

#POSITIVEBANKING

# A RESPONSIBLE BANK FOR A SUSTAINABLE ECONOMY



2019 INTEGRATED REPORT



**BNP PARIBAS**

The bank for  
a changing  
world



# BNP PARIBAS MOBILISES TO TACKLE COVID-19

In light of the Covid-19 health crisis, the BNP Paribas Group has mobilised to help customers, support the global economy and contribute to assisting those in need. This is first of all a particularly difficult and human ordeal that we are experiencing, and our first thoughts go out to all those whose loved ones have been directly affected by the epidemic. And as bankers we have a special responsibility to ensure continuity of financial services while helping not only professional and business customers to overcome the crisis but also individual clients who have had to adapt to sudden, unexpected difficulties. Banking is an essential function during the current crisis and it is our duty to ensure business continuity.

To that end, all our employees are fully mobilised in every country where we operate. Some continue to go to the workplace to guarantee continuity of customer support, whether in branches, customer-service centres, trading floors or IT centres. And to protect our teams and customers even more, we have put in place everywhere precautionary health and hygiene measures. We would like to express our sincere thanks to all our employees for their commitment and their extraordinary discipline.

We have strengthened customer-service teams operating remotely, and branch opening times have been adjusted for our retail customers. It is, of course, also thanks to the commitment of our IT teams that we have been able to guarantee continuity

of service and offer customers the digital solutions which we encourage them to use as a priority. Furthermore, our individual customers can benefit from personalised solutions to give them the flexibility they need at this time of great uncertainty, whether deferring loan repayments, obtaining credit or managing savings and payments.

To assist and support companies, especially SMEs and professional clients affected by the crisis, we are also taking all necessary measures, such as deferring repayments, facilitating cash management and providing faster financing.

**BNP Paribas, through its businesses, Foundation, and Rescue & Recover Fund,** has been committed since the beginning of the crisis to supporting hospitals, medical research, and organisations helping the most vulnerable in the community as well as disadvantaged young people facing great difficulty because of the crisis. This action to help the community has been the focus of our emergency aid plan, put in place in mid-April and which represents a commitment of €55 million. This plan has helped hospitals and vulnerable communities in some 30 countries. It has also been bolstered by the volunteer work of many employees around the world.

We are experiencing a moment of truth in our relationship with clients and the world around us. We are meeting the challenges, collectively and individually, because our bank is sound, not only thanks to its financial strength but also to its values and its great ability to adapt to circumstances. We must remain mobilised to help clients and those most in need as we start on the long and challenging road to economic recovery while at the same time drawing lessons from this unprecedented crisis.

## Jean Lemierre

Chairman of the Board of Directors  
of BNP Paribas

## Jean-Laurent Bonnafé

Director and Chief Executive Officer  
of BNP Paribas

# EMPLOYEES COMMITTED TO SUPPORTING OUR CUSTOMERS



All BNP Paribas businesses are mobilised during the crisis to support the economy and our customers, whether individuals, professional clients, businesses and non-profits. For example, the Nordic Investment Bank signed a €1bn Response Bond with BNP Paribas as main bank. The amount raised will support healthcare professionals in member countries. Other examples can be seen in Italy, where BNL and BNP Paribas Cardif are extending Unica health-insurance coverage to customers free of charge. In France, the French Retail Banking network is distributing the €300bn state-guaranteed loan programme designed to help companies obtain credit. The deferral of loan repayments and unprecedented solutions for students and apprentices have also been rolled out. And BNP Paribas Personal Finance and Bank of the West have made new channels available to customers to provide them with the support and information they need during the crisis.

*See testimonials on LinkedIn and Twitter (and on the next page).*

**Sandrine DELMOTTE,**  
ITG, BNP Paribas, France, April 2020

It was necessary to manage the twofold difficulty of continuing operations and making services accessible as well as making arrangements for everyone's personal difficulties while keeping in contact, because today we are working remotely. The availability of IT and applications had to be adapted so that everyone could connect and work from home. [...] The IT Department has done a great deal to enable every employee

to continue working as they do in the workplace. [...] In this period of crisis, we are returning to the fundamentals and everyone, in my opinion, sees their role more concretely as well as its added value. [...] What I value is individual responsibility in the service of the common good and our profession. ■

**Robert VAN KERKHOFF,**  
BNP Paribas Securities Services (CIB), BNP Paribas, Luxembourg, April 2020

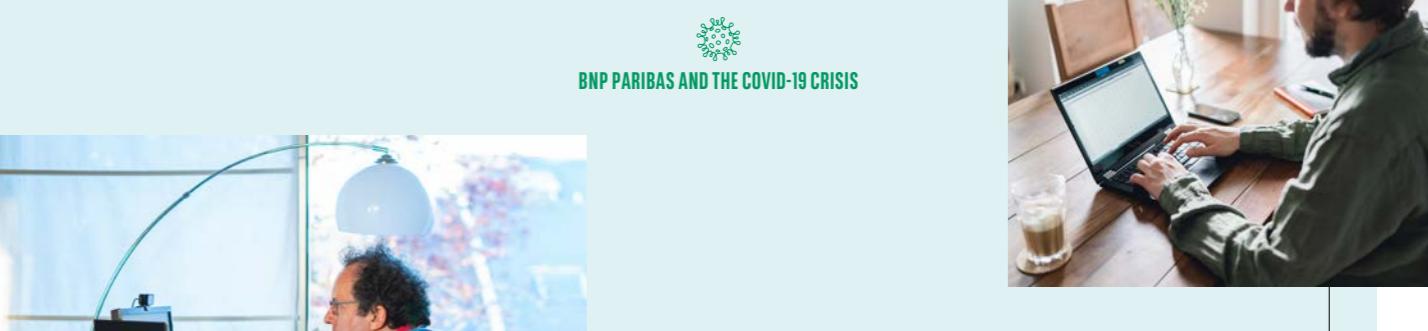
This morning we organised our first digital plenary session with almost 500 employees from Luxembourg connected remotely. A year ago we organised a similar face-to-face event with the same number of participants. Sitting alone at home, in front of a screen, I addressed the same audience without any physical presence and without being able to identify everyone's non-verbal feedback. The key messages have not changed: we are committed to our employees and our customers and together we are taking action to improve our organisation. ■

**Nizar ALACHBILI,**  
Chairman, Ténor Group,  
France, April 2020

I would like to thank the BNP Paribas Lognes branch and their entire team for their efficient and kind support in these trying times. I also thank them for their support and flexibility during these six years of collaboration in an environment of strong growth with its ups and downs. I would also like to thank our advisors and the BNP Paribas Melun branch for believing in our potential way back in 2013.

All BNP Paribas businesses are mobilised during the crisis to support the economy and our customers, whether individuals, professional clients, businesses and non-profits. For example, the Nordic Investment Bank signed a €1bn Response Bond with BNP Paribas as main bank. The amount raised will support healthcare professionals in member countries. Other examples can be seen in Italy, where BNL and BNP Paribas Cardif are extending Unica health-insurance coverage to customers free of charge. In France, the French Retail Banking network is distributing the €300bn state-guaranteed loan programme designed to help companies obtain credit. The deferral of loan repayments and unprecedented solutions for students and apprentices have also been rolled out. And BNP Paribas Personal Finance and Bank of the West have made new channels available to customers to provide them with the support and information they need during the crisis.

*See testimonials on LinkedIn and Twitter (and on the next page).*



**Alya GHOUSSI,**  
BMCI (International Retail Banking), BNP Paribas, Morocco, March 2020

Business Continuity Plans have never been so central to the concerns of businesses. They were executed in record time thanks to the mobilisation of our teams and it demonstrated the extent to which our organisations are flexible and how they put the safety of their

employees and customers at the heart of their concerns. Even though this health crisis has kept us physically away from our teams for a while, it will have helped us reinforce bonds around an unfailing sense of solidarity as well as strengthening our cohesion and ability to adapt. I wish to

thank all the support entities that work behind the scenes to ensure our safety and comfort and who provide us with the necessary tools to enable us, wherever we are, at the "front" or the "back" of the bank, to continue working serenely with the same level of commitment. ■

**Anne-Laure ENJOLRAS,**  
Cofounder and chairman of DOYOUNO,  
France, April 2020

I'm amazed at the quality of service given by BNP Paribas' startup teams. They are super available, committed and responsive; in short, real partners. They have helped DOYOUNO since our initial round of fundraising and I strongly recommend them to all entrepreneurs!

**Bruno WEILL,**  
Chief Group Representative for China, BNP Paribas, China, March 2020

We are entering a second phase of the epidemic, and I cannot help but be impressed by the fantastic commitment and dedication of all BNP Paribas Group teams in China. I am not saying that it was easy then or that it is easy now. We each still have our own personal concerns but thanks to the strong support of our management we have been able to find solutions so that, together, we can provide the necessary support and services to our customers at these times when they need them most. ■

**Sophie PÉAN,**  
Founder and Manager,  
Les Jolis Cahiers,  
France, April 2020

I first contacted my bank on 18 March. Three days later, I had the first documents to fill out, with all necessary explanations given over the phone. My application was processed quickly, and less than a month later I signed the documents for a state-guaranteed loan. I felt supported. I'm an 'ordinary' customer, with an 'ordinary' business. But BNP Paribas is helping me get through this 'extraordinary' time.



# AN INTERNATIONAL AID PLAN FOR THE MEDICAL SECTOR AND THE MOST VULNERABLE

To face the challenges of the current health and social emergency, the BNP Paribas Group has been mobilised since the beginning of the Covid-19 crisis. It has steadily expanded an emergency aid plan whose financial commitment will ultimately reach **€55 million**. Local needs in 30 countries have received priority, with the aid plan focusing on hospitals, vulnerable populations and underprivileged young people impacted by the crisis. In France, for example, BNP Paribas supported the "Everyone United Against the Virus" alliance launched by AP-HP<sup>(1)</sup>, the Fondation de France and the Institut Pasteur, as well as 12 regional hospitals affected by Covid-19 and the public hospitals in the *département* of Seine-Saint-Denis, where BNP Paribas is the leading private-sector employer. Hospitals have also benefited from the aid plan, and in many countries, such as Belgium, Italy, Spain, the United Kingdom and the United States, which were especially hard hit, as well as Germany, Luxembourg, Poland, Portugal, India, Indonesia, Ukraine, Algeria, Morocco, Tunisia, Ivory Coast and Senegal. Organisations helping

the most disadvantaged and underprivileged around the world have also been supported. In Belgium, the Group helps food banks and in France, the BNP Paribas Foundation supports 14 major organisations helping the most disadvantaged, refugees, isolated elderly people, women and children at risk, and people with disabilities. In France, via Adie<sup>(2)</sup> and internationally through microfinance institutions, the aid plan also helps to support micro-businesses in difficulty. It also supports social and solidarity economy enterprises most impacted by the crisis. Finally, thanks to donations of IT equipment (nearly 2,500 computers), BNP Paribas is helping young people disadvantaged by the 'digital divide' to continue their education. All of these programmes have also been expanded thanks to voluntary work by Group employees. The Rescue & Recover Fund was opened worldwide to aid CARE, the French Red Cross and Doctors without Borders, where BNP Paribas matches and doubles its employees' donations.

(1) Assistance publique-Hôpitaux de Paris.

(2) Association pour le droit à l'initiative économique (Association for the Right to Economic Initiative).



**Flavio RONZI,**  
Secretary General,  
Italian Red Cross, Italy, March 2020

Many thanks, on behalf of the entire Italian Red Cross, for your generous contribution, which will allow us to support our activities and the Italian population which has to face the emergencies linked to the spread of the novel coronavirus. Through this gesture, we can feel the women and men of BNP Paribas who have decided to support us as if they were here with us. 



## Foundation Abbé Pierre

France, April 2020

Thanks to a very large donation from BNP Paribas to top up its #RescueFund the Foundation Abbé Pierre has been able to considerably boost its programme for the most vulnerable by distributing hygiene kits and food parcels, reaching out to those in need and finding emergency accommodation. The Foundation would like to thank the teams in the bank for this new initiative designed to help the most vulnerable.

**Amanda RAJKUMAR,**  
Human Resources, BNP Paribas,  
New York, USA, April 2020

I am very proud of the BNP Paribas Group's donation to support local communities and scientific research to deal with this pandemic. ■

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# OUR COMPANY PURPOSE\*

## We are at the service of our clients and the world we live in.

BNP Paribas was formed by banks that have been deeply embedded in the European and global economies over the last 200 years. They have adapted to the challenges of their times and helped clients and other stakeholders during moments of great change.

BNP Paribas' mission is to contribute to responsible and sustainable economy by financing and advising its clients according to the highest ethical standards.

We offer secure, sound and innovative financial solutions to individuals, professional clients, corporates and institutional investors while striving to address the fundamental challenges of today with regard to the environment, local development and social inclusion.

We are engaged with our clients to create a better future.

## We are mobilising resources that have a positive impact.

At BNP Paribas, we want to be a long-term partner for our clients. We want to support their projects, manage their investments and savings, and through insurance protect people, their goods and property.

Our employees aim to deliver services that have purpose and relevance for clients and the world around them. They do this most clearly through their daily mission in the company but also through corporate volunteering.

We are working with stakeholders and have adopted social and environmental goals aligned with global standards such as the UN Sustainable Development Goals (SDGs) and those of the financial community such as the Principles for Responsible Banking (PRB) and the Principles for Responsible Investment (PRI).

We ensure that ethics and our commitment to economic, social, civic and environmental responsibility are integrated into our business operations. This commitment is reflected in our organisation and the procedures and policies governing our activities.

We innovate in order to be a leader in sustainable finance.

We take action to support causes by bringing together financial solutions, stakeholder partnerships, employer and procurement initiatives, support for solidarity-based projects, philanthropy, volunteering and intrapreneurship programmes.

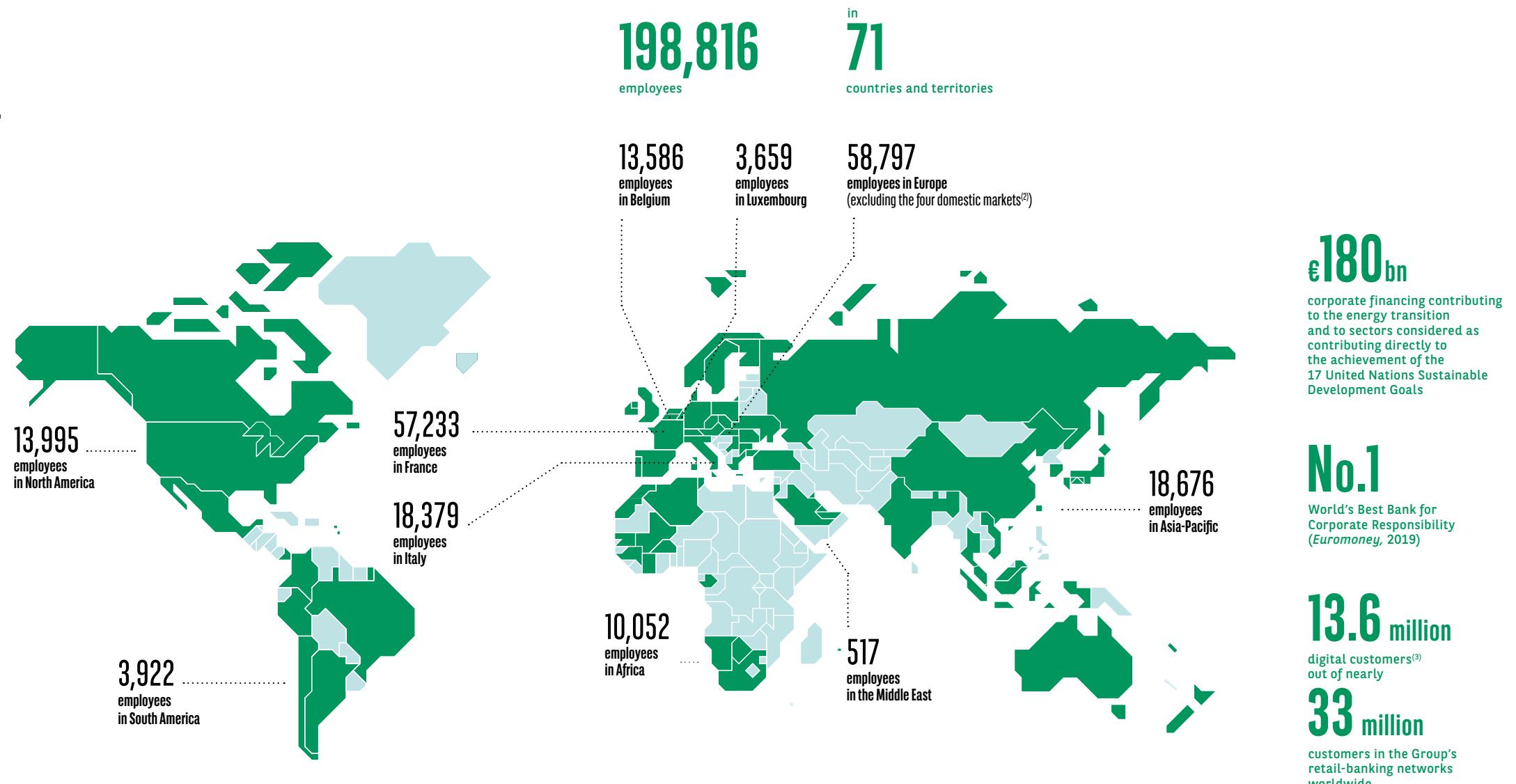
We are developing the tools to measure our environmental and social impact and we are focusing on actions that involve all employees.

**BNP Paribas, the Bank for a changing world.**

\* Summarising the following documents created with the input of hundreds of employees: Our Vision and Mission (2015), Code of Conduct (2016) and Engagement Manifesto (2018).

# BNP PARIBAS: A LEADER IN THE EUROZONE AND A KEY INTERNATIONAL BANKING GROUP

Thanks to its international presence and regular and close collaboration among its businesses, the Group has the resources to support all clients—individuals, entrepreneurs, SMEs, large corporates, institutional investors and community organisations—with financing, investment, savings and protection solutions that help make their projects a success. BNP Paribas holds key positions in its three core operating divisions: Domestic Markets and International Financial Services for retail banking and specialised financial services, and Corporate & Institutional Banking for corporate and institutional clients.



**€44.6 bn**

Revenues

**€8.2 bn**

Net income Group share

**€414 bn**

loans granted by Domestic Markets

**€186 bn**

loans granted by International Financial Services

**€146 bn**

loans granted by Corporate Banking (Corporate & Institutional Banking)

**12.1%**

CET1<sup>(1)</sup> Ratio

**€309 bn**

Liquidity reserve

(1) Common Equity Tier 1 (CET1). Solvency ratio. Capital Requirements Directive (CRD4). (2) France, Belgium, Italy and Luxembourg. (3) Active customers having made at least one connection per month within the following categories: individual, professional and Wealth Management/Private Banking customers in the Domestic Markets retail-banking networks; customers of the international retail networks (Europe-Mediterranean and BancWest) and customers of digital banks (including in Germany, in Austria and Nickel). Figures as at 31/12/2019. Full-Time Equivalent (FTE) workforce.



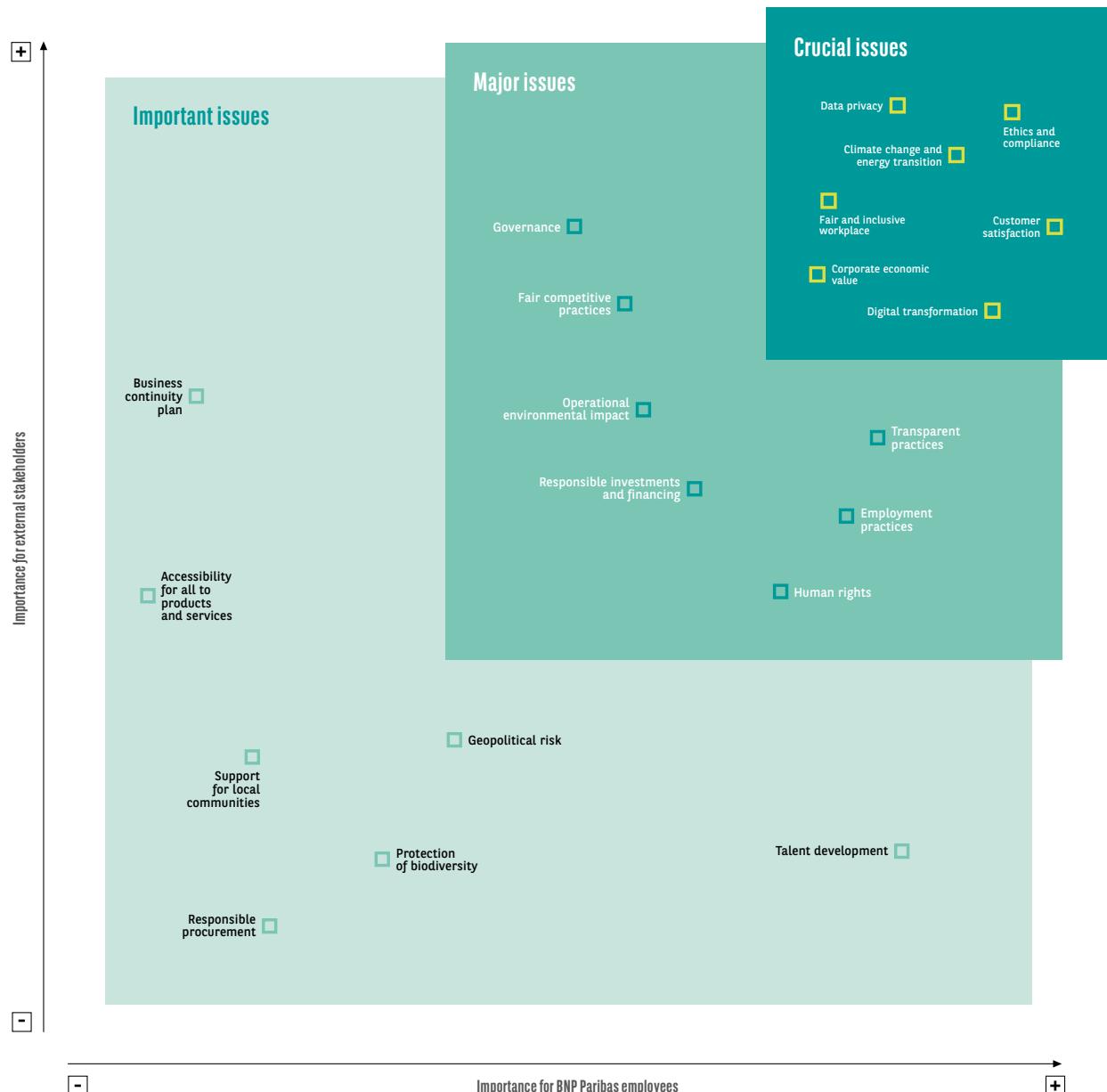
# CHALLENGES AND ECOSYSTEMS



## ECONOMIC AND REGULATORY ISSUES

# ANTICIPATE AND INTEGRATE THE TRANSFORMATIONS OF OUR ENVIRONMENT

BNP Paribas regularly conducts detailed analyses of its ecosystem and of customer and stakeholder expectations. By comparing and contrasting internal and external expectations regarding the Group, the materiality matrix is a valuable tool for identifying, understanding and prioritising our key issues, developing our strategy and structuring actions to address certain key challenges.



The materiality matrix prepared in December 2018 highlighted the importance and the perceptions of external stakeholders around one hundred issues thanks to Datamaran, an artificial-intelligence tool. Once the key issues were identified, 28% of BNP Paribas' most senior managers then brought additional insight to this analysis by ranking the issues in order of priority. The materiality matrix thus identifies and ranks the 21 issues identified as the most significant for the Group.

## How to continue growing while adapting to the current economic, monetary and regulatory environment?

### CHALLENGES

**With moderate global growth in 2019, long-term low (or even negative) interest rates** and the emergence of new competitors, the banking industry has been profoundly impacted. In addition to these changes, there is an increasing complexity of regulations characterised by higher capital requirements. This is contributing to the creation of an uneven competitive playing field, particularly between Europe and the United States. Similarly, the environment in which European banks are operating is marked by considerable uncertainty linked, for example, to the effects of the Covid-19 crisis, environmental issues, the rise of protectionism and the United Kingdom leaving the European Union.

By supporting their customers' projects, banks are at the heart of economic growth and play an essential role in supporting corporate clients, particularly in times of crisis. To fulfil this mission and support customers over the long term while guaranteeing adherence to the highest standards of ethics and compliance, banks must continue to improve their operational efficiency and develop new drivers of growth. As seen in the past, when faced with an unfavourable economic situation or crisis, the European banking industry benefits from the scale and capacity to manage both investments and costs while at the same time adopting some of the most advanced innovations. ■

### ISSUES

#### KEY ISSUES

##### Macroeconomic environment

Risk of financial instability linked to monetary policies, systemic risks related to increased levels of indebtedness, uncertainty due to political and geopolitical issues and the potential economic effects of environmental and health risks.

##### Laws and regulations applicable to financial institutions

Risk related to non-compliance with prevailing laws and regulations, regulatory inflation and distortion of competition.

##### Risk of reduction of international trade from protectionist measures

Trade disputes between the United States and China, for example, are likely to hinder global growth.

##### EMERGING ISSUES

##### Evolving regulatory environments

Growing complexity and disparities in international regulations, especially in terms of investments. New regulations for digital technologies.

### RESPONSES

##### Activate the drivers of transformation

Thanks to its diversified and integrated business model, BNP Paribas is able to activate strong drivers of change by improving operational efficiency for instance. This is facilitated by close working relationships among the Group's business lines and also enhanced by cooperation with others, such as startups and fintechs.

##### Diversify customer solutions

Recent digital regulations help the development of new banking and insurance models and enrich the products and services we can provide to customers. 'Open Banking' and the development of a platform-based economy throughout the Group are examples (see pages 28 to 30).

##### Continuously improve ethical commercial practices

As our business activities continue to grow, we also continue to strengthen our ethics and compliance culture. It is the essential foundation of the trust that our customers and partners place in us.



## DIGITAL CHALLENGE

# How can new technologies help reinvent the customer experience?

### CHALLENGES

**Banks are looking for ways to meet the new needs and expectations of customers** who are increasingly keen on simple, fast and personalised digital solutions. These new habits and practices are transforming the very nature of the customer relationship. Banks therefore need to combine the best of human resources and digital technology to offer customers the right products and services and support them at each key moment in their lives. These innovations also make it possible, in the context of the health crisis, to ensure business continuity on a remote basis—and on a large scale. On the other hand, it also means companies are increasingly dependent on technology and exposed to the emergence

of new technological and cyber-security risks. This pushes banks to continue reinforcing defensive and security systems on a regular basis in order to protect customer data and transactions while continuing to make use of digital innovation. By capitalising on digital transformation, greater cooperation with new players such as startups and fintechs, and also new ways of working, the banking industry is developing the solutions to transform operational models and encourage internal innovation. Digital technology therefore offers multiple possibilities for customers and employees alike, with the latter able to develop new skills and devote more time to advising customers. ■

### ISSUES

#### KEY ISSUES

**Technological and cyber-security risks**  
The growing use of digital technology entails an ever-increasing dependence on that same technology. The interdependence of systems, the risk of hacking or technical failure are key issues while the protection of customer data and transactions are crucial.

#### EMERGING ISSUES

**Technological innovations**  
Technological innovation has a profound impact on customer needs and habits, BNP Paribas' business model, and the lives of our employees. New players such as startups, fintechs, neobanks and neoinsurers are contributing to a new competitive landscape that in turn is generating fresh ways of collaborating and encouraging further innovation.

### RESPONSES

#### Make good use of new technologies and data

The development of new technologies is a powerful driver of innovative solutions and new business models. The use of data and innovative technology, in compliance with the highest ethical standards and in ways that guarantee the security of the data and transactions of customers and partners, allows BNP Paribas' business lines to continue improving the customer experience (see pages 31 to 33).

#### Technology as a driver of positive impact

Beyond improving the customer experience, new technologies are a powerful driver of social and

environmental transformation. Nickel, which offers an inclusive-banking solution, and myImpact, which advises private-banking customers on long-term investment choices, are only two examples (see page 33).

#### Support for employees

New technologies provide numerous opportunities for different customer segments but they also have a major effect on the lives of our employees. BNP Paribas supports employees so they can acquire new skills (or update existing ones) and thus continue to develop. The Group's 'Digital, Data & Agile Academy' is an example of this support (see page 33).

### ISSUES

#### KEY ISSUES

**Climate-related issues**  
A range of issues have emerged with global warming. To name only a few: the need to preserve biodiversity in terrestrial and marine ecosystems, and more responsible action and behaviour expected by customers, employees and wider society.

#### Health issues

Bacteriological or viral infections potentially resistant to antibiotics, antivirals or other treatments may lead to preventive measures and economic disruption.

#### EMERGING ISSUES

#### Demographic risk

The ageing population is a fundamental feature of many countries. It is materially affecting not only the economy, but also healthcare and retirement spending, savings patterns and consumer behaviour.

#### Social issues

Businesses must take into account society's expectations (ethics and compliance when conducting business, respect for human rights and the environment, diversity, inclusion, etc.).



## SOCIETAL CHALLENGE

# How to encourage responsible and inclusive growth that also respects the environment?

### CHALLENGES

#### We are seeing the emergence of numerous, fundamental challenges for the future:

growing risks linked to the climate, geopolitics and public health; environmental preservation; greater imbalances between countries; and rising social inequality.

Civil society these days expects large companies to play an active role in researching and designing eco-friendly and inclusive solutions. By funding projects that meet these expectations and supporting customers in their own transitions, banks drive economic development and enable social cohesion. And by listening to participants in their ecosystem and maintaining a dialogue with stakeholders, banks can continuously adapt

as major new crises emerge. These include natural disasters and public-health crises such as the Covid-19 pandemic, which will significantly affect our society and the global economy for the foreseeable future. At times like these, financial institutions must mobilise to support businesses and people and help them get through the crisis. In so doing, they directly align their actions with the 17 UN Sustainable Development Goals (SDGs). In 2019 BNP Paribas marked its commitment to more sustainable growth, notably by signing the Principles for Responsible Banking, (see page 43). ■

**Finance can drive transformation**  
By developing innovative, attractive financing and investment solutions for customers that enable them in turn to make 'positive-impact' choices, BNP Paribas contributes to a more inclusive, responsible economy with regard to society and the environment (see pages 34 to 36). This means focusing our financing and investment on the growth sectors of the future.

**Employees committed to equality**  
Thanks to the commitment of all employees, BNP Paribas conducts internal and external programmes to combat inequality. For example, the Group actively promotes diversity and an inclusive environment (see page 45).

**More inclusive banking models**  
BNP Paribas is putting in place new solutions to foster the financial inclusion of women, young people, entrepreneurs and, in general, the underprivileged. Innovative business models such as microfinance, for example, enable BNP Paribas to contribute to more equitable economic growth.

# "IN A PROFOUNDLY CHANGING WORLD, BNP PARIBAS IS SUPPORTING THE TRANSITION OF SOCIETY TO A MORE SUSTAINABLE ECONOMIC MODEL."

**B**efore analysing certain elements specific to 2019, we of course cannot ignore the unprecedented health crisis regarding Covid-19. In the space of a few weeks it has affected every region in the world, with particularly damaging human, social and economic consequences, the extent of which we cannot yet begin to fathom. From the human perspective, this unprecedented crisis has had a devastating impact on us all and on families and friends, and the economic consequences will be significant and lasting.

Banks, which are essential in the life of an economy, have a decisive role to play during this crisis by ensuring strong support for customers currently facing great difficulty and by helping them, as best they can, along the long and difficult path to collective reconstruction.

## CREATING IN EUROPE THE CONDITIONS FOR A GLOBAL RECOVERY

Before the current crisis partly reshaped the challenges now facing the world, we experienced a mixed 2019 regarding the economy, which was marked by moderate growth globally and persistent trade and geopolitical tensions.

The emergence of protectionist tendencies, which resulted in the exacerbation of trade-related rivalries between the United States

and China, as well as the United Kingdom leaving the European Union, added to economic uncertainty. This instability came on top of a constraining regulatory framework for European banks, whereas the United States has a regulatory advantage in terms of financial investments.

Against this singular backdrop, financing the economy through the capital markets is proving to be increasingly complex. That is why the European initiative to strengthen the integration of member states' capital markets is proving to be essential, even if progress is slow and difficult.

At a time when a low-interest-rate environment has become the norm, this initiative could redirect abundant savings into areas needing major investment such as the energy transition and digital innovation, and so increase banks' capacity to finance the projects and infrastructure at the heart of the real economy.

## MAINTAINING A SOUND INVESTMENT CAPABILITY

While the monetary policy of the European Central Bank, which for several years has combined massive injections of liquidity with lower reference rates, has had a positive effect on the solvency of countries, companies and households, it nevertheless forces banks to find new sources of revenue to maintain their capacity to invest and grow. In this respect, the platform economy, which consists of creating a broad ecosystem of partners to create innovative services via a single point of access, has significant growth potential. Implementing these new business models is aided by BNP Paribas' diversified and integrated business model, which has demonstrated its pertinence.

Thanks to the complementarity of our business lines and our financial solidity, we have the stability necessary to benefit fully from economic changes underway. Our model is built on a vigorous ethics and compliance policy that underpins the trust of our customers and shareholders. It puts us in the right



**"BNP Paribas has adopted these ethical, ecological and social requirements with a view to creating long-term value for all its stakeholders."**

position to take on the major challenges of our time, whether economic, technological, environmental or social.

## AT THE FOREFRONT OF SUSTAINABLE FINANCE

The current public-health crisis may originate partly in reduced biodiversity. This only underscores the extent to which issues related to the common good—the environment, social solidarity, public health—are essential. The banking industry is in a position to play a major role in creating an economy that is more respectful of the environment and more inclusive by choosing how to target its financing and by designing investment solutions and products that reconcile positive impact and financial performance. It is above all by working with public authorities, NGOs, businesses and civil society that we will be able to undertake the necessary transition to more responsible growth.

This same philosophy inspires BNP Paribas' Company Purpose, which sets out our collective intent: "We are at the service of our customers and the world in which we live." As part of our long-term vision, our Company Purpose underpins our desire to contribute to responsible and sustainable growth by financing the economy and advising customers in an ethical manner, and by allocating the resources required to have a positive impact on the world around us. In a context made more difficult by the health and economic crisis we are experiencing, 2020 will continue to see greater importance given to the challenges relating to responsibility, and which society has taken up. BNP Paribas has adopted these ethical, ecological and social requirements with a view to creating long-term value for all stakeholders. To this end, our Board of Directors has the essential task of guaranteeing the continuity of the strategic focus chosen by the Group while being able to rely on solid, balanced governance and the principles of ethics and responsibility applied across all our business lines, functions and regions. ■

Remarks dated May 2020.

# "OUR STRATEGY ENABLES US TO COPE WITH RISKS AND TRANSFORM OURSELVES IN A FAST-CHANGING WORLD."



## What is your view of BNP Paribas' 2019 results?

At the Group level, 2019 was a very satisfactory year, with strong performances in our three operating divisions. Our Net Banking Income rose by 5% to €44.6 billion and our results revealed profits of €8.2 billion, up 8.6% compared to 2018. This performance reflects very good business momentum and the transformation underway in all our businesses. It underlines the strength and pertinence of our diversified, integrated business model in absorbing risk better and in offering a long-term support to clients that draws on expertise in all our geographic regions. This business model, which facilitates cross-fertilisation right across the Group, underpins our ability to create value in an ever-changing economic, technological, regulatory and social environment.

At the end of 2019 our Corporate and Institutional Banking activity posted robust growth as a result of stronger positions in certain, targeted client segments. Similarly, and despite persistently low or even negative interest rates, revenues from our Domestic Markets division, which brings together most of our retail-banking activities in Europe, are growing. Lastly, our International Financial Services division, which includes our insurance and consumer-finance activities, saw the sustained growth of previous years. BNP Paribas thus reaffirmed its position as the leading bank in the eurozone and consolidated its position as a leading international player. The Group also stands out as Europe's leading bank for corporates. All our operating ratios, including a CET1 ratio of 12.1% and a liquidity reserve of €309 billion at the end of 2019, illustrate BNP Paribas' considerable

financial strength and investment capacity. Only companies that are able to invest will continue to grow. These good results owe a great deal to the engagement of our teams, who throughout the year showed commitment, innovation and responsibility, and also to their efforts to continue reining in costs. Thanks to this good performance we are seeing the tangible effects of the €2.7 billion we invested in our digital transformation. The expansion and maturity of our financial solutions, which combine branch banking, 'neobanking' and new service platforms, are enabling us to meet changing customer habits and behaviour, and to serve new kinds of customers.

**"The Group's very sound financial strength, together with the resilience of its diversified, integrated business model, are major assets in weathering this crisis."**

## Beyond the health crisis that was suddenly imposed on everyone, does the pandemic that is disrupting the first months of 2020 also carry the seeds of a severe economic crisis. How do you feel about this situation?

At the time of this interview we have been experiencing an unprecedented crisis because of the Covid-19 pandemic that is destabilising the entire world. Along with this exceptional health crisis there has been a succession of market shocks, and a recession is now almost inevitable. It will be global as many countries have had no choice but to opt for very strict lockdown strategies that are paralysing the world economy. As banking is an essential activity in this unprecedented situation, banks have been at the front line during the health crisis. They will of course be at the forefront of economic reconstruction. I would like to take this opportunity to pay tribute to the tremendous work of our teams. They have worked tirelessly since the beginning of the crisis to ensure BNP Paribas continues to serve clients by putting in place flexible solutions to meet their needs. Examples include a close dialogue with our professional and small business clients to speed up the handling of the most urgent issues, rolling out cash-flow solutions to meet companies' short-term funding needs, postponing repayments and rescheduling loans. As a company providing services, all the actions we have taken have focused on helping clients to overcome the crisis.

Given the emergency, our Group also quickly took steps, through its businesses and subsidiaries in more than 30 countries, to activate an aid plan of €55 million. The aid was distributed according to three key priorities: hospitals and research; the most vulnerable among us; and disadvantaged young people.

This crisis has tested the ability of companies and their employees to be part of a collective effort undertaken by society as a whole. The banking sector has met this challenge, and BNP Paribas employees were particularly notable for their commitment to customers and the community. This is a great source of pride for me and these values will be invaluable as we face

...

**"We are integrating ESG criteria into all our operational processes."**

future challenges. In the long term, we will need the firm commitment of everyone—central banks, governments, international organisations and banks—to overcome this ordeal and create the conditions that enable economic recovery. This is the main challenge facing us in the coming months: to be fully mobilised when the health emergency is behind us, and to continue our mission: to advise, support and finance. We will not only have to help our clients rebound and start again on a sound footing. We will also have to continue helping them with their own transitions, whether digital, industrial or organisational, so they can meet the economic, environmental and social challenges of our time.

**Is this multifaceted crisis likely to prompt you to review part of your strategy?**

The Group's very sound financial strength, together with the resilience of its diversified, integrated business model, are major assets in weathering this crisis. They give us the stability we need to follow our key strategic direction over the long term. We aim to move forward, to the benefit of all stakeholders, by focusing on three key pillars: guaranteeing financial



performance, which is the foundation of our capacity to invest; pursuing and accelerating the transformation of the customer experience through digital technology so as to expand our value proposition; and positioning ourselves as a leader in sustainable finance and developing our contribution to society by taking part in the emergence of a more responsible economic-growth model.

Under the guidance of the Board of Directors, which lays down overall strategic directions, BNP Paribas' Executive Committee is committed to implementing this long-term vision. It allows us to deal with risks while seizing opportunities as they arise. This approach delivers results: our business model is an effective asset in serving global customer franchises across all our businesses and geographic regions. These developments, in the form of cross-fertilisation, now account for about 20% of our total revenues. 2020 is the final year of our 2017-2020 strategic plan, which marks the success of the Group's digital transformation. Its momentum has enabled us to reinvent customer journeys and design new services that place us at the same level as some big digital players and with whom we are increasingly cooperating. Over the past three years, we have harnessed the Group's energy in all businesses, from automation in market activities and consumer

finance to enhanced digital experiences in personal banking and Nickel, our neobank accessible either online or via tobacconist outlets.

**BNP Paribas' Company Purpose, adopted at the end of 2019, underlines the Group's ambition to be a leader in sustainable finance. How does this translate in practice?**

Our overall objective, which is based on the conviction that no one really wins in a world that loses, is to combine financial performance with a positive impact on society. Our current commitments are resolutely focused on financing the real economy and creating sustainable value. What we call 'company purpose' at BNP Paribas is the synthesis of three texts prepared over the last five years with the involvement of a large number of employees. Each text deals with fundamental subjects: our mission, our ethics, and our commitment to civil society. Our Company Purpose is therefore deeply rooted in what we do. Our ambition to contribute to sustainable growth is built on a deeply transformational process. As a result, starting in 2011, we incorporated social and environmental factors into our strategy. The Group is notably combating climate change by making a significant contribution to the financing of renewable energies: €15.9 billion in 2019, making BNP Paribas the European leader. In addition, we stopped financing new coal-fired power-plant projects in 2017 and we also stopped lending to clients who specialise in non-conventional hydrocarbons. In 2019 and in 2020, we committed to no longer have any client whose business relates to thermal coal<sup>(1)</sup>. More generally, we are integrating ESG criteria<sup>(2)</sup> into all our operational processes and developing the solutions and instruments that make us a leader in sustainable finance worldwide. Our Company Engagement department coordinates the efforts of all activities promoting the environment and social inclusion, with a special focus on youth, social entrepreneurship and local communities.

**What is your outlook for 2020 and beyond?**

By the end of the 2020 plan we will have strengthened our internal control and compliance systems, greatly improved our operational efficiency, and reinvented our customer experience. We combine the best of digital technology and human resources to offer a complete range of solutions to meet customer needs and habits. We intend to continue a transformation built on digitalisation and sustainable development. In this way we are resolutely preparing the bank of tomorrow, in which our range of services will be extended to platforms that aggregate and offer multiple internal and external solutions. Deepening this strategy implies continuing investments in digitalisation, data and the development of ever more flexible working methods and in collaboration with others.

The decade ahead invites us to seek every means of continuing to serve our customers, and, more broadly, society as a whole, in a useful way. One of the lessons of the 2020 health crisis is that collective risks are not an abstract threat. They apply to many areas other than health, such as the climate, biodiversity, access to water and education. The bank must play its part fully in the search for the common good, speeding up its support for the ecological transition and mobilising the resources to be more inclusive, especially with regard to the most vulnerable. We will make every effort to harness the Group's expertise to propose innovative, sustainable and inclusive solutions. ■

Interview given in May 2020.

(1) 2030 target in the OECD and 2040 target in the rest of the world.  
(2) Environmental, Social and Governance criteria.



# BUSINESS LINES AND EXPERTISE

# OUR DIVERSIFIED AND INTEGRATED MODEL: CREATING VALUE



# DOMESTIC MARKETS



The Domestic Markets (DM) operating division innovates to serve customers better and anticipate changes in their habits. **DM's retail-banking networks in the eurozone and specialised businesses** are reinventing the customer experience. They design products and services tailored to customer needs in order to support them each day and help them realise their projects.

## OUR EXPERTISE

### OUR DOMESTIC MARKETS IN THE EUROZONE COUNTRIES

- **French Retail Banking (FRB):** nearly 7.5 million customers\*.
- **BNP Paribas Fortis in Belgium:** 3.5 million customers\*.
- **BNL in Italy:** 2.8 million customers\*.
- **BGL BNP Paribas in Luxembourg:** 183,000 customers\*.

\* Individual, professional, corporate, institutional and non-profit clients.

**Through its four domestic markets,** BNP Paribas has an extensive network of experts and offers customers —individuals, professional clients, corporates, institutions and non-profit organisations—a wide range of products and services, including financing and savings solutions. An ecosystem of partners bolsters these services with solutions that go beyond banking (*see the example of Telepass, page 43*). The four retail-banking networks in Europe place innovation and security at the centre of their business model to adapt their products and services to customers' new habits and deliver the best of the



digital and 'human' worlds. They are thus reinventing customer journeys to provide customers with flexible, personalised solutions they can use autonomously.

**No. 1 private bank in France and Belgium (Greenwich Share Leaders)**

### OUR 4 SPECIALISED BUSINESSES

#### Arval

Arval provides companies, their employees and individuals with an ecosystem of digital solutions, services and tools to optimise their mobility in line with current societal changes, including respect for the environment and growth of the user economy.

**A confirmed leadership position in its 27-country scope**

## OUR FIGURES

**65,579**  
employees

**€15,814m**  
in revenues

Figures as at 31/12/2019.  
Full-Time Equivalent (FTE) workforce.

# INTERNATIONAL FINANCIAL SERVICES



The International Financial Services (IFS) division optimises the customer experience through a diversified range of high value-added services and the acceleration of both its digital transformation and partnership strategy. As IFS steps up its development in high-growth regions of the world, its **international retail-banking networks and specialised financial services** combine economic performance with social utility.

## OUR EXPERTISE

### BNP Paribas Leasing Solutions

BNP Paribas Leasing Solutions offers corporates and small business clients leasing and finance solutions for their equipments. Through a variety of commercial channels (industrial partners, companies, retail-banking networks), BNP Paribas Leasing Solutions specialises in logistics and technological equipment. The company has integrated the circular economy in its business activities.

**€14.1bn in new contracts in 2019, compared to €13.5bn in 2018**

### BNP Paribas Personal Investors

In addition to its traditional online brokerage business, BNP Paribas Personal Investors offers its individual customers a wide range of banking, credit and savings services. This business also provides independent financial advisors and asset managers with innovative digital services.

**3.7 million individual customers**

### Nickel

**Nickel is the first branchless bank account in France** and the first French neobank. It has no minimum-income conditions and offers banking solutions accessible to everyone either online or via a tobacconist outlet.

**1.5 million accounts (+33% in 1 year)**

### BNP Paribas Personal Finance

BNP Paribas Personal Finance is the leading consumer credit specialist in Europe. Through its commercial brands, it offers a full range of consumer loans through a variety of distribution channels. BNP Paribas Personal Finance is developing an active partnership strategy with large retailers, car manufacturers and distributors, e-merchants and other financial institutions. The company is also involved in financial education and e-inclusion.

**Best securitisation issuer in Europe (GlobalCapital European Securitization Awards)**

### BNP Paribas Cardif

Thanks to a unique partnership-based business model, BNP Paribas Cardif is the world leader in creditor protection insurance and a major actor in financing the economy. It plays a key role in the daily lives of its individual and professional policyholders, helping them to realise their projects while protecting them against the hazards of life. As a socially-engaged company, BNP Paribas Cardif is working to make insurance more accessible.

**Record pre-tax income in 2019: multiplied by three in 10 years**

## OUR FIGURES

**78,629**  
employees

**€17,183m**  
in revenues

Figures as at 31/12/2019.  
Full-Time Equivalent (FTE) workforce.

development to property management, transactions (sales, investment, leasing), consultancy, valuation and investment management.

**Operating in 32 countries**

### International Retail Banking

**International Retail Banking (IRB)** brings together retail- and commercial-banking businesses outside the eurozone, in the United States, China, Central and Eastern Europe, Turkey and Africa. Through its services spanning retail banking, wealth management and corporate banking, IRB offers a wide range of financial and non-financial services.

**Operating in 15 countries (outside the eurozone)**



# CORPORATE & INSTITUTIONAL BANKING



Corporate & Institutional Banking (CIB) offers customised financial solutions for corporate and institutional clients that include capital-markets issuance, financing, risk management and hedging. By matching the financing needs of companies with the investment opportunities sought by institutional investors, its financial solutions create value while contributing to the financing of the economy.

## OUR EXPERTISE

The three Corporate & Institutional Banking (CIB) businesses are present in three regions: EMEA (Europe, Middle East, Africa), the Americas and APAC (Asia-Pacific).

### Corporate Banking

**Thanks to its worldwide presence,** Corporate Banking provides sophisticated and diversified expertise in financing, cash management and financial advisory services. To better anticipate the needs of its clients, the business combines global expertise and local presence. **Best Bank for Trade Finance for the third consecutive year (Global Finance)** Eurobond House of the Year and FX Derivatives House of the Year (IFR Awards 2019)

### Global Markets

A specialist in capital-markets investment and financing, Global Markets offers a broad range of hedging, financing and market-intelligence products and services across all asset classes to a wide range of professional clients operating in international markets. **Currency Derivatives House of the Year (Risk Awards 2020)**

### Securities Services

BNP Paribas Securities Services is the world's fifth-largest securities custodian and administrator. It holds and administers the assets of banks, investment managers,

insurance companies, pension funds and sovereign wealth funds around the world and ensures the smooth handling of their transactions. As such, the business helps clients to expand their investment opportunities, manage risk and improve operating efficiency.

**European Hedge Fund Administrator of the Year (Funds Europe Awards 2019 – November 2019)**

## OUR FIGURES

**34,985**  
employees

**€12,080m**  
in revenues

Figures as at 31/12/2019.  
Full-Time Equivalent (FTE) workforce.



# Strong cooperation among the Group's business lines

Thanks to a close and regular collaboration among the three operating divisions that facilitates a coordinated and comprehensive approach, BNP Paribas provides clients with a diversified and complementary expertise enabling them to receive ongoing support for their projects. The three operating divisions are developing their collaboration to make it possible, for example, to extend CIB's product offering to corporate clients in DM and IFS, and vice versa.

## Supporting our clients' growth

With no fewer than 220 business centres in 60 countries, the "One Bank" initiative is a concrete example of the ongoing support made possible by the Group's diversified and integrated business model. One Bank encourages and promotes collaboration between Corporate Banking teams with a view to supporting and advising corporate clients regarding their international-development projects.

## Developing new drivers of growth

BNP Paribas' business model makes it possible to identify and meet the needs of new client profiles. In 2019, the new organisation of the "Private Banking & Wealth Management" BNL division provides an enhanced customer experience with a wide range of products and services based, for example, on strengthened cooperation with CIB and with other partners.

## Facilitating the creation of new solutions

The strong cooperation between BNP Paribas' businesses and operating divisions facilitates the sharing and development of innovative solutions. In 2019, for example, BNP Paribas Cardif and Birdee, a subsidiary of Gambit Financial Solutions—acquired in 2017 by BNP Paribas Asset Management—launched "Birdee Vie", an online life-insurance solution based on a robo-advisor and aimed at individuals in France.

## More than

**€2.8bn**  
in revenues per year  
is generated by DM  
and IFS from clients  
managed by CIB

## More than

**€500m**  
is generated by CIB  
from clients managed  
by DM and IFS

# Anticipating and controlling risks for clients and the economy

Our clients can rely on the strength of our balance sheet and our expertise in risk management and compliance to finance their projects and meet their investment needs, while guarding against associated risks such as excessive debt.

With a determination to comply fully with all existing regulations, BNP Paribas has set up an internal-control system in line with the Group's strategic plan, the environment in which it operates as well as with its values and risk culture. Based on six Group-wide functions —LEGAL, Compliance, RISK, Tax, Finance, General Inspection— as well as on rigorous policies and procedures, the internal-control system assesses and manages all types of risk to

which the Group may be exposed. In this way, it protects itself against major risks (such as those associated with macroeconomic conditions or credit or market risk) and emerging risks such as those associated with climate and public health (see pages 6 to 9). At the heart of the Group's model, this system is based on a defence framework deployed at all levels and directly linked to the businesses and a risk-diversification strategy in order to monitor and support BNP Paribas' transformation. The more risks are managed, controlled and reflect the Group's business

development and customer protection, the more the Group can innovate and enhance the customer experience. This in turn reinforces the trust placed in us by our customers and partners. ■

**39 pb\***

cost of risk in 2019, one of the best in the sector

\* Cost of risk reported on outstanding customer loans, at the beginning of the year (expressed in basis points).

Permanent control	Periodic control	
1st line of defence	2nd line of defence	3rd line of defence
Operating entities: business lines and functions	Functions: LEGAL, Compliance, RISK, Tax, and Finance	General Inspection

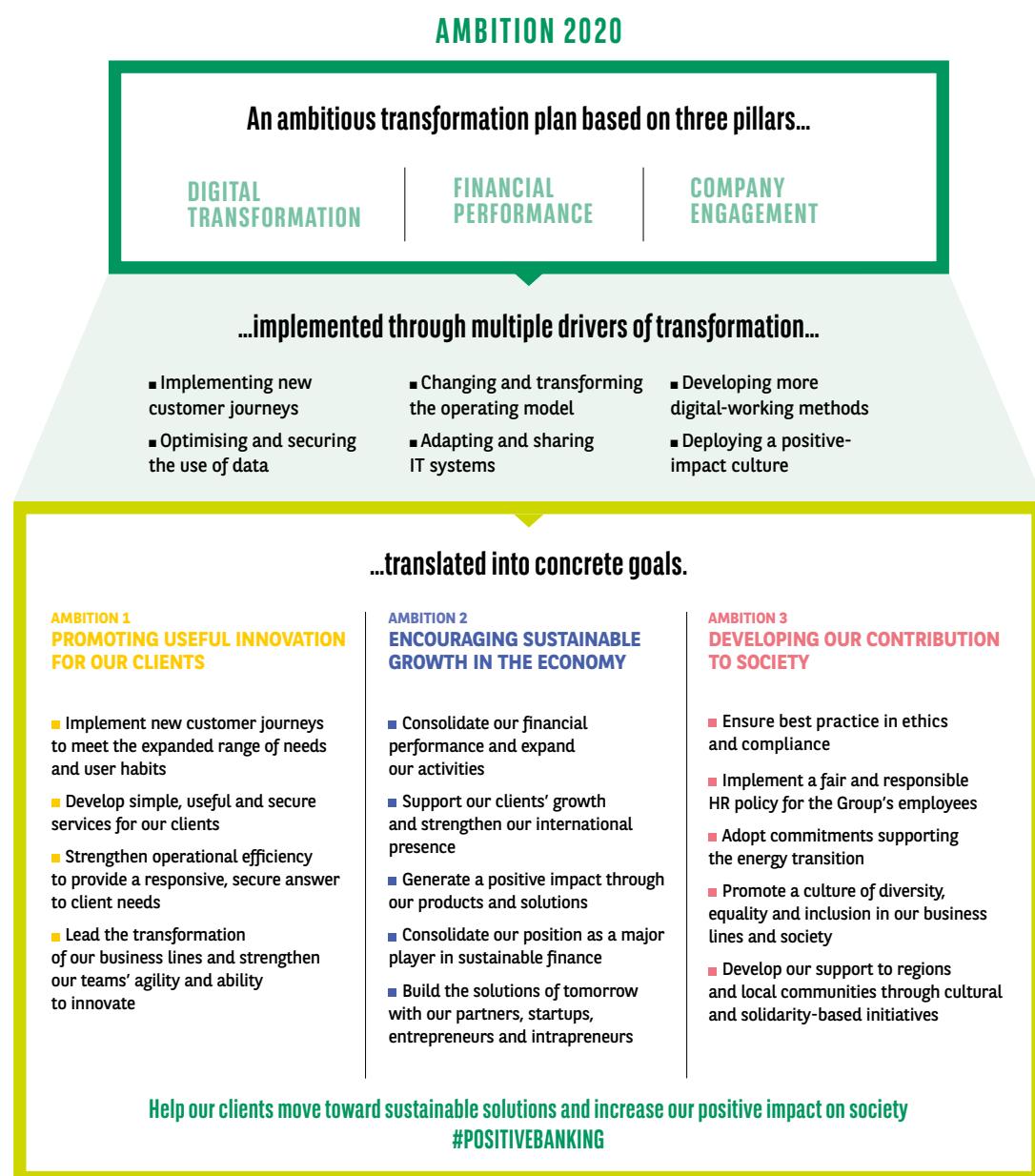
For more information on internal control, refer to the Universal Registration Document, p.99.



# STRATEGY AND PERFORMANCE

# OUR STRATEGIC PLAN

Drawing on its diversified and integrated business model, BNP Paribas is implementing its digital transformation and undertaking differentiated development strategies in its operating divisions in order to strengthen its position as a major European bank and contribute to responsible, sustainable growth. By doing so, BNP Paribas is building the bank of tomorrow for its stakeholders—clients, shareholders and investors, employees, partners and suppliers, public authorities, civil society—and for society as a whole.



## A strategy in each operating division

BNP Paribas' three operating divisions are implementing the 2017-2020 strategic plan in specific ways within their respective areas. By focusing on the digital transformation of products and services and the continuous enrichment of client franchises within the Group's integrated business model, they are all improving operational efficiency and the customer experience. At the same time, in response to today's environmental and social challenges, the Group's business lines are offering solutions to customers and partners to help with their own ecological transitions and increase their positive impact on society.

### DOMESTIC MARKETS

Domestic Markets (DM) places innovation and security at the heart of its strategy in order to adapt solutions to customers' new habits and support them each day in realising their projects. By using the best of both digital and human resources, the Domestic Markets operating division is reinventing customer journeys and offering customers seamless, personalised solutions. DM is strengthening its positive impact, notably by helping customers in their energy transitions, encouraging banking inclusion and supporting women's entrepreneurship.

#### Key drivers of growth:

- Innovation and security
- Reinventing the customer experience and omnichannel systems
- Personalisation of services
- Supporting customers beyond banking services
- Supporting the energy transition of our clients
- Supporting inclusive banking

### INTERNATIONAL FINANCIAL SERVICES

The International Financial Services (IFS) businesses are consolidating their leading positions at the heart of the Group's integrated business model. They focus on growth based on best-in-class solutions, digital platforms, partnerships and distribution networks. With 'Plug and Play' in Station F and Bivvaki, IFS capitalises on two complementary systems—one internal and the other external—to build new, flexible customer journeys and promote the development of quality products and services that meet customer needs and the company's challenges.

#### Key drivers of growth:

- Support for the development of partnerships
- Diversification of the product range
- Continued development of self-care and 100% digital solutions
- Optimisation of customer service in all businesses
- Development of responsible and sustainable solutions for the ecological transition

### CORPORATE & INSTITUTIONAL BANKING

Corporate & Institutional Banking (CIB) is consolidating its leading position in Europe in corporate banking with the intensification of growth plans for targeted regions and the success of its Capital Markets platform. It also continues to strengthen its solutions for institutional investors. CIB capitalises on its international presence with targeted initiatives in Asia-Pacific and the Americas, notably through strengthened cooperation within the Group.

#### Key drivers of growth:

- Digitalisation of customer journeys
- Active cooperation with fintechs and development of products and services
- Improvement in operational efficiency and client service
- Strengthening of customer franchises within the Group's integrated business model
- Support for the transformation of businesses and clients

### OUR 2020 HR POLICY

To support the deployment of its medium-term strategic plan, BNP Paribas has defined a Human Resources strategy for all operating divisions, business lines and functions. Gaining enhanced knowledge of its employees and relying on HR data are at the heart of the Group's strategy to offer dynamic, personalised career-management—and thus enrich the employee experience. Anticipating individual needs and supporting employees

with their plans within the Group are essential for BNP Paribas. The Group's 'employer promise', based on four pillars—a sustainable and responsible global leader, a learning company, an open-minded group, and the place to work differently—makes it consistent and attractive with regard to current employees whose loyalty must be earned as well as to future employees who need to be won over.

# INNOVATING TO REINVENT THE CUSTOMER EXPERIENCE

In order to anticipate new customer needs and habits, BNP Paribas continues to concentrate its investments on digital transformation, data, and harnessing the best technology. The Group is constantly rolling out innovative products, services and new "customer journeys" while ensuring high levels of security regarding customer data and financial transactions. It is in this context that BNP Paribas is expanding its teams' capacity for innovation and "agile working".

The aim: build the bank of tomorrow today.

## Open Banking: ever more solutions for customers and partners

**BNP Paribas is at the forefront of Open Innovation and Open Banking, and has rolled out a number of platforms across its business lines. Among them, Didid and the API Store are examples of this new approach and offer a wider range of services to customers and partners. [More](#).**



**O**pen Banking offers a new approach to co-construction and is having a profound impact on the business models and organisation of the banking and insurance industries. Driven in particular by Europe's Payment Services Directive (PSD2), the move to Open Banking is encouraging financial institutions to open up their information systems to authorised Third Party Providers (TPPs).

**TOWARDS A NEW BANKING MODEL**  
The multitude of Open Banking initiatives launched by BNP Paribas' businesses reflects the Group's ambition to develop new banking models that enrich the customer experience, offer more solutions in a simple, secure way, and ensure the smoothest possible customer journey from beginning to end. This involves three different approaches: the development of a bank "as a platform" (building and running platforms to develop and offer new services that go beyond financial products); a bank "as a service" (offering new banking services using third-party distributors); and a "marketplace" concept (connecting distributors or product manufacturers with customers). These represent three models for the future that together offer more solutions meeting the expectations of different types of customers (individuals, professionals and companies).

### DIDID: OPEN BANKING FOR INDIVIDUAL CUSTOMERS

In 2019 BNP Paribas Fortis launched Didid, an application enabling everyone—not only the bank's customers—to make their projects a reality. Users can outline their wishes, share them with others, save so as to finance them

...

and, finally, have them come true. Everyone can connect their accounts at BNP Paribas Fortis, Hello bank! or Fintro to the app and ask families and friends to help them financially. This information-sharing is made possible by PSD2 and the opening of APIs<sup>(1)</sup>. This Open Banking approach allows BNP Paribas Fortis to offer a variety of services to customers via an ecosystem of financial and non-financial service providers. Created following an international hackathon<sup>(2)</sup> organised by BNP Paribas, Didid is an example of the opportunities presented by Open Banking and of the close collaboration developed with startups and fintechs using Open Innovation. *"Our ability to conduct Open Innovation enables us to meet our goal of improving the customer experience,"* says Michael Anseeuw, Head of Retail Banking at BNP Paribas Fortis.

#### THE API STORE: EXTENSIVE ACCESS TO THE GROUP'S SOLUTIONS

In 2019, thanks to close collaboration with startups and fintechs, BNP Paribas launched its API Store, the first Group-wide marketplace. Its aim is to offer partners and customers access to facilitate the integration of API solutions "as a product" into their own services. This makes it possible, for example, to initiate payments or access a customer's transaction history (with the agreement of the customer). Thanks to the APIs, information-sharing is standardised and simplified, and security requirements are met. Applications and websites can host third-party solutions while BNP Paribas' solutions can be integrated directly into partner services and customer journeys. APIs facilitate both exchanges among the Group's business lines as well as cooperation with startups, fintechs and partners so as to reinvent the customer experience, develop distribution capabilities and stimulate innovation. ■

(1) An API (Application Programming Interface) is a series of agreements or definitions that ensure that two systems can communicate and exchange data.

(2) Event during which multidisciplinary teams meet for a fixed period of time to work collaboratively on computer programming projects.



**"We are moving towards a platform economy of financial and insurance services."**

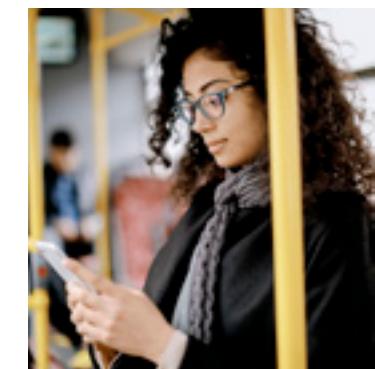
**Laurent Herbillon**  
is Head of Open Innovation at IFS and in charge of developing industrial cooperation with stakeholders of our innovation ecosystem (startups, investment funds, universities, etc.). He has experience in strategy, consumer marketing and digital transformation.

**"New service offerings such as Didid, the API Store and Agronomist** (see page 37) are initiatives that illustrate the profound transformation of the banking and insurance industry and in which BNP Paribas is fully involved. In particular, the "platform economy" makes it possible to provide services to customers via applications in which it is no longer necessary to own some or all of the underlying assets (online sales, mobility services, hospitality, etc.). These platforms connect consumer communities to multiple product and service providers by means of a smooth, seamless customer journey. You do not need, for example, to identify yourself repeatedly in everyday applications. By creating new platforms, BNP Paribas is positioning itself as the "conductor" of the customer journey. The bank combines its own services with those of others in the industry as well as with those of partners in new sectors; the aim is to better serve customers and beyond the traditional boundaries of banking activities. Consulting firm McKinsey forecasts that by 2025, one-third of global transactions will be carried out through platforms, a fundamental trend synonymous with growth and value-creation opportunities for BNP Paribas." ■

#### Obtain a loan in less than 20 minutes with a smartphone

##### To offer customers a smoother, more comprehensive customer experience,

BNP Paribas Personal Finance now lets customers simulate and obtain a loan using their smartphones. In practical terms, customers select the product they want (a cash loan, a sofa, a car...), conduct a simulation, receive loan approval and then sign up in complete security. This entire, intuitive process can be completed in a few minutes anytime and anywhere.



BNP Paribas Personal Finance is helping 26 of its locations around the world to set up this programme and 22 had made this digital experience available to customers by the end of 2019. ■

#### Making mobility easier with Telepass Pay X

**To encourage individual customers' mobility** and help with fast and secure payment of related services such as tolls, fuel or parking, BNL launched Telepass Pay X. The solution combines in a single mobile app, and using a prepaid format, the mobility-related services of Telepass and the payment services of Telepass Pay. Customers also benefit from a BNL current account and credit card. Arval For Me services are also included in the app. Thanks to a solution that integrates a payment system with a service platform, BNL has already gained 66,800 contracts for individual customers, of which 57,700 new customers in 2019 alone. At the same time, in partnership with Arval and Telepass, BNL has also launched Telepass x BIZ for SMEs, a service which, thanks to the integration of service platforms into the BNL account, provides a single portal for electronic invoicing of mobility-related expenses, simplified payment-management while on the move as well as a leasing proposition. ■

#### CENTRIC a range of digital services for corporate and institutional clients

**To enable corporate and institutional clients** to focus on risk management and optimise business transactions and liquidity, BNP Paribas launched Centric. This integrated, flexible digital platform allows international customers in particular to manage cash flow easily and offers instant, customisable access to dedicated post-trade services. As a result, the platform is growing by an average of 75% per year. By the end of 2019, it served nearly 12,000 corporate clients and had 106,000 users. ■

#### Supporting startups and entrepreneurs

**Various financing initiatives and accelerator programmes have been set up in the Group to encourage innovative, transformational solutions.** The venture capital fund Opera Tech Ventures, managed by BNP Paribas Capital Partners (the management specialist at BNP Paribas Asset Management focusing on multi-manager selection) brings together several BNP Paribas businesses to invest in fintechs. Other specialised investment funds have been created in a number of the Group's business lines, such as C. Entrepreneurs by BNP Paribas Cardif, which also invests to help companies obtain financing during the most advanced stages of their development. In addition, since 2016, BNP Paribas Principal Investments has set aside €100m of equity financing destined for startups working on the energy transition. More than 50% of this amount has already been invested. ■



## Digitalisation of customer journeys: more services, greater simplicity and increased autonomy

**1st place**  
among French banking groups  
in D-Rating's 2019 ranking.

**Lyf Pay**  
**2.7 million**  
downloads\*

This integrated e-money wallet solution (point-of-sale payments, management of loyalty cards, gift certificates and communal kitties) brings together high value-added services to enrich the customer experience beyond banking services through the use of digital technology.

\* Since its launch in May 2017.



French Retail Banking (FRB) stepped up its digital transformation in 2019 to meet the new habits and aspirations of both individual and business clients who are now benefiting from ever more products and services meeting expectations in terms of simplicity, autonomy, efficiency and a smoother customer experience. Among these innovative services, customers can now benefit from instantaneous money transfers that allow funds to be sent securely in only a few seconds, as well as from the use of electronic signatures.

### A WIDE RANGE OF DIGITAL FUNCTIONALITIES FOR CORPORATE CLIENTS

BNP Paribas regularly rolls out new digital solutions for corporate clients to enhance its value proposition. "Welcome", launched by FRB in 2019, aims to ease and digitalise the exchange of information between the bank

and corporate clients, notably when it comes to opening accounts or reviewing KYC ("Know Your Customer") information. With Welcome, companies can now complete forms, forward documents and sign everything electronically (e.g., online signing of contracts for account openings). In addition to personal interaction with their relationship managers, this initiative allows corporate clients to deal with the bank in a smoother, faster and harmonised manner, both in France and abroad and in line with BNP Paribas' "One Bank" spirit.

### A FOCUS ON THE QUALITY OF THE 'DIGITAL JOURNEY' FOR INDIVIDUAL CUSTOMERS

Thanks to digital transformation, both in its French Retail Banking business and its digital bank Hello bank!, the Group ranked no.1 among French retail banks in terms of customer experience according to D-Rating's 2019 survey. Moreover, BNP Paribas is the only bank in France to obtain a BBB+ rating. The D-Rating survey looks at more than 700 indicators in three areas: the performance of digital services; the use of digital channels; and the pace of transformation. The ranking reflects the wealth of online services. Beyond facilitating account openings, customers can, for example, view account balances without logging in or manage card and payment limits. And thanks to a chatbot, a secure mailbox facility and the possibility to book an appointment online, BNP Paribas offers some of the most exhaustive contact possibilities available in the market. These results testify to the pertinence of the Group's strategy, which combines the best of both digital and human resources to serve customers. ■

## International expansion for Nickel

**Nickel promotes inclusive banking by offering solutions that are accessible to everyone**, either online or at tobacconist in France, and without minimum-income conditions. Five years after its launch, Nickel had 1.5 million accounts opened in France at the end of 2019, an increase of 33% in one year. As part of its 2024 strategic plan, Nickel intends to export its business model to seven European countries, starting with Spain in 2020. ■

## Fostering 'positive impact' investment in Private Banking

**Using "agile" methodology at BivwAk!<sup>(1)</sup>, BNP Paribas Wealth Management co-created, with more than 100 clients,** a digital tool —myImpact— whose purpose is to help clients with their sustainable-investment decisions. The aim? Build clients' sustainable-development preferences into the investment advice they receive. And the result? Since its rollout in France in 2019, 25% of clients using the service have requested an appointment with their

banker, and SRI<sup>(2)</sup> investment mandates have increased by almost 40%. myImpact was also rolled out in Luxembourg and the United States in 2019. BNP Paribas Wealth Management is now working with BNP Paribas Asset Management and FundQuest Advisor<sup>(3)</sup> to design high-impact solutions that meet the expectations of the Group's private banking clients. ■

(1) A new transformation initiative of the Group. See below to find out more about our employees' professional development.  
(2) Socially Responsible Investment.  
(3) Specialist in fund selection at BNP Paribas Asset Management.

## European leader in Cash Management

### BNP Paribas Cash Management, no.1 in Europe and no.3 worldwide

according to Greenwich, has renowned expertise in cash management that meets the global and local needs of businesses. The co-creation of digital solutions, in partnership with customers, enables an anticipation of customer needs and optimisation of these solutions. BNP Paribas Cash Management also offers innovative payment methods, and it has launched a common European platform for the Group to securely receive and send money electronically in real time. Cash Management also assists companies internationally with:

- The deployment of Swift GPI, which allows companies to quickly process their international transactions, with real-time traceability of each payment and complete transparency.

- The deployment of a European checkout solution that allows merchants to offer more than 360 integrated payment methods for e-commerce or local merchants.
- The implementation of the new Connexis interface, available via the Centric platform (see page 31), which enables companies to manage their accounts worldwide and have complete visibility of all of their transactions. ■

## Promoting our employees professional development

**BNP Paribas is committed to helping employees adapt to working in the businesses of the future.** In 2019 it created the "Digital, Data & Agile Academy" which offers employees the opportunity to acquire, increase and/or deepen skills and so expand their medium- and long-term professional-development prospects. The programme currently features 40 training courses, either as part of an upskilling or reskilling programme. At the same time, BivwAk!, a new Group transformation initiative, has as one of its goals to increase employee knowledge and skills in data, technology, "agile" methods as well as "positive-business" impacts. ■

## BNP Paribas Asset Management continues its modernisation

**As part of simplifying its organisational structure**, BNP Paribas Asset Management finished streamlining its operations with the adoption of the Aladdin software for its asset-management platform. The adoption has enabled the company to modernise its systems and allow scalability so as to facilitate future growth. ■

### HELLO BANK!

### tops

**2.7 million  
customers in France,  
Belgium and Germany**

In 2019 Hello bank! continued to grow, especially in France with 20% more customers compared to 2018. In 2020 Hello bank! will be rolling out 100%-mobile, real-time solutions internationally that reflect young people's user habits and ways of working. ■

## COMBINING ECONOMIC PERFORMANCE WITH A POSITIVE IMPACT

By offering customers products that have a positive impact, BNP Paribas combines economic efficiency with pursuit of the common good, a position that is also in line with stakeholder expectations. The Group is therefore designing innovative solutions for customers, both individuals and companies, to support their projects and help them grow. We have one goal: make finance a means to transform society.



### BNP Paribas grants Másmóvil the first leveraged Sustainability- Linked Loan

**BNP Paribas helps companies improve their Environmental, Social and Governance (ESG) performance by offering loans based on compliance with extra-financial criteria.**  
**[More.](#)**

**S**

ustainability-Linked Loans (SLLs) are increasingly popular and BNP Paribas was one of the first financial institutions to promote them.

The special feature of these positive-impact loans is the incentive they give companies to improve their ESG performance by correlating the loans' financial terms to predefined extra-financial goals.

BNP Paribas' Corporate & Institutional Banking (CIB) teams designed, through their Corporate Banking activities, an innovative, tailor-made solution for Másmóvil, which in July 2019 was granted the first SLL in the form of a leveraged SLL (leverage uses a company's debt to increase its investment capacity and return on equity).

Másmóvil is Spain's fourth-largest telecoms operator with over eight million customers. It is active in fixed and mobile telephone and internet services and has its own network infrastructure for optic fibre as well as 3G and 4G, allowing the company to cover almost the entire Spanish population.

#### A TAILOR-MADE SLL

With BNP Paribas as sole coordinator for the ESG aspects of the financing, the SLL has a two-fold objective: ensuring Másmóvil achieves its goal to transition to a more sustainable growth model, notably in response to investor demands for transparency and sustainability; and enabling BNP Paribas to increase its positive impact on society and the environment.

The SLL is firmly adapted to the needs of Másmóvil and the first linked to a Standard & Poor's ESG rating. The €1.7 billion financing comprises a €1.45 billion loan, a €100 million revolving-credit facility and €150 million capex (capital expenditure) line.

The loan strengthens the long-term relationship between the Group, its business lines and

Másmóvil. For example, BNP Paribas Personal Finance and Másmóvil have obtained authorisation from the Bank of Spain to launch mobile-based financial services for retail customers.

#### DEMANDING ESG CRITERIA

Under this original mechanism, extra-financial risk has the same level of requirements as financial risk. As a result, the interest rates on the loan are linked directly to Másmóvil's ESG rating, which was 67/100 when the SLL was granted. This rating is used as a reference point to assess the annual variations in the interest rate of the capex and revolving-credit facility. If the ESG rating is downgraded, the interest rate on the loan rises. Conversely, if the rating improves, the interest rate falls. The "bonus-penalty" mechanism linked to a company's ESG performance thus has a strong incentive effect. ■

#### INCREASED ATTRACTIVENESS

By aligning financing conditions with CSR performance, companies with an SLL are responding to growing investor interest in this type of ESG rating. Companies therefore need to set concrete, measurable, easy-to-understand objectives and be transparent about their CSR strategy in order to achieve a rapid return on investment that will in turn result in a more favourable interest rate. The financial incentive to meet sustainable-development goals boosts customer confidence and employee engagement with respect to a company's sustainable-development strategy. The resulting win-win result contributes to the company's overall attractiveness.

SLLs are a key sustainable-finance product. In 2019 the number of SLLs undertaken by the Group amounted to 60 transactions, with BNP Paribas contributing more than €6.2 billion. The use of SLLs and other innovative products benefiting the environment and society contributed to the Group's recognition as the "Most Innovative Investment Bank for Climate Change and Sustainability" (The Banker 2019). ■

**"Sustainability-Linked Loans (SLLs), such as the one designed for telecoms operator Másmóvil, green bonds and social bonds are complementary products that enable us to support companies financially while encouraging their transition to sustainable-business models. Unlike SLLs, green and social bonds are used to finance specific projects. Recently, however, the Italian energy group ENEL launched several innovative bonds inspired by SLLs and for which repayment is linked to a precise objective: an increase to at least 55% (compared to 46% in 2019) of its installed renewable-energy capacity by 2021, and to its greenhouse-gas emissions in 2030. Although companies of all sizes and from all sectors can use these products, they need to be more advanced in terms of social and environmental responsibility (CSR)". ■**

**Cécile Moitry,**  
Co-head, Sustainable Finance Markets at CIB, has 15 years of experience in sustainable finance and infrastructure and energy financing.



**"We are all working together to support clients in their efforts to develop responsible business models."**



**"We are seeing a strong convergence towards sustainable economic performance."**

**Agnès Gourc,**  
Co-head, Sustainable Finance Markets at CIB, has experience in sustainable finance in international Debt Capital Markets.

**"In addition to offering complementary products, our support is based on strong cooperation among teams in order to meet the changing needs of clients while ensuring continuity of the relationship. As bankers in daily contact with companies, we are convinced of the need to inform them, raise awareness and assist them in rolling out concrete actions to make their development and transformation a success. As a result, we will collectively play an active role in driving more inclusive and environmentally-friendly growth." ■**

## Improved solutions for "Mittelstand" and Private Banking clients in Germany

**Wealth Management Private Banking Germany** relies on both the efficiency of Consorsbank's digital platform<sup>(1)</sup> and BNP Paribas Wealth Management's solutions to offer clients a new approach to private banking. Consorsbank is expanding its traditional online-brokerage business by adding private-banking services across Germany to support other client segments. Furthermore, BNP Paribas Wealth Management has decided to extend its solutions to *Mittelstand*<sup>(2)</sup> entrepreneurs. The new entity—BNP Paribas Wealth Management Germany—proposes new, customised solutions that are notably based on joint solutions offered in conjunction with other Group businesses already well-established in the country. ■

(1) Consorsbank is a brand of BNP Paribas Personal Investors in Germany for retail customers.  
(2) Diverse group of companies in Germany. The term encompasses SMEs, family businesses or mid-sized companies with a significant global market position in a highly specialised sector.



## BNP Paribas Asset Management reinforces its Global Sustainability Strategy

In 2019 BNP Paribas Asset Management stepped up its commitment to deliver long-term sustainable investment returns for clients with the launch of its Global Sustainability Strategy (GSS). The strategy sets clear objectives grouped around three themes: the energy transition, environmental sustainability, and equality and inclusive growth. BNP Paribas Asset Management will be applying ESG criteria to all of its investment processes by 2020. ■



## BNP Paribas Real Estate Services: a single sale of 352,000 m<sup>2</sup> in Germany

The sale of the Millennium portfolio belonging to Generali Lebensversicherung AG is the largest transaction ever carried out in the German real estate market. The sale comprised 49 premium locations: 26 office buildings, 14 residential buildings and 9 commercial buildings located in several major German cities. The sale reflects BNP Paribas Real Estate Services' no.1 position in Germany, a key market for its international growth. ■

## BNP Paribas strengthens its international customer franchises

**S**trengthening customer franchises is a key element of BNP Paribas' 2017-2020 strategic plan. For the Group's three operating divisions it means establishing and deploying new partnerships that can take advantage of existing synergies between two businesses by either deepening their cooperation or forging an alliance with an external partner. In this way BNP Paribas is able to develop an enhanced banking model in an integrated, collective fashion across the Group as well as strengthen its market positions, win over new customers and, more broadly, continue growing its business. As a driver of growth, this approach to expanding customer franchises is particularly attractive because it is flexible enough to enable each business to diversify.

### BNP PARIBAS PERSONAL FINANCE FORGES AHEAD WITH THE DEVELOPMENT OF PARTNERSHIPS

In 2019 BNP Paribas Personal Finance established new partnerships that exemplify the relevance of this business model, in the automotive sector (Opel in Poland, Volvo in Italy, BYmyCAR in France, Ford in several countries) and in retailers (Carrefour in Italy, Allegro and Carrefour in Poland, Leroy Merlin in Brazil).

### A MAJOR STRATEGIC ALLIANCE IN LATIN AMERICA

In the summer of 2019 BNP Paribas Cardif and Scotiabank, Canada's leading financial services company in the Americas, entered into a strategic alliance in bancassurance in Latin America. The aim of the 15-year agreement is to develop protection and insurance solutions for Scotiabank's nine million customers in Chile, Colombia, Mexico and Peru—a region in which 70% of the population lacks insurance. The two institutions, which share a common approach to digital technologies and data analysis, aim to make insurance more accessible and offer a high-quality banking and

insurance experience. The agreement focuses firmly on the long term and represents a decisive step in expanding the Group's insurance business in Latin America. The opportunities offered by the alliance are important for both partners from a commercial standpoint, but also in terms of advice and expertise. *"With our expertise and the breadth of the Scotiabank network, this alliance leverages the strengths of each company to create a truly unique proposition. Scotiabank is the ideal ally to meet this challenge,"* says Francisco Valenzuela, Head of Latin America at BNP Paribas Cardif. ■

Insurance solutions available to  
**9 million**  
customers in four Latin American countries.



## Arval continues initiatives to promote a new kind of mobility

France's leader in vehicle rental and mobility solutions, Arval stands out for its innovative developments in the sector, notably through the Arval Mobility Observatory, an independent research body whose aim is to understand and anticipate changes in the world of mobility. In 2019 Arval joined the MaaS (Mobility-as-a-Service) Alliance and thus reaffirmed its willingness to build, together with its partners, the integrated mobility solutions of the future. Arval also pursued initiatives to promote sustainable mobility, notably through the signature of a partnership with ENGIE for the launch of a "green" electric-mobility solution. Within this partnership, Arval is also working with BNP Paribas Leasing Solutions to offer rental solutions for charging stations in Europe. ■



In early 2020, BNP Paribas joined the Hydrogen Council, a global coalition that aims to promote the use of hydrogen as an accelerator of the energy transition.

## Agreement between BNP Paribas and Deutsche Bank

The agreement signed between BNP Paribas—via its Global Markets business—and Deutsche Bank involves the transfer to BNP Paribas of the German bank's prime brokerage activity—a field of expertise that brings together services for institutional investors such as alternative asset managers. The terms of the agreement allow for continued "best-in-class" service to clients of Deutsche Bank's Global Prime Finance and Electronic Equities division through the migration of Deutsche Bank's technology and teams to BNP Paribas. This agreement underlines the Group's strong commitment to institutional investors around the world. ■

## Committed to the circular economy



In 2019 BNP Paribas Leasing Solutions formed a Joint-Venture with 3stepIT, a Finnish company specialising in the lifecycle management of IT devices, to offer solutions based around the circular economy. Under the BNP Paribas 3 Step IT brand, the company offers businesses a comprehensive set of services for managing IT equipment at every stage in its lifecycle. The services enable clients to acquire, manage and replace their equipment, while limiting the environmental impacts. It also encourages companies to keep their IT equipment up to date while promoting the development of a more sustainable economy. Ultimately, 11 countries in Europe will benefit from this new "virtuous-circle" service, with up to 97% of equipment refurbished at the end of the contract. ■

## BNP Paribas strengthens its positions in Poland

Following the acquisition of the core banking activities of Raiffeisen Bank Polska by BNP Paribas' Polish subsidiary, the new entity is now the sixth-largest bank in Poland. November 2019 saw the successful completion of the integration of IT systems and the migration of customer data. These were two key achievements that now make it possible to offer the same products and services to 3.7 million customers across the country. In addition, BNP Paribas Bank Polska is capitalising on synergies with other BNP Paribas business lines to offer customers access to the Group's international network and expertise. BNP Paribas Bank Polska is also continuing to expand its support of the agriculture and food sectors, where it has enjoyed a historically strong position. For example, it has launched "Agronomist", a platform that offers a wide range of services to companies and professional customers in the agri-food industry. ■

# UNDERTAKING RESPONSIBLE ACTIONS FOR SOCIETY

To increase its positive impact on society and the environment, BNP Paribas can capitalise on both its position as a leading European bank and its international presence. Through the bank's services, financing activity and advisory solutions, the Group is pursuing a CSR strategy in line with the 17 UN Sustainable Development Goals. The aim: contribute to more inclusive, equitable growth.



## Increasing our contribution to the Social and Solidarity-based Economy

**To face today's social and environmental challenges, the development of positive-impact entrepreneurship is an answer. BNP Paribas has put in place an international strategy to support social enterprises and positioned itself as a pioneer and major player in this fast-growing sector. [More](#).**

The Group is committed to more responsible growth. This involves solutions such as the structuring of social impact bonds (*Contrats à Impact Social* in France). These instruments make it possible to finance, using private funds, a Social and Solidarity-based Economy (SSE) organisation and so further innovation and benefit society as a whole. BNP Paribas' commitment to the SEE can be seen in partnerships such as that with The Grameen Creative Lab, formed in 2019, or through programmes such as "Act for Impact" which has been rolled out in various business lines. In 2019 the Group's support for associations and Social and Solidarity Economy enterprises amounted to €6.2 billion\*, of which €1.9 billion was devoted to microfinance and social enterprises.

### DEVELOPING A SOCIAL BUSINESS CULTURE WITH THE GRAMEEN CREATIVE LAB

BNP Paribas' commitment to the Social and Solidarity-based Economy has been strengthened thanks to the links forged with The Grameen Creative Lab, a leading institution working in the field of social business and founded by Nobel Peace Prize winner Professor Muhammad Yunus (see *interview on the next page*). The partnership was signed for a period of five years, during which both parties will work on new initiatives within the Group. These include raising employee awareness regarding social business, training staff to enable them to build "positive impacts" into their businesses, and encourage their engagement through pro bono legal advice for the Grameen Creative Lab teams and social businesses. In 2020, the Lab has created two

\*Financing and investments for both proprietary activity and third parties.

websites: Tilia, which provides support to caregivers of a family member who has lost autonomy in their daily activities, and Tangata, which helps the disabled and caregivers access leisure activities. The partnership also encourages business lines to promote social businesses. In the United States, Bank of the West has helped finance Grameen America, a microfinance institution that finances and promotes women's entrepreneurship.

#### ACCELERATING HIGH-IMPACT PROJECTS

In December 2018 BNP Paribas launched "Act for Impact", an initiative with the ambitious goal of supporting one out of every four new social entrepreneurs in France by the end of 2020. To help these entrepreneurs scale up their businesses, the Group provides banking advice and access to a network of partners. Recently, a combined panel of experts from the crowdfunding site Ulule and BNP Paribas relationship managers selected three of these new SSE, positive-impact projects. The first award-winning initiative was Kimia Café, a "third place" family project combining conviviality and eco-awareness which opened in Paris in early 2020. The Trust Society, the second initiative selected, is an online sales website that brings together sustainable and everyday zero-waste products made in France. It is designed to help people change their consumption patterns. The third project supported by the initiative is Les Petits Prédiges, a brand of cosmetics made in France that is 100% natural and respectful of people's health and the planet. In addition to this success in France, BGL BNP Paribas rolled out "Act for Impact" in Luxembourg to better serve the fast-growing social economy in the Grand Duchy. Retail and Corporate Banking in Luxembourg made a commitment to social entrepreneurs by putting together a team of advisors from within the bank attuned to social entrepreneurs' needs. The entrepreneurs benefit from employee expertise in areas such as communication, human resources and marketing. The bank's Lux Future Lab is also open to startups that have a positive social and/or environmental impact. The Lab offers services ranging from hosting to training and the search for financing. ■



## "Companies can create social businesses in order to address society's problems."

**"A social business is a 'non-dividend organisation that aims to solve one or more problems in our society'.** Unlike a traditional business, its social purpose is the primary driver in its decision-making, and unlike a non-profit organisation, it is financially self-sufficient and reinvests its profits into its own expansion. By redefining what an entrepreneur is, we can change the face of capitalism and solve some of today's social and environmental problems. The agreement signed with BNP Paribas goes in that direction: companies can create social businesses alongside their traditional activities in order to address society's problems. And they can also engage employees, particularly the younger generation, to help achieve this goal." ■

**Professor Muhammad Yunus** is the founder of Grameen Bank, the world's leading microfinance institution, and the pioneer of social business. He received the Nobel Peace Prize in 2006, along with Grameen Bank, for his work and his fight against poverty. In March 2012, Fortune Magazine named Professor Yunus as "one of the greatest entrepreneurs of our time".

## Tangible initiatives for inclusive growth



**BNP Paribas joined the OECD's Business for Inclusive Growth (B4IG) coalition**, launched in August 2019 at the G7 summit whose central theme was the fight against inequality. The coalition now brings

together 38 major international companies and aims to promote growth that is inclusive, fairly distributed across society and offering opportunities to all. The Group has also joined the *Collectif d'entreprises pour une économie plus inclusive* in France. The organisation brings together 35 major French companies keen to contribute to social progress and it encourages concrete actions to open up access to employment, combat job insecurity and develop inclusive procurement policies. These two coalitions are part of BNP Paribas' ongoing initiatives to promote more equitable growth models. ■

## BNP Paribas commits to protect the oceans



**In 2019 BNP Paribas published its commitments with regard to protecting the oceans.** It is thus contributing to the UN Sustainable Development Goal (SDG) no.14 "Life Under Water". By defining the criteria governing its financing and investment relating to the ocean, the Group aims to work with clients to reach this UN Goal. BNP Paribas is taking numerous steps to protect the ocean and its resources in areas such as shipping, fishing and aquaculture, undersea mining, maritime-based renewable energy or land-based mining with strong impacts on oceans. In the maritime transportation sector, BNP Paribas is devoting €1 billion in the period to 2025 to finance the ecological transition of ships. ■

## ClimateSeed: an innovative carbon-offset platform

**On 16 October 2019 ClimateSeed was awarded first prize in the Social, Sustainable and Responsible Banking category** at the Efma-Accenture Customer Insight and Growth Banking Innovation Awards. ClimateSeed is the digital platform launched by BNP Paribas Securities Services that connects investors interested in offsetting their CO<sub>2</sub> emissions with sustainable projects aimed at capturing or reducing those emissions. ClimateSeed currently offers 29 projects in 20 countries. BNP Paribas also offsets part of its emissions via this platform. ■

## More than 160 bankers receive sustainable-development training

**In partnership with the University of Cambridge, BNP Paribas created in 2019**

a sustainable-development training programme for the Group's senior executives, risk managers and bankers working with major clients. The aim of the programme is to train our clients' key relationship teams so they can factor social and environmental issues into their business proposals. ■

## BNP Paribas founding member of the UN's Principles for Responsible Banking

**In 2018, BNP Paribas took part in drawing up the Principles for Responsible Banking (PRB), launched in September 2019 and signed along with 129 other banks from 49 countries.** Through this commitment, signatory banks are demonstrating their resolve to align business strategies with the UN Sustainable Development Goals (SDGs) and the Paris Agreement. The signatories' assets amount to \$47 trillion or nearly one-third of the world's banking assets. ■

## A new "Lift" for young people

**20** community

organisations located in the 2,300 m<sup>2</sup> building (300 m<sup>2</sup> of collective space, 250 workstations)



**O**peneed in June 2019, *L'Ascenseur* [the Lift] is a unique venue in Europe that brings together 20 community organisations and social enterprises promoting equal opportunity. Education, access to employment and the possibility of setting up a business are still largely dependent on young people's social, geographical, ethnic or cultural origins. *L'Ascenseur* opened its doors in Paris to make a real difference. Its purpose: support young people who face various kinds of discrimination.

### BNP PARIBAS: MAIN CORPORATE PHILANTHROPIST AND FOUNDING SPONSOR

Conceived by Article 1 and designed by Mozaïk RH, two leading organisations in the field of economic and social inclusion, the project was made possible thanks to the decisive support of various business lines at BNP Paribas, the main corporate philanthropist and founding sponsor. In addition to financial support and assistance, BNP Paribas mobilised some thirty managers from various subsidiaries to locate the pre-

mises, be lease guarantor, oversee the moving process, identify volunteers and also mobilise its partner network so it could contribute to the collective effort. And many additional employees have personally committed to helping young people with their personal and professional development. *L'Ascenseur* makes the work of the participating organisations and social enterprises stronger and more visible. Working together, and with contributions from the public and private sectors, they can promote their particular activities and expertise, have a bigger impact and offer a palette of solutions that maximises support for young people. *L'Ascenseur* members are helping 400,000 young people who come from disadvantaged backgrounds to gain access to education, the world of work as well as sporting and cultural activities that all contribute to their social inclusion. *L'Ascenseur* is an ambitious endeavour. It unites a community of organisations in the social and solidarity economy (companies, foundations and government) who have decided to join forces to meet today's social challenges and injustices. ■

## More than twenty years of commitment to the social inclusion of young people

BNP Paribas' commitment to the creation of *L'Ascenseur* is a continuation of its advocacy for equal opportunity begun more than twenty years ago with the BNP Paribas Foundation and through ambitious programmes such as *Projet Banlieues*<sup>(1)</sup> and also those with long-standing partners such as AFEV<sup>(2)</sup>, ADIE<sup>(3)</sup> and Simplon.co. Today, BNP Paribas has become a fully-fledged player in the ecosystem helping to promote the social inclusion of young people.

(1) The *Projet Banlieues* seeks to support community organisations that work in high-priority, disadvantaged neighbourhoods (*Quartiers Prioritaires de la Politique de la Ville, QPVs*) to promote education and social and professional integration.  
 (2) Created in 1991, the *Association de la Fondation Étudiante pour la Ville* is the largest network of university students providing educational support in disadvantaged neighbourhoods.  
 (3) The Association pour le Droit à l'Initiative Économique finances, advises and supports young entrepreneurs (some of whom have no capital or qualifications) to start and develop a business activity.

## Supporting microfinance



### For thirty years BNP Paribas has made microfinance a flagship commitment.

Microfinance gives people excluded from the traditional banking system the chance to realise their projects. The Group has become the main partner of many Microfinance Institutions (MFIs) around the world and has participated in the co-creation of two MFIs in Belgium and Luxembourg. In three decades, over 2 million people (including 1.8 million women) have benefited from microcredit thanks to the BNP Paribas' support of 84 MFIs in 33 countries. The Group has devoted €900 million to microfinance. ■

## Committed to equal rights and opportunities for women and men worldwide

**Supported by an inclusive Human Resources policy** that creates the conditions enabling women employees to pursue the career path of their choice and well as those enabling a move to a better shared governance, the Group has been fully committed for 15 years to achieving the fifth UN Sustainable Development Goal: "Achieve gender equality and empower all women and girls". The "Leaders for Tomorrow" initiative, for example, prepares the next generation of managers and sets a target of 50% women among identified future leaders. Within the Graduate Programme of Global Markets (a largely male business line), the number of women participants reached 50%, a result higher than that fixed by the Group in terms of

its gender-equality goals and its membership of the UN's HeForShe movement. In 2019 BNP Paribas also became the first CAC 40 company to join the #JamaisSansElles movement; members of the Group's Executive Committee signed a charter declaring they would no longer take part in events (internal or external) if panels of more than three speakers did not have at least one woman. Furthermore, the Group and its subsidiary BICIS continue to support the HeForShe movement through a partnership with UN Women's AgriFed programme. It aims to develop climate-resilient agriculture and support 15,000 Senegalese women farmers through a \$1.8 million funding programme. ■

## Renewed commitment to Seine-Saint-Denis

In 2009 BNP Paribas launched the *Odyssée Jeunes* programme with the Seine-Saint-Denis département\*. The programme has enabled 50,000 schoolchildren to go on educational school trips. BNP Paribas is also the largest private-sector employer in Seine-Saint-Denis and in 2019 decided to step up its commitment by signing a Charter with the *département* that sets out 45 commitments in the areas of youth, employment, solidarity and the local economy. ■

\* Local government *département* in the Greater Paris region.



## An ambitious social-solidarity philanthropy programme

As part of its philanthropic initiative "Help2Help", the BNP Paribas Foundation encourages, among other things, the personal commitment of the Group's employees through volunteering that helps social and humanitarian causes. Rolled out in more than 30 countries and thanks to a grant of €750,000, "Help2Help" supported the projects of 250 community groups in 2019. Furthermore, the Group strengthened its commitment to society by setting up its "1MillionHours2Help" programme with the aim to reach 1 million hours of voluntary work provided by the Group's employees worldwide in 2020. This goal takes into account, among other actions, skills sponsorship and pro bono initiatives. As at the end of 2019 the number of volunteering hours totalled more than 450,000. ■



# GOVERNANCE

# A GOVERNANCE TO DEFINE AND IMPLEMENT THE GROUP'S STRATEGIC DIRECTION

The Board of Directors and Executive Management are the main governing bodies of BNP Paribas. In a profoundly changing environment, they direct the Group's strategy towards a goal of sustainable growth. They act together in the interests of the Group and its stakeholders, in particular shareholders and investors. Under the leadership of its Chairman, the Board of Directors defines BNP Paribas' strategy. It supports Executive Management, which is assisted by its Executive Committee and which implements strategy and guides the Group's activity on a day-to-day basis.



- **They elect** Directors (other than Directors elected by BNP Paribas employees).
- **They vote** on resolutions.
- **They engage**, participate and enrich discussions:
  - The Investor Relations team informs them about the Group's strategy, significant developments, and results.
  - The Shareholder Relations team answers questions from the bank's 345,000 individual shareholders.
  - The *Cercle des actionnaires de BNP Paribas* brings together some 43,000 individual shareholders who own at least 200 BNP Paribas shares.
  - The Shareholder Liaison Committee met twice in 2019 to discuss, among other topics, the capital structure and changes to it, quarterly results, the activities of Partners in Action for Customer Experience (PACE), and the Compliance function.
- **They benefit** from the principle of equality among shareholders: no double-voting rights, no limitations on the exercise of voting rights, no right to increased dividends on share equivalents.

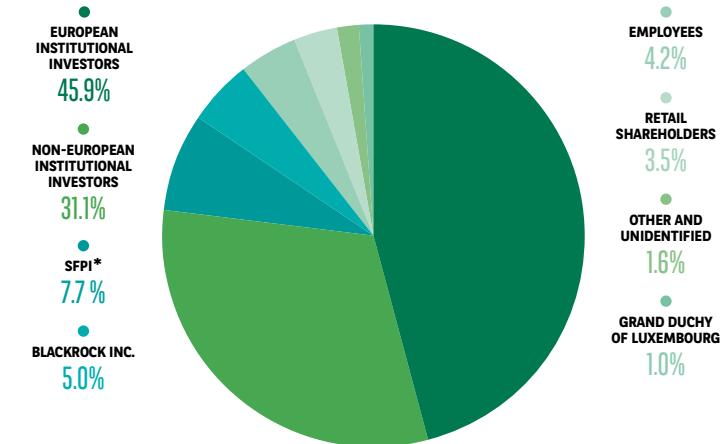
- **It separates** the functions of Chairman and Chief Executive Officer.
- **It represents** all shareholders and ensures the quality of the relationship with them.
- **It determines** the Group's strategic choices based on proposals from Executive Management to create long-term value.
- **It monitors** the quality of information provided to shareholders and the markets.
- **It examines** and closes the financial statements, ensuring their accuracy.
- **It plays** a determining role in risk-prevention and management.
- **It ensures** compliance with the obligations for which it is responsible in terms of internal control.
- **It appoints** the Chairman, the Chief Executive Officer and the Chief Operating Officers.
- **It periodically** reviews the selection, appointment and succession of executive corporate officers.
- **It brings** together the expertise of 14 Directors (see page 50).
- **The Board of Directors** is assisted by four specialised committees (see page 51).

# Shareholders and investors

## Stable and loyal ownership

### Key shareholder data

BNP Paribas' ownership structure at 31 December 2019 (% of voting rights).



\* Société Fédérale de Participations et d'Investissements: a public limited company ("société anonyme") acting on behalf of the Belgian state.

### Key shareholder data

IN EUROS	2015	2016	2017	2018	2019
Earnings per share <sup>(1)</sup>	5.14	6.00	6.05	5.73	<b>6.21</b>
Net book value per share <sup>(2)</sup>	70.95	73.90	75.1	74.7 <sup>(*)</sup>	<b>79.0</b>
Net dividend per share	2.31	2.70	3.02	3.02	<b>n.a.<sup>(**)</sup></b>
Pay-out ratio (%) <sup>(3)</sup>	45.0	45.0	50.0	52.72	<b>n.a.<sup>(**)</sup></b>
SHARE PRICE					
High <sup>(4)</sup>	60.68	62.00	68.89	68.66	<b>53.81</b>
Low <sup>(4)</sup>	44.94	35.27	54.68	38.18	<b>38.14</b>
Year-end	52.23	60.55	62.25	39.475	<b>52.83</b>
CAC 40 index on 31 December	4,637.06	4,862.31	5,312.56	4,730.69	<b>5,978.06</b>

(1) Based on the average number of shares outstanding during the fiscal year. (2) Before dividends. Revaluated net book value per share based on the number of shares outstanding at year-end. (3) Dividend distribution recommended at the Annual General Meeting as a percentage of net income attributable to equity holders. (4) Registered during trading.

(\*) Impact on equity of first-time application of IFRS 9 at 1 January 2018: -€2.5 billion, or €2 per share.

(\*\*) In an unprecedented context and taking into consideration the recommendations issued by the European Central Bank on 27 March 2020 with respect to dividend distributions during the Covid-19 pandemic, BNP Paribas' Board of Directors met on 2 April 2020, with Jean Lemierre as the Chairman. Reviewing these recommendations and their impacts, the Board of Directors decided to propose to the General Meeting (held in closed session on 19 May 2020) to suspend the dividend payment initially planned for the financial year 2019 and to allocate the corresponding full amount to reserves. After 1 October 2020, the Board of Directors may, subject to the context, convene a General Meeting in order to proceed with a distribution of reserves to shareholders in place of the dividend.

## BNP Paribas and its shareholders: cultivating a dialogue

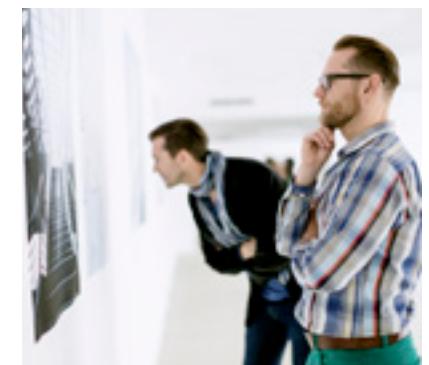
BNP Paribas has chosen to provide all shareholders with regular information, in accordance with best market practices and the recommendations of stock market authorities.

### DRAWING ON THE EXPERTISE OF THE SHAREHOLDER LIAISON COMMITTEE

Since 2000 BNP Paribas has had a Shareholder Liaison Committee to assist with communications with individual shareholders. It meets several times a year and is made up of ten shareholders chosen for their geographical and socio-professional representativeness, plus two current or former employees. Membership of the committee is for three years.

### ANIMATING THE SHAREHOLDER COMMUNITY

In 1995 the Group created the *Cercle des actionnaires de BNP Paribas* for the 43,000 shareholders who possess at least 200 shares. Several times a year, its members receive the Shareholders' Newsletter, as well as the publication *La Vie du Cercle*, which lists all of the cultural, artistic and sporting events in France to which they are invited by the Group. They also have access to training courses about the economy and the option to attend shareholder gatherings that focus on the company's strategy and results and which are held three times a year. Lastly, they are invited to attend BNP Paribas' Annual General Meeting, which includes a Q&A session with the Group's management.



# The Board of Directors drives the Group's strategic direction

**As guarantor of the Group's vision, the BNP Paribas Board of Directors determines its strategic direction and oversees its implementation by Executive Management.**

It seeks to promote long-term value creation by BNP Paribas in the framework of the social and environmental challenges facing the Group.

**It is composed of 14 directors,** 12 of whom are appointed by shareholders and two elected by employees. The Board's members, whose profiles and experience are varied, bring their expertise in banking and finance, risk management, digital transformation and CSR (Corporate Social Responsibility) to the bank. By representing shareholders

collectively, they provide the Group with the opportunity to be well attuned to both customers and the wider ecosystem.

**The Board of Directors** bases its priorities on sound foundations: a balanced, steady and long-term growth strategy, and a risk-control culture and customer-centred business model that are efficient and sustainable. Against this backdrop, in 2019 it monitored the progress of the Group's transformation and development plan—Ambition 2020, launched in 2017—in light of the results of the operating divisions, changes in the economic environment and the interest-rate scenario.

**14**

elected directors,  
including 2 by employees

**> 50%**

Rate of independence with  
regard to the criteria  
set by the AFEP-MEDEF Code

**5**

Nationalities

**41.7%**

Female representation\*



## DUTIES OF THE BOARD AND OF ITS COMMITTEES

The Board of Directors is a collegial body and exercises the following three general powers: examining the company's strategic choices, contributing to good governance throughout the company, and monitoring and assessing all transactions related to the Group's businesses.

### 12 MEETINGS, INCLUDING 1 EXCEPTIONAL

### 1 STRATEGY SEMINAR (AVERAGE ATTENDANCE RATE: 96%)

#### Financial Statements Committee

The Committee is tasked with analysing the quarterly, half-yearly and annual financial statements issued by BNP Paribas and obtaining further explanations of certain items prior to presentation of the financial statements to the Board of Directors.

#### 5 MEMBERS

#### 5 MEETINGS (AVERAGE ATTENDANCE RATE: 96%)

#### Corporate Governance, Ethics, Appointments and CSR Committee

The Committee is tasked with monitoring corporate governance issues. Its role is to help the Board of Directors to adapt corporate governance practices within BNP Paribas and to assess its functioning. It also examines all questions related to CSR policy and professional ethics.

#### 4 MEMBERS

#### 5 MEETINGS (AVERAGE ATTENDANCE RATE: 100%)

#### Internal Control, Risk Management and Compliance Committee

The Committee examines the strategic direction of the risk policy using measurements of market, liquidity and operational risks under current regulations, as well as specific questions related to these topics and methods. It also deals with all compliance-related issues, particularly those in the areas of reputation risk or professional ethics.

#### 5 MEMBERS

#### 9 MEETINGS (AVERAGE ATTENDANCE RATE: 98%)

#### Compensation Committee

The Committee is responsible for addressing all issues related to the personal status of executive corporate officers, including compensation, pension benefits and provisions governing the departure of members of the bank's corporate decision-making or representative bodies. It also examines matters concerning the compensation of "regulated" employees whose activities have an effect on the Group's risk profile.

#### 3 MEMBERS

#### 4 MEETINGS (AVERAGE ATTENDANCE RATE: 100%)

\* According to the rules of the Cope-Zimmermann Law. The ratio is calculated by excluding the two directors representing employees of the Board of Directors.

See the 2019 Universal Registration Document for further details about the work conducted in 2019.

# The Executive Committee implements the Group's strategy and oversees its activity

The Executive Committee manages Ambition 2020, the Group's 2017-2020 transformation and development plan. It is made up of the six members of the Executive Management team and the 14 members in charge of a business line or central function. They bring their expertise to raise the level of collective knowledge and ensure the operational management of the Group.

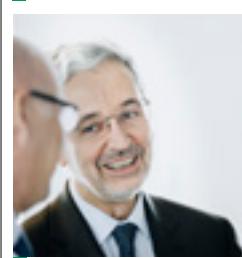
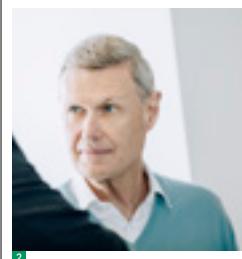
**"Together, with members of the Executive Committee and their teams,**

we are working to realise our project of a bank with ever-better performance and commitment. Our complementary expertise and business lines allow us to get closer to our clients every day and deliver answers that meet expectations, both today and tomorrow."

**JEAN-LAURENT BONNAFÉ**  
Director and Chief Executive Officer of BNP Paribas

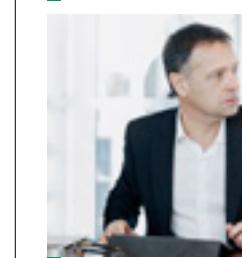


**1**  
Director and Chief Executive Officer

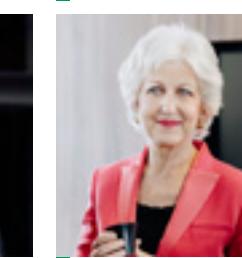
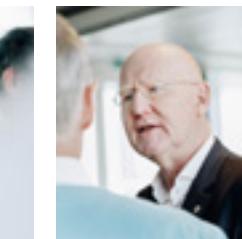
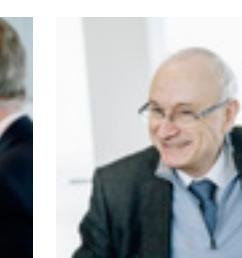
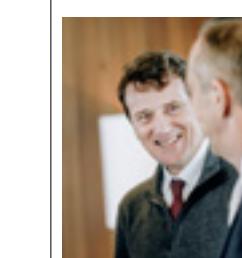
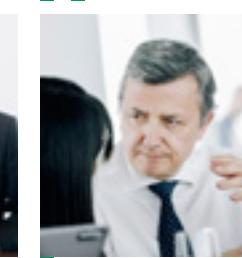
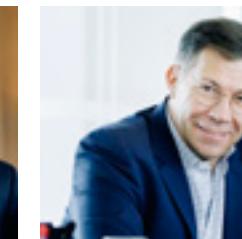


**1**  
Chief Operating Officer

**14**  
members representing business lines and functions



**4**  
Deputy Chief Operating Officers



- 1 JEAN-LAURENT BONNAFÉ**  
Director and Chief Executive Officer
- 2 PHILIPPE BORDENAVE**  
Chief Operating Officer
- 3 JACQUES D'ESTAIS**  
Deputy Chief Operating Officer, International Financial Services
- 4 YANN GÉRARDIN**  
Deputy Chief Operating Officer, Corporate & Institutional Banking
- 5 MICHEL KONCZATY**  
Deputy Chief Operating Officer
- 6 THIERRY LABORDE**  
Deputy Chief Operating Officer, Domestic Markets
- 7 MARGUERITE BÉRARD**  
French Retail Banking
- 8 MARIE-CLAIRE CAPOBIANCO**  
Growth & Corporates in France
- 9 LAURENT DAVID**  
BNP Paribas Personal Finance
- 10 STEFAAN DECREAENE**  
International Retail Banking
- 11 RENAUD DUMORA**  
BNP Paribas Cardif
- 12 NATHALIE HARTMANN**  
Compliance
- 13 MAX JADOT**  
BNP Paribas Fortis
- 14 YVES MARTRECHAR**  
Group Human Resources
- 15 ANDREA MUNARI**  
BNL
- 16 ALAIN PAPIASSE**  
Corporate & Institutional Banking
- 17 ÉRIC RAYNAUD**  
Asia-Pacific
- 18 FRANK RONCEY**  
RISK
- 19 ANTOINE SIRE**  
Company Engagement
- 20 THIERRY VARÈNE**  
Large Clients

# OUR KEY INDICATORS

## Financial indicators

	2017	2018	2019
Group revenues	€43,161m	€42,516m	<b>€44,597m</b>
Domestic Markets revenues	€15,718m	€15,683m	<b>€15,814m</b>
International Financial Services revenues	€15,899m	€16,076m	<b>€17,183m</b>
Corporate & Institutional Banking revenues	€11,704m	€10,829m	<b>€12,080m</b>
Net income Group share	€7,759m	€7,526m	<b>€8,173m</b>
CET1 Ratio: Common Equity Tier 1 ratio <sup>(1)</sup>	11.80%	11.80%	<b>12.1%</b>
Group's outstanding loans		+3.9%	<b>+ 5%</b>
Domestic Markets outstanding loans	€379bn	€397bn	<b>€414bn</b>
International Financial Services outstanding loans	€171bn	€178bn	<b>€186bn</b>
Corporate & Institutional Banking outstanding loans			<b>€146bn</b>
Net earnings per share <sup>(2)</sup>	6.05	5.73	<b>6.21</b>
Net dividend per share	3.02	3.02	<b>n.a.<sup>(3)</sup></b>
Liquidity reserve <sup>(4)</sup>	€285bn	€308bn	<b>€309bn</b>

(1) Common Equity Tier 1 (CET1), fully loaded Basel 3. Solvency ratio. Capital Requirements Directive (CRD4).

(2) Based on the average number of shares outstanding during the fiscal year.

(3) Payment suspended 2 April 2020. See details page 49.

(4) Liquid market assets or eligible to central banks taking into account prudential standards, notably US standards, minus intra-day payment systems needs.

## Economic indicators

	2017	2018	2019
Amount of corporate financing contributing to the energy transition and to sectors considered as contributing directly to the achievement of the 17 United Nations Sustainable Development Goals	€155bn	€168bn	<b>€180bn</b>
Total amount of Sustainability-Linked Loans (SLL) signed		€3bn	<b>€6.2bn</b>
Total assets managed by BNP Paribas Cardif, BNP Paribas Wealth Management and BNP Paribas Asset Management*	€1,028bn	€1,028bn	<b>€1,123bn</b>
SRI assets managed by BNP Paribas Asset Management	€35bn	€36.8bn	<b>€63bn</b>

\* Including distributed assets.

## Environmental indicators

	2017	2018	2019
Financing for renewable energies	€12.3bn	€15.4bn	<b>€15.9bn</b>
Reduction of total greenhouse-gas emissions related to the proper functioning of BNP Paribas per FTE (compared with 2012)	-20.9%	-23.6%	<b>- 27.7%</b>
Capital investments dedicated to startups and funds focused on energy transition	€20m	€35m	<b>€56m</b>
Total amount of green bonds placed by BNP Paribas	€5.3bn	€6.3bn	<b>€9.8bn</b>
Carbon content of kWh financed by the Group	342 gCO <sub>2</sub> /kWh	339 gCO <sub>2</sub> /kWh	<b>299 gCO<sub>2</sub>/kWh</b>

## Social indicators

	2017	2018	2019
Changes in workforce (Full-Time Equivalent)	196,128	202,624	<b>198,816</b>
Number of permanent contracts	96%	96 %	<b>96%</b>
Percentage of employees who have attended at least two training courses	n.a.	91.8%	<b>94.8%</b>
Percentage of employees trained on an ethics-related issue	96.2%	96.2%	<b>95.4%</b>
Percentage of women among the members of cross-functional Executive Committees across business lines and/or countries*	25%	25%	<b>27%</b>
Percentage of women in the population in key SMP positions (Senior Management Position)	27%	28%	<b>29%</b>
Share of women in the Group's total workforce	53%	52%	<b>52%</b>
BNP Paribas's SA gender-equality index, based on five criteria set by the French government (gender pay gap, annual pay rises and promotions, increases in maternity leave, presence of women among the highest-paid employees of the company)	87 points/100	87 points/100	<b>87 points/100</b>
Number of collective agreements signed	271	287	<b>310</b>

\* Out of approximately 500 Top executives.

## Social and civic indicators

	2017	2018	2019
Support (financing, investments on behalf of the bank and third parties) to associations and Social and Solidarity Economy enterprises	€5.6bn	€6.2bn	
BNP Paribas' annual philanthropy budget	€40.2m	€41.6m	<b>€44.5m*</b>
Social inclusion: number of Nickel accounts opened	800,000	1.1m	<b>1.5m</b>

\* This amount does not include the exceptional support of €20 million provided by BNP Paribas to the Fondation de France for the reconstruction of Notre-Dame Cathedral in Paris.

## LONG-TERM AND SHORT-TERM RATINGS

<b>A+/A-1</b>	<b>AA-/F1+</b>	<b>Aa3/Prime-1</b>	<b>AA (LOW)/R-1 (MIDDLE)</b>
Standard & Poor's Negative outlook 23 April 2020	Fitch Rating Watch Negative 30 March 2020	Moody's Stable outlook 9 December 2019	DBRS Stable outlook 12 July 2019

## EXTRA-FINANCIAL RATINGS AND DISTINCTIONS

In 2019 the Group maintained or improved its performance in almost all of the ratings of the main extra-financial rating agencies. These ratings, which take into account stakeholders' expectations in terms of CSR commitments and responsible practices, recognise BNP Paribas' progress in this area and are useful in defining its social and environmental objectives.

### Main extra-financial ratings

- Top bank out of 31 in the Diversified Banks (Europe) category in the Vigeo Eiris 2019 rankings (requested rating: A1+).
- BNP Paribas received an A rating in the 2019 MSCI ESG Ratings.
- BNP Paribas received an A- rating in the 2018 Carbon Disclosure Project rankings.

### Inclusion in sustainable indices

- BNP Paribas is listed in the Dow Jones European and World ethical indices.
- BNP Paribas is listed in the Euronext-Vigeo Eiris indexes World 120, Europe 120, Eurozone 120 and France 20.

sustainable companies (top French bank and 3rd in the world).

■ Top French bank in Equileap's international gender equality ranking.

■ BNP Paribas is committed to no longer financing companies in the tobacco sector. The Group is a founding member of the Tobacco-Free Finance Pledge.

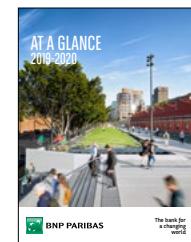
### Other CSR distinctions and engagements

- BNP Paribas is included in Corporate Knights magazine's 2020 ranking of the 100 most





UNIVERSAL REGISTRATION  
DOCUMENT AND ANNUAL  
FINANCIAL REPORT 2019



AT A GLANCE 2019-2020



CORPORATE PHILANTHROPY 2019  
ACTIVITY REPORT

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**BNP PARIBAS**

The bank for  
a changing  
world