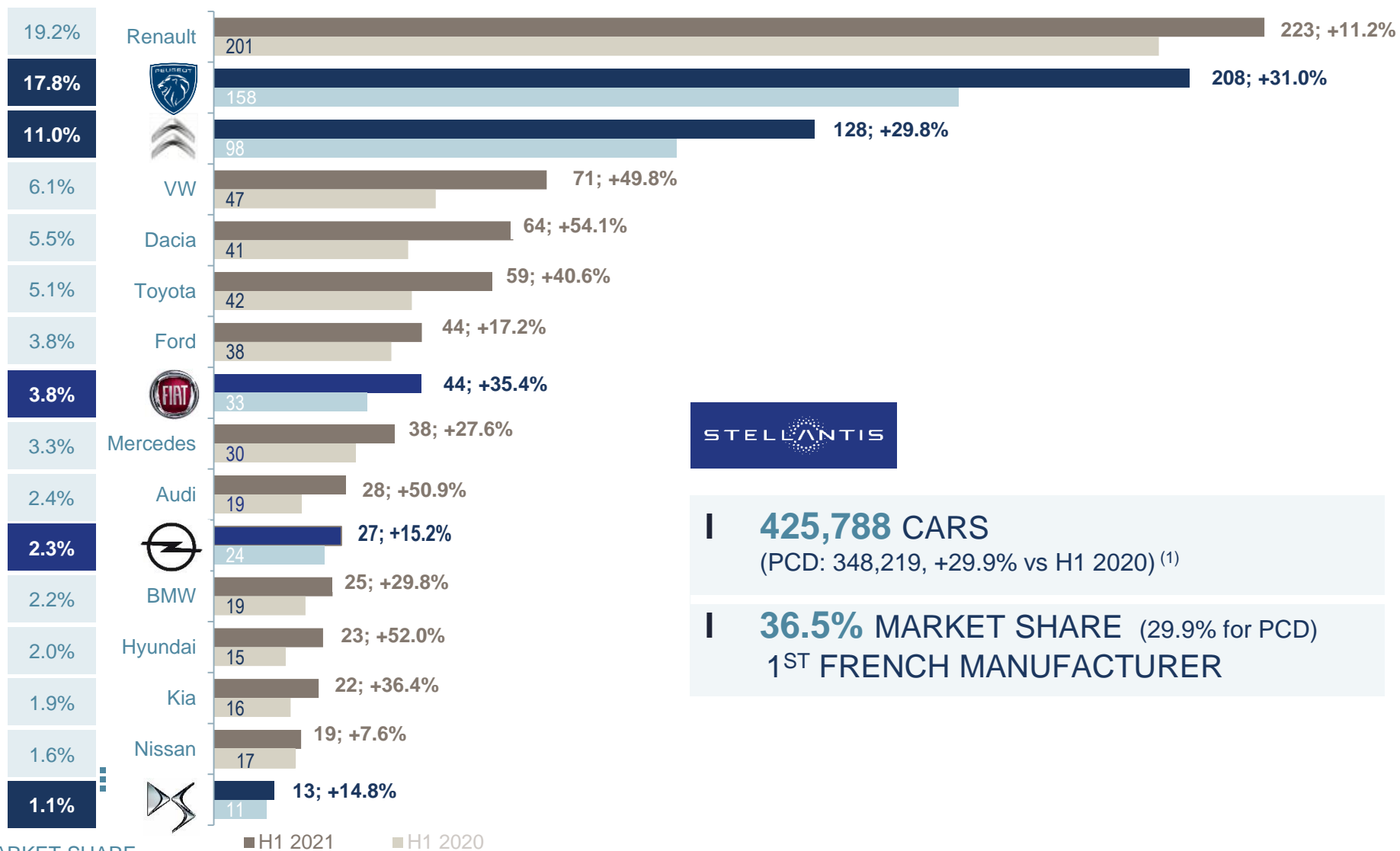


⁽¹⁾ Global car market : 2,052 thousands cars (-23.8%)

⁽²⁾ Opel in PSA Group since August 2017

French new car registrations (H1 2021 / H1 2020)

(in thousands)



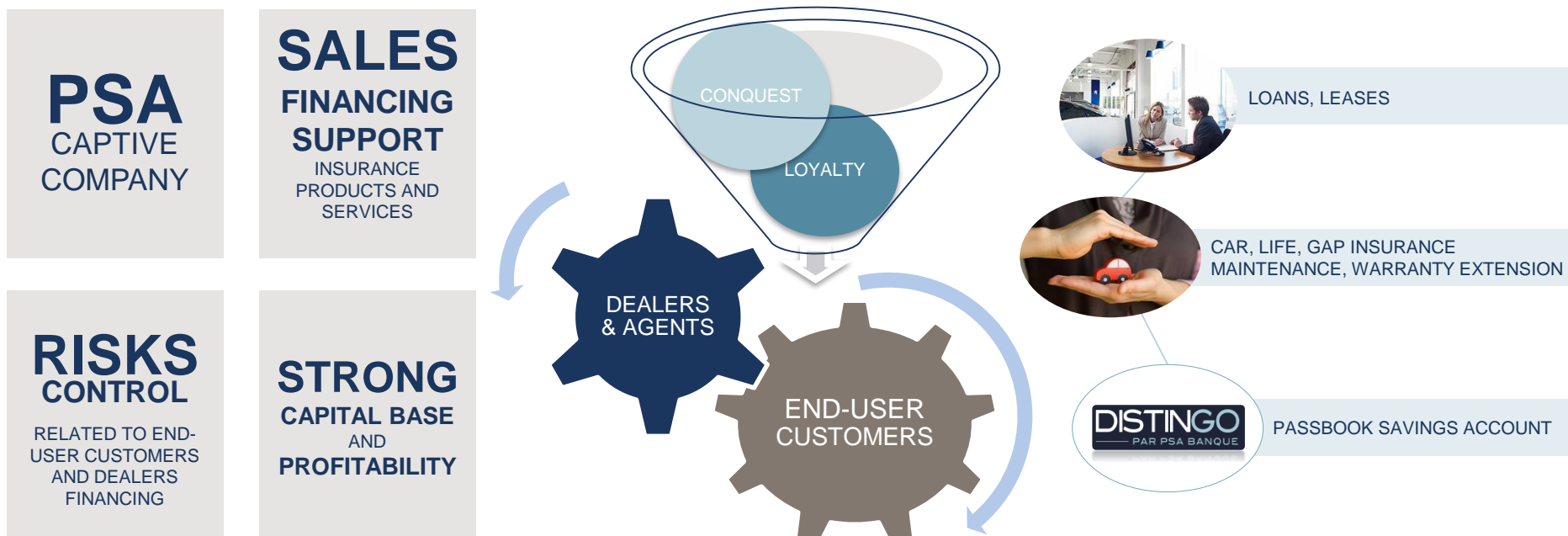
⁽¹⁾ Global car market : 1,166 thousands cars (+30.8%)

MARKET SHARE

Strength of PSA Banque France's business model

I Proven track record over decades

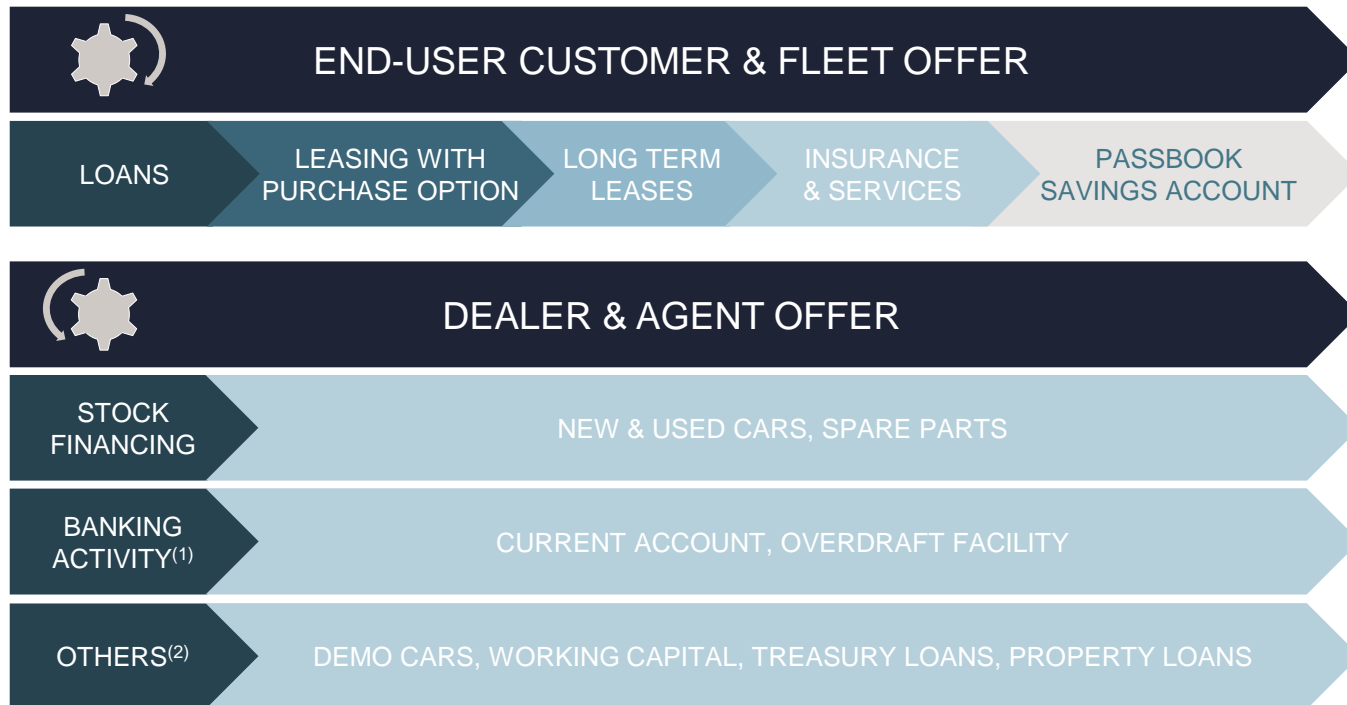
- Resilience throughout crisis
- An extended, structured and customized selection of financing solutions
- A close and privileged relationship with Peugeot, Citroën and DS and their dealer networks.



Dedicated financial services

I Partnership with the three historic brands of PSA Group

- Dedicated financial services partner to PEUGEOT, CITROËN & DS
- Broad range of products to cover end-user customers and dealers' needs



(1) Dealers of the 3 historic brands

(2) Dealers and agents of the brands



Dealer network



I Network organization : more than 4,000 partners

- PSA Banque France group's information systems are integrated with those of the Peugeot, Citroën and DS brands, enabling the dealers of these brands to make a global commercial proposal that encompasses the vehicle, its financing solution as well as any services.

INVESTOR (OPÉRATEUR)

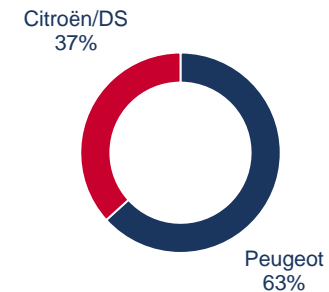
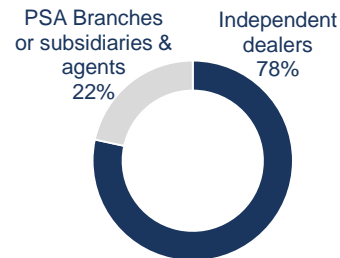
ONE UNIQUE DEALER
OR A GROUP OF
DEALERS WITH THE
SAME FINAL OWNER
DEALER
(CONCESSIONAIRE)

DEALER (CONCESSIONAIRE)

A COMPANY WHO
CONTRACTS WITH A
BRAND TO SELL
VEHICLES

AGENT

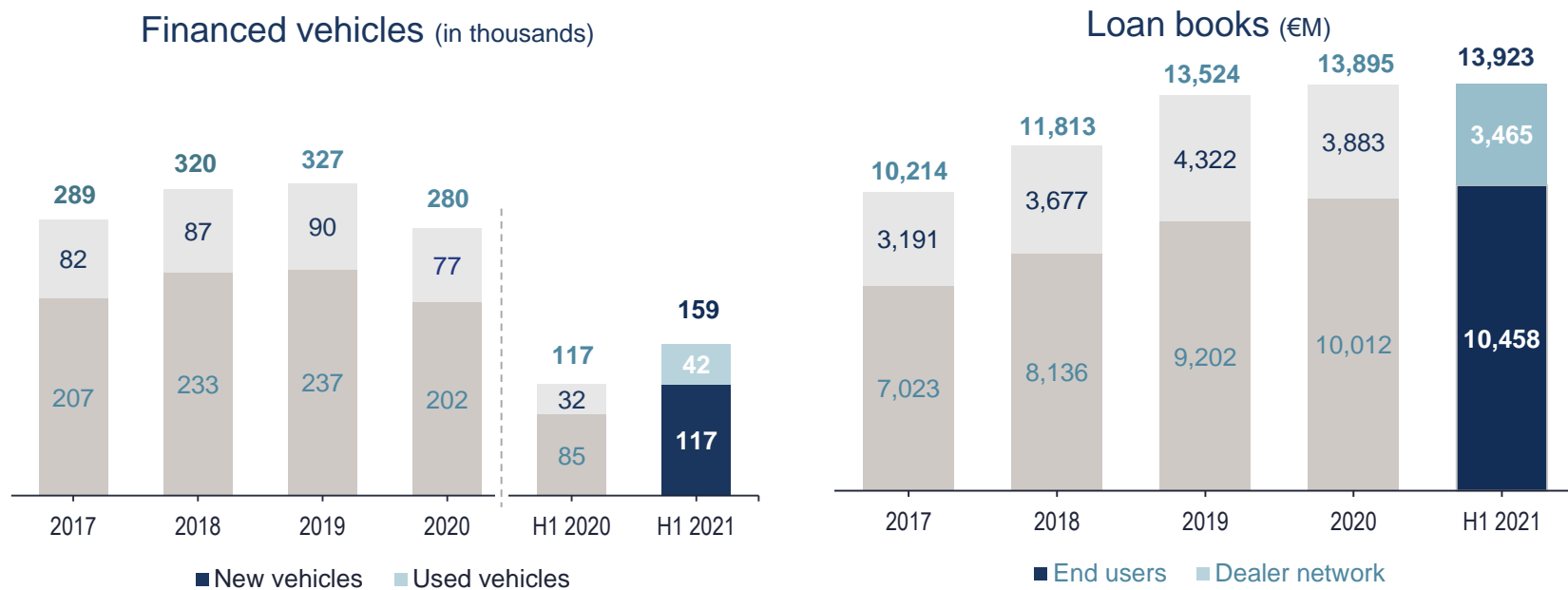
COMPANY SELLING
NEW VEHICLES ONLY
ON BEHALF OF AN
AUTHORIZED DEALER
(MAY ALSO SELL USED
VEHICLES)



New financing and outstanding loans

I Positive trend for end-user customers loan books despite Covid-19 pandemic

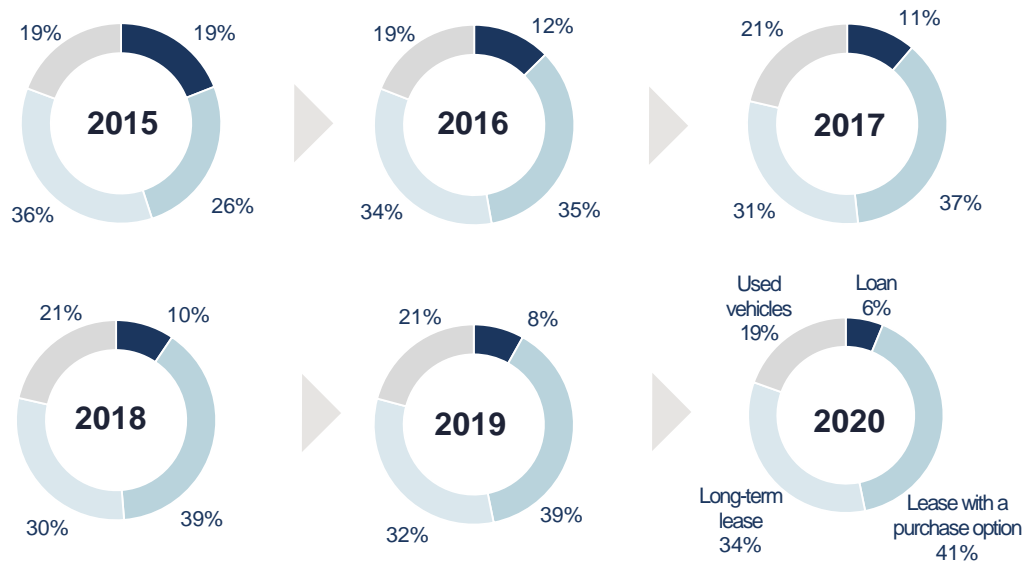
- +36% increase in the number of vehicles financed in H1 2021 (vs H1 2020)
- But loan books stable in H1 2021 with semiconductor crisis chip shortage impacting dealer network stocks
- Loan books breakdown end-users (75%) / dealer network (25%)



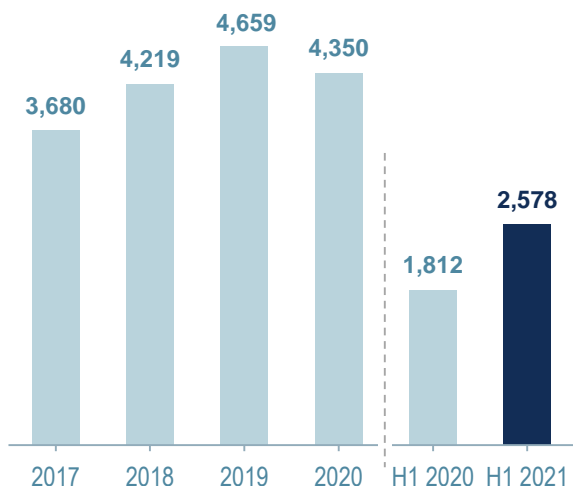
Business trend

I Increase of leasing in end-user financing

- Higher average financed amount
- Thanks to enhancement of the mix and a move upmarket in vehicles

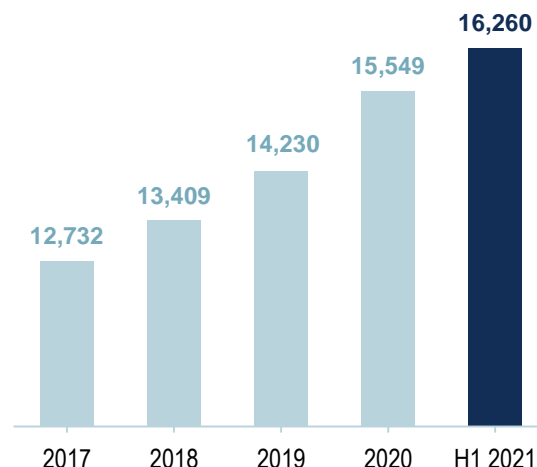


New financing volumes (€M)



+42%
H1 2021/H1 2020

Average financed amount (€)



+5%
H1 2021/2020



Business trend



ENTRETIEN
GARANTIE
ASSISTANCE

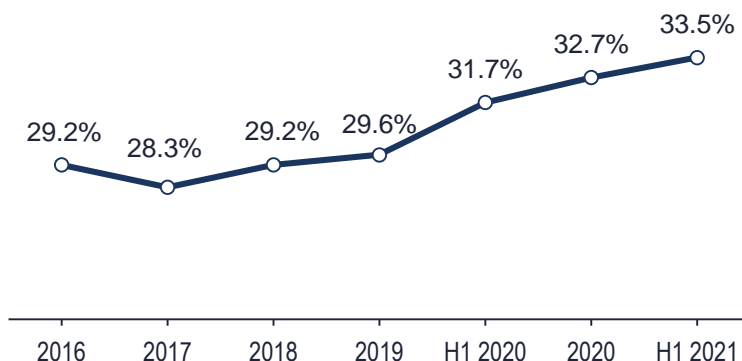
TOUT
EST DANS
LA BOÎTE



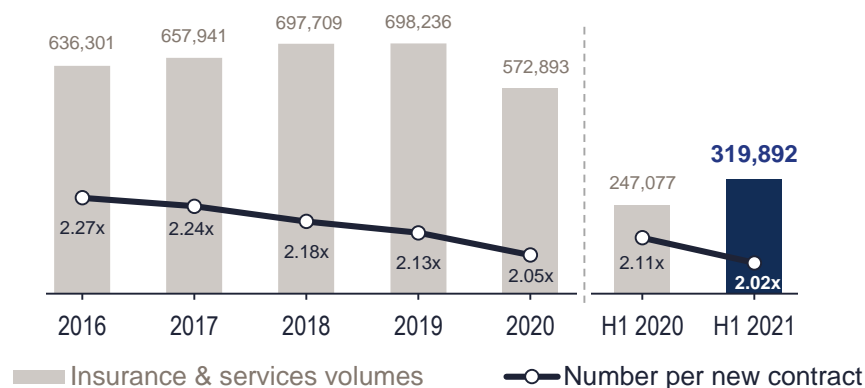
I Commercial policy

- Diversified insurance and service offerings with a high added value

Financing penetration rate



Insurance and services



Insurances	<ul style="list-style-type: none"> Life and disability insurance GAP insurance
Additional assistance	<ul style="list-style-type: none"> In case of accident Incurred costs
Warranty Extension	<ul style="list-style-type: none"> For new cars by the brands For used cars by CREDIPAR
Maintenance	<ul style="list-style-type: none"> Package or separately Performed in Peugeot, Citroën & DS networks

(1) New car penetration rate defined as new vehicles financed over PEUGEOT, CITROEN & DS new registered vehicles

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Consolidated financial statements

- I Solid balance sheet structure
- I Resilient profitability

BALANCE SHEET (€M)

Assets	Dec.31, 2019	Dec. 31 2020	Jun. 30, 2021
Cash, central banks, post office banks	453	487	1,200
Financial assets	1	0	44
Loans and advances to credit institutions	979	964	719
Customer loans and receivables	13,524	13,895	13,923
Tax assets	10	4	3
Other assets	377	307	314
Property and equipment	18	17	17
Total assets	15,362	15,674	16,221

INCOME STATEMENT (€M)

	Jun.30, 2020	Dec. 31 2020	Jun. 30, 2021
Net banking income	274	565	294
General operating expenses	(82)	(157)	(83)
Cost of risk	(31)	(58)	(6)
Operating income	161	350	205
Other non-operating income	(5)	(4)	-
Pre-tax income	156	346	205
Income taxes	(48)	(103)	(38)
Net income for the year	108	243	167

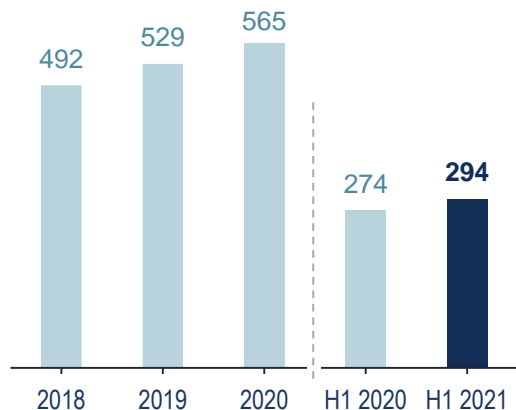
Equity and liabilities (€M)

	Dec. 31, 2019	Dec. 31 2020	Jun. 30, 2021
Financial liabilities	2	1	1
Deposits from credit institutions	3,738	4,937	4,609
Amounts due to customers	2,877	3,214	3,365
Debt securities	5,971	4,687	5,386
Tax liabilities	377	457	476
Other liabilities	799	661	622
Subordinated loans	155	155	155
Equity	1,443	1,565	1,606
Total equity and liabilities	15,362	15,674	16,221



Income statement

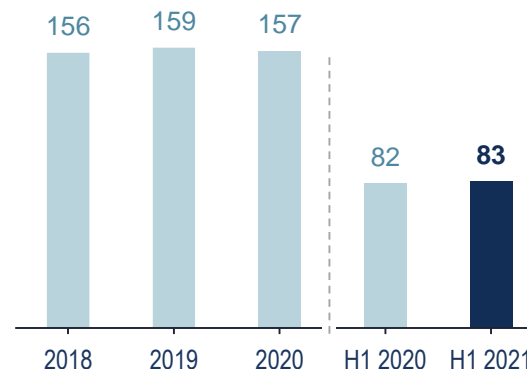
Net banking income (€M)



+7%

H1 2021/H1 2020

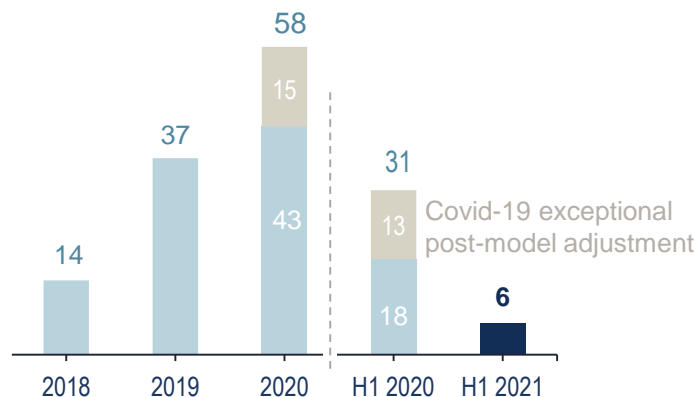
Operating expenses (€M)



+1%

H1 2021/H1 2020

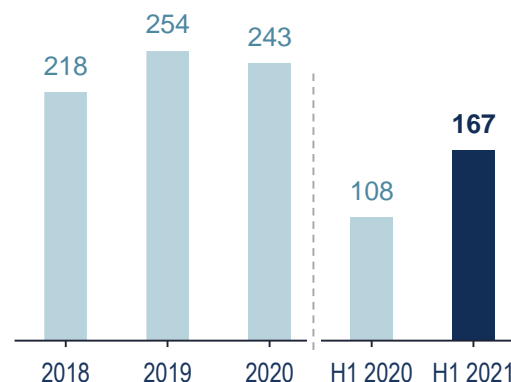
Cost of risk (€M)



-81%

H1 2021/H1 2020

Profit After Tax (€M)



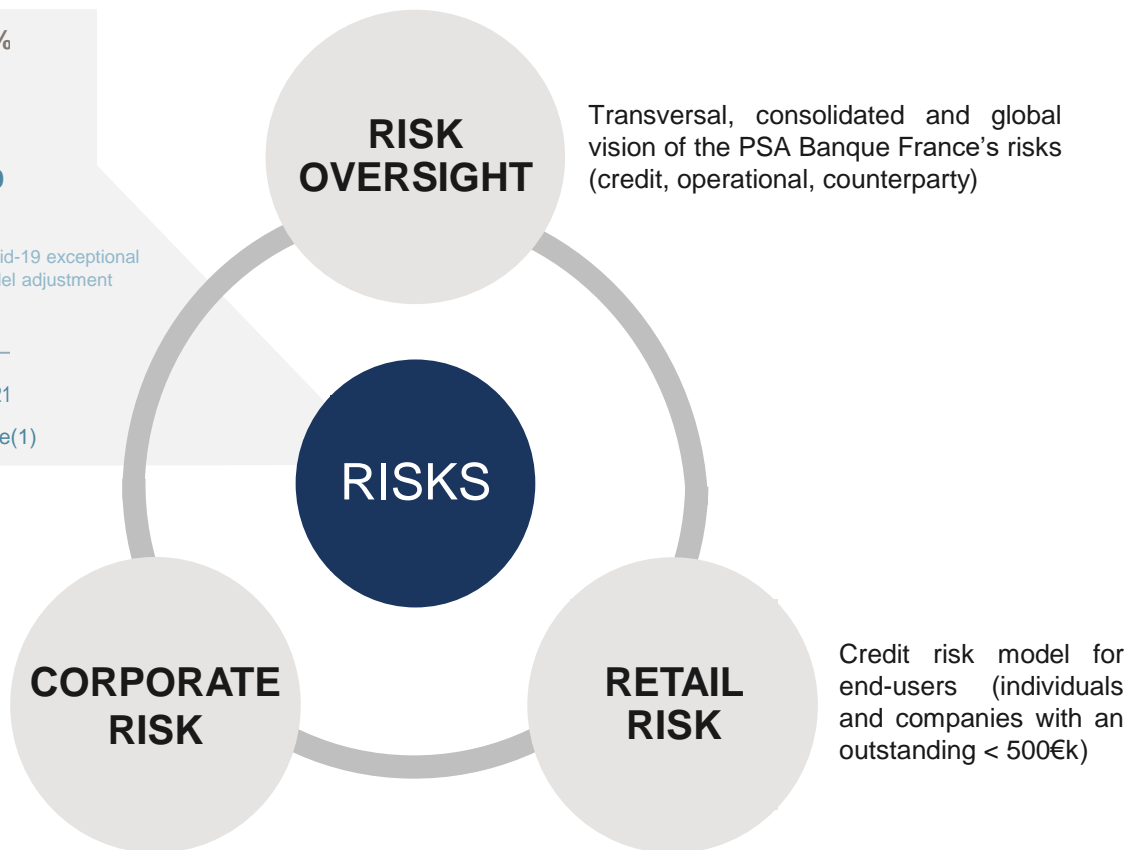
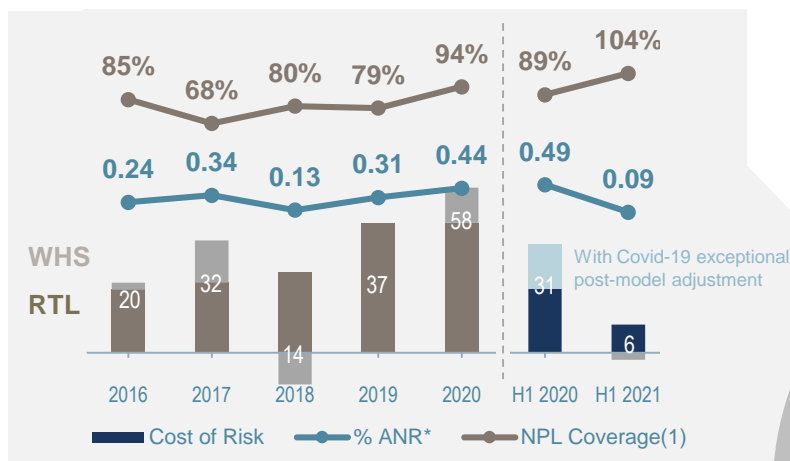
+55%

H1 2021/H1 2020

Risk policy & cost of risk

I SCF principles applied

- Oversight risk department
- Low cost of risk



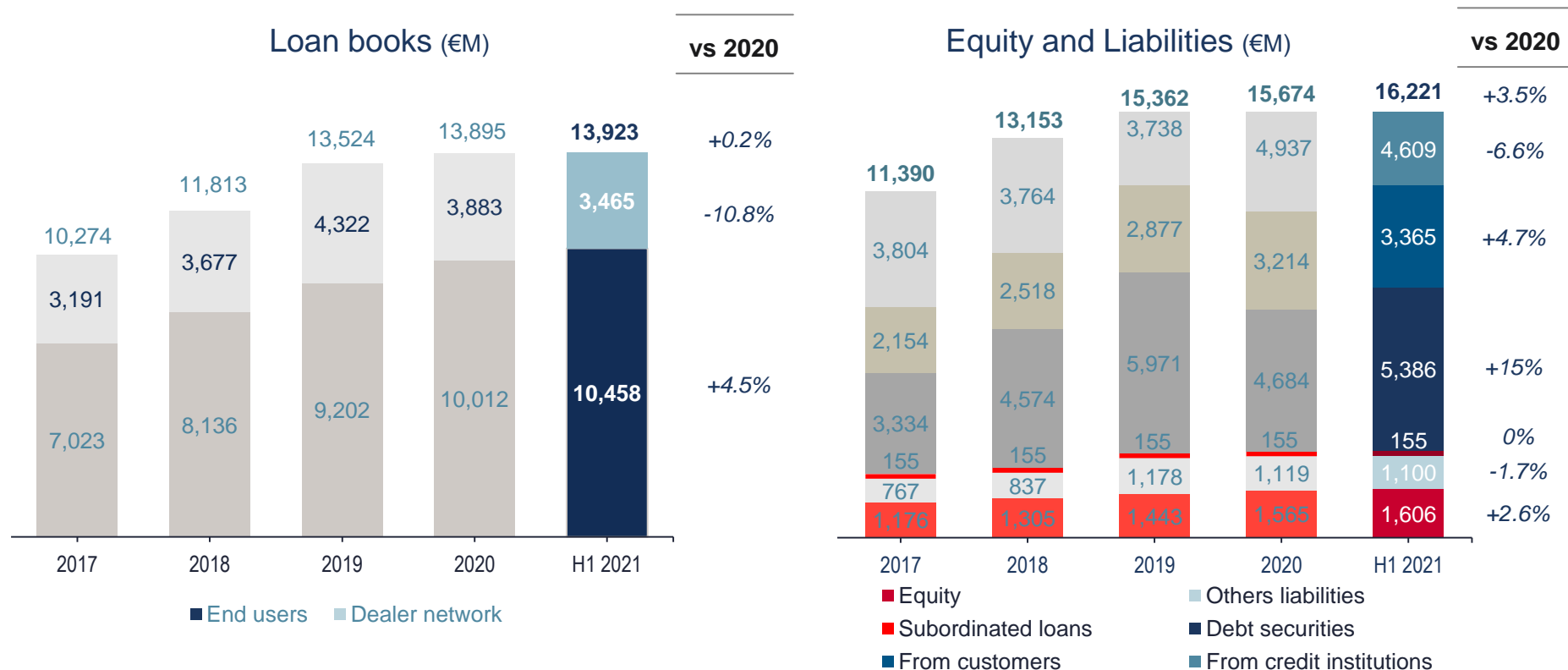
(1) NPL Coverage : coverage rate of non-performing loans by provisions.

H1 2021: 177€M NPL (1.3%); 2020: 201€M NPL (1.6%); 2019: 226€M NPL (1.9%); 2018: 199€M NPL (1.9%); 2017: 260€M NPL (2.8%); 2016 : 209€M NPL (2.5%); 2015 : 251€M NPL (3.1%).

Balance Sheet

I Positive trend for end-user customers loan books despite Covid-19 pandemic

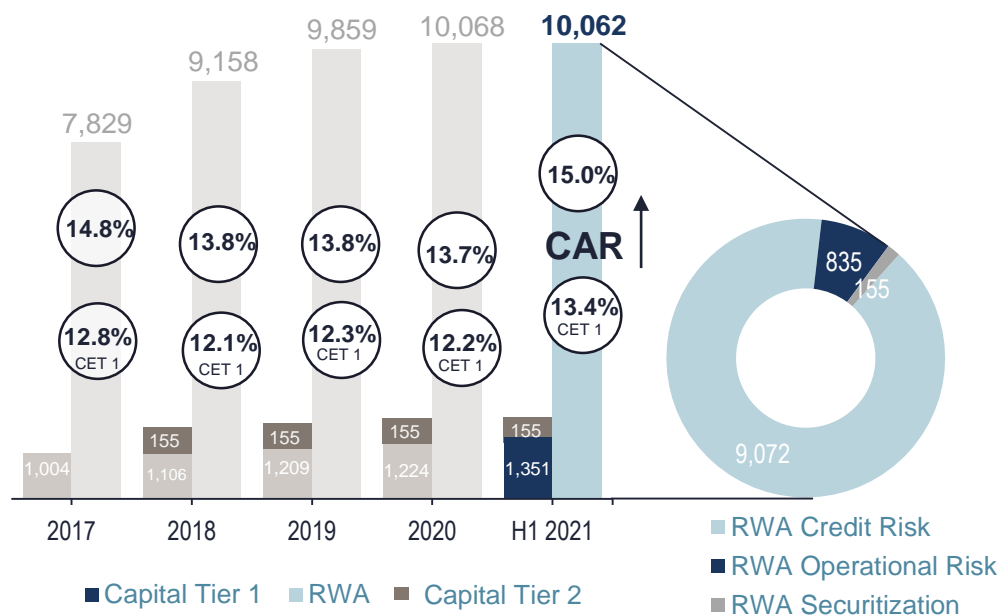
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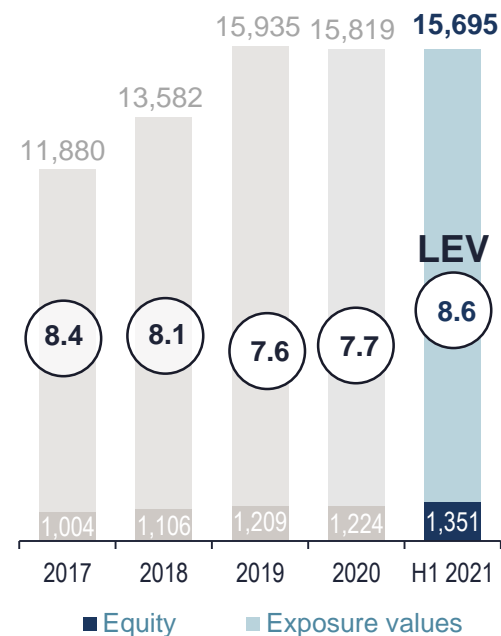
I Capital Adequate Ratio and Leverage Ratio

- First Significant Risk Transfer Transaction (SRT) in 2019 with a €548m RWA savings at the end of June 2021

Strong Capital Ratio



High Leverage Ratio



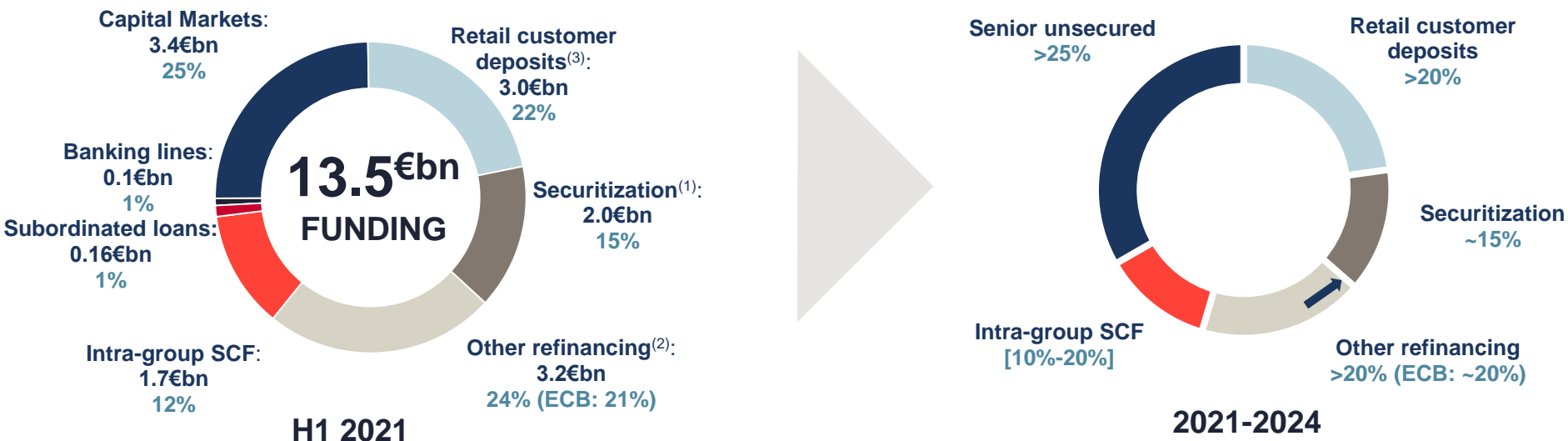
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Refinancing

I Diversification of funding sources

- Intragroup refinancing by Santander Consumer Finance: 12%
- **Access to Capital Markets since 2016 with six €500M EMTN issuances**



(1) Securitization includes all of the securitizations placed on the market

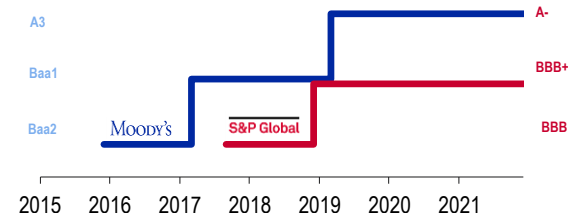
(2) Of which refinancing through the ECB (2015 : participation in TLTRO for a total of 600€M ; 2016: 950€M; 2017: 1,000€M; 2018: 770.8€M; 2019: 1,300€M; 2020: 2,250€M; H1 2021: 2,825€M) and dealer deposits

(3) Business transferred from BPF to PSA Banque France on April 2015 (passbooks and term deposits)

Rating of PSA Banque France Group

I Investment grade rating

- **Moody's** : upgrade on 05/29/19 to A3 (stable outlook)
- **S&P** : outlook revised to stable in June 2021 with Covid-19 pandemic situation



Moody's
INVESTORS SERVICE

P2
SHORT TERM

A3
LONG TERM

STABLE OUTLOOK
UPDATED ON 03/08/17

Moody's
INVESTORS SERVICE

P2
SHORT TERM

A3
LONG TERM

STABLE OUTLOOK
UPDATED ON 05/29/19

STANDARD & POOR'S

A-2
SHORT TERM

BBB+
LONG TERM

STABLE OUTLOOK
UPDATED ON 06/24/21

STANDARD & POOR'S

A-2
SHORT TERM

A-
LONG TERM

STABLE OUTLOOK
UPDATED ON 06/24/21

Moody's
INVESTORS SERVICE

P1
SHORT TERM

A2
LONG TERM

STABLE OUTLOOK
UPDATED ON 10/19/20

FitchRatings

F2
SHORT TERM

A-
LONG TERM

STABLE OUTLOOK
UPDATED ON 06/10/21



Access to capital markets since 2016

I Debt issuance programmes

- Since June 2016 : **PBFR <GO>**, **PSABFR <CORP>** Bloomberg pages
- To support diversification of funding sources

NEU CP	NEU MTN	EMTN	EMTN ISSUANCES		
06/03/16 BANQUE DE FRANCE UPDATE ON 05/21	06/03/16 BANQUE DE FRANCE UPDATE ON 05/21	06/29/16 First AMF VISA 07/12/21 PROG. RENEWAL	EURONEXT PARIS LISTING	FRENCH LAW NO GUARANTEE CROSS- DEFAULT NEGATIVE PLEDGE	01/04/17 500€M - 3 YEAR 09/27/17 500€M - 5 YEAR 04/11/18 500€M - 5 YEAR 04/03/19 500€M - 3 YEAR 06/13/19 500€M - 5 YEAR 01/12/21 500€M - 4 YEAR
2.0€bn MAXIMUM A2/P2 SHORT TERM	1.0€bn MAXIMUM BBB+/A3 LONG TERM	4.0€bn MAXIMUM BBB+/A3 LONG TERM	100€K DENOMINATION		



Securitization

I A privileged tool as part of the funding strategy

- Solid expertise over more than 10 years
- Increasing participation in TLTRO-III
- Placement of Auto ABS French Leases 2021 in June 2021



FUNDING AND ADDITIONAL ECB ALLOWANCES

(1) ECB/TLTRO operations collateralized by retained senior issuances

(2) Since April 2018, WHS receivables are used as collateral through TRICP channel increasing drawing allowance with ECB

Retail deposits activity

I Deposits as a stable source of diversification

- Activity in France transferred from BPF to PSA Banque France Group in April 2015
- Saving products offered 100% online



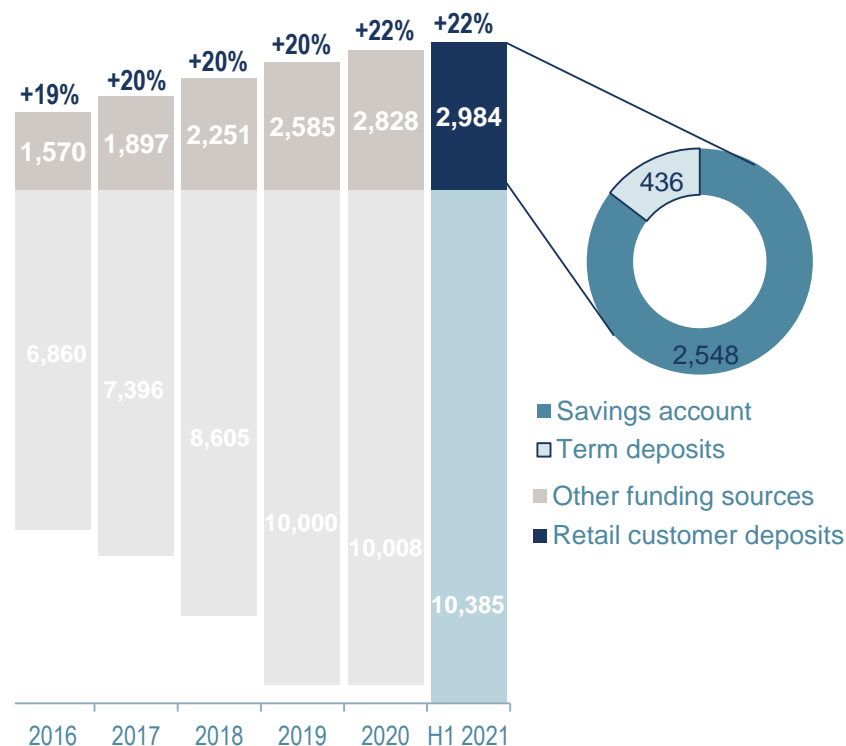
PASSBOOK
SAVINGS
ACCOUNT AND
FIXED-TERM
DEPOSITS

+4.2%
IN H1 2021

88,446
ACTIVE
ACCOUNTS
(84,909 IN 2020)

22%
OF FINANCING
SOURCES

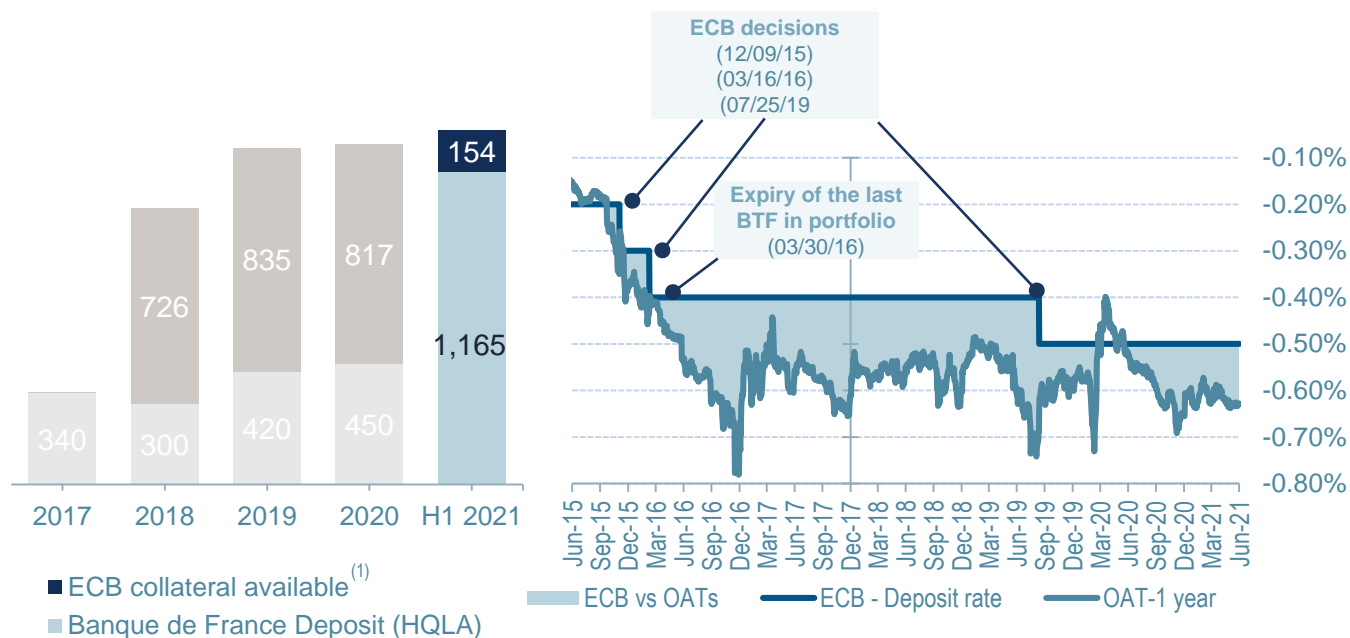
+5.5%
IN H1 2021
3.0€bn
OUTSTANDING



Liquidity management and reserve

I Matching of maturities between assets and liabilities

- Financing with an original maturity of 12 months or more represent nearly 70% of the total in H1 2021.
- Average maturity of medium and long term financing remained in H1 2021 : about 2.9 years thanks to TLTRO-III participation and EMTN6 bond issue.



(1) Since April 2018, WHS receivables are used as collateral through TRICP channel increasing drawing allowance with ECB