

INSURANCE

Investor Presentation



BNP PARIBAS
CARDIF

The insurer for a changing world

Company Overview

Insurance Business Line within BNP Paribas

Products & Business Model

Strategy

Risk and Solvency Management

Appendix

Insurance Overview

- BNP Paribas Cardif is a well established global insurer with more than 45 years of history, standing at the core of the **BNP Paribas Group insurance business line**
 - Focus on two main personal business lines: Savings and Protection
 - Strong positions in Europe, Asia, and Latin America


100M
Policy
holders


~7,600
Employees


35
Countries


500
Partners


Worldwide leader in credit protection ⁽¹⁾
#12 insurer in Europe⁽²⁾


- BNP Paribas Cardif is rated “A-” by Standard & Poor’s. Its operational entities, Cardif Assurance Vie and Cardif Assurances Risques Divers, are rated “A”
 - Core positioning within BNP Paribas Group
 - Strong competitive position in France
 - Robust operating performance

- Insurance robust financial performance ⁽³⁾


€22.2bn
Gross
Written Premium


€1.4bn
Pre-Tax Income


€202bn
AuM


157%
Solvency II
ratio

⁽¹⁾ Finaccord 2017; ⁽²⁾ Argus de l'assurance December 2017 (based on 2016 Gross Written Premium); ⁽³⁾ BNP Paribas Cardif IFRS Consolidated Financial Statements except for Solvency.

Company Overview

Insurance Business Line within BNP Paribas

Products & Business Model

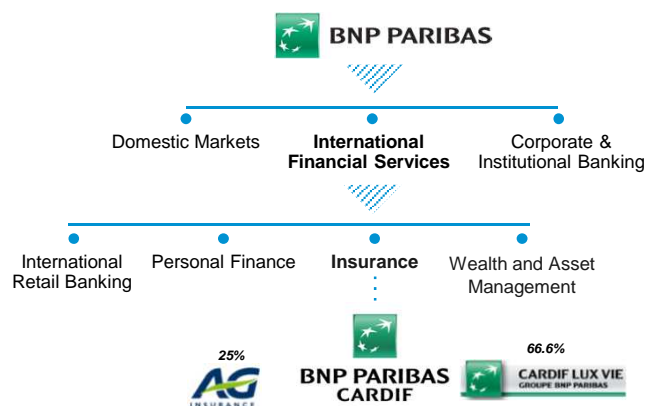
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Insurance within BNP Paribas

- The BNP Paribas Group insurance business totaled **€29.7 billion** of gross written premium in 2017
 - €22.2 billion from BNP Paribas Cardif's entities reported in the consolidated statements
 - €4.3 billion from BNP Paribas Cardif's equity-consolidated entities
 - €3.2 billion from entities not consolidated in statutory accounts but included in the insurance business line (25% of AG Insurance and 66.66% of Cardif Luxembourg Vie)



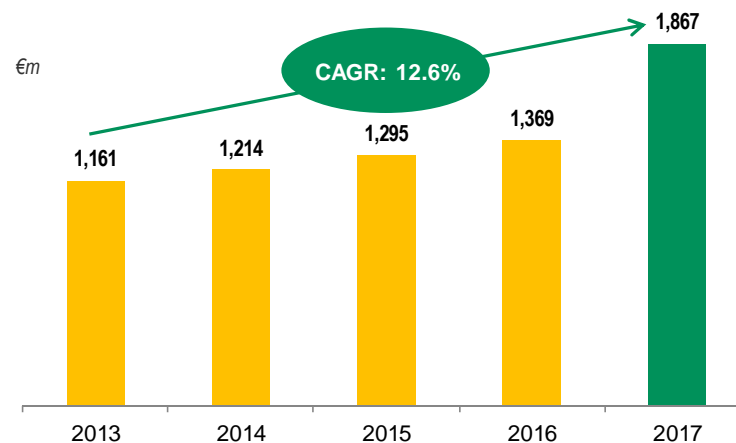
<i>Euro millions</i>	BNPP Group 2017	IFS 2017	Insurance Business Line 2017
Revenues	43,161	15,899	2,514
Operating expenses	-29,944	-9,722	- 1,251
Gross operating income	13,217	6,177	1,263
Non operating items	-1,907	-357	604
Pre-tax income	11,310	5,820	1,867



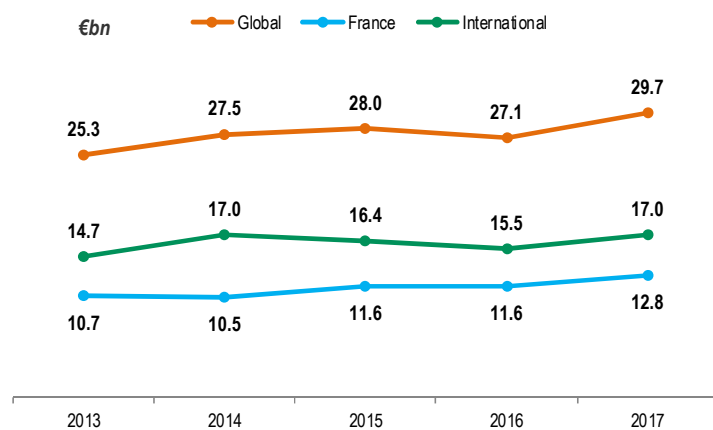
In 2017, BNPP Insurance Business Line accounted for 32,0% of the pre tax income of IFS & 14,6% of pre-tax income of BNP Paribas Group's operational business units

Insurance: a Growth Engine for the BNP Paribas Group

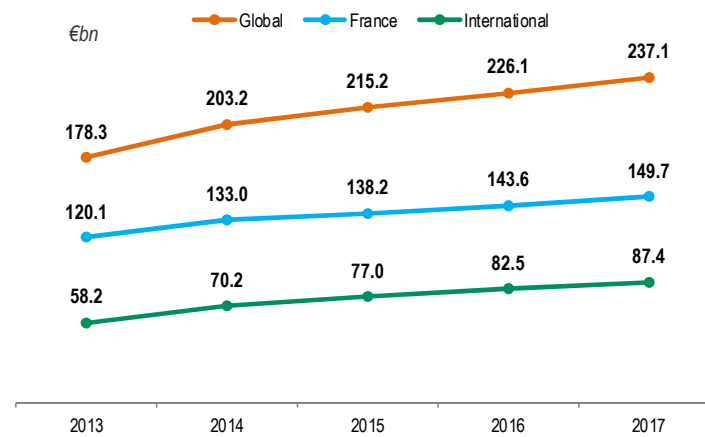
> BNP Paribas Insurance pre-tax income



> BNP Paribas Insurance GWP by Geography⁽¹⁾



> BNP Paribas Insurance AuM by Geography⁽²⁾



^{(1)&(2)} Insurance Management Accounting data

Company Overview

Insurance Business Line within BNP Paribas

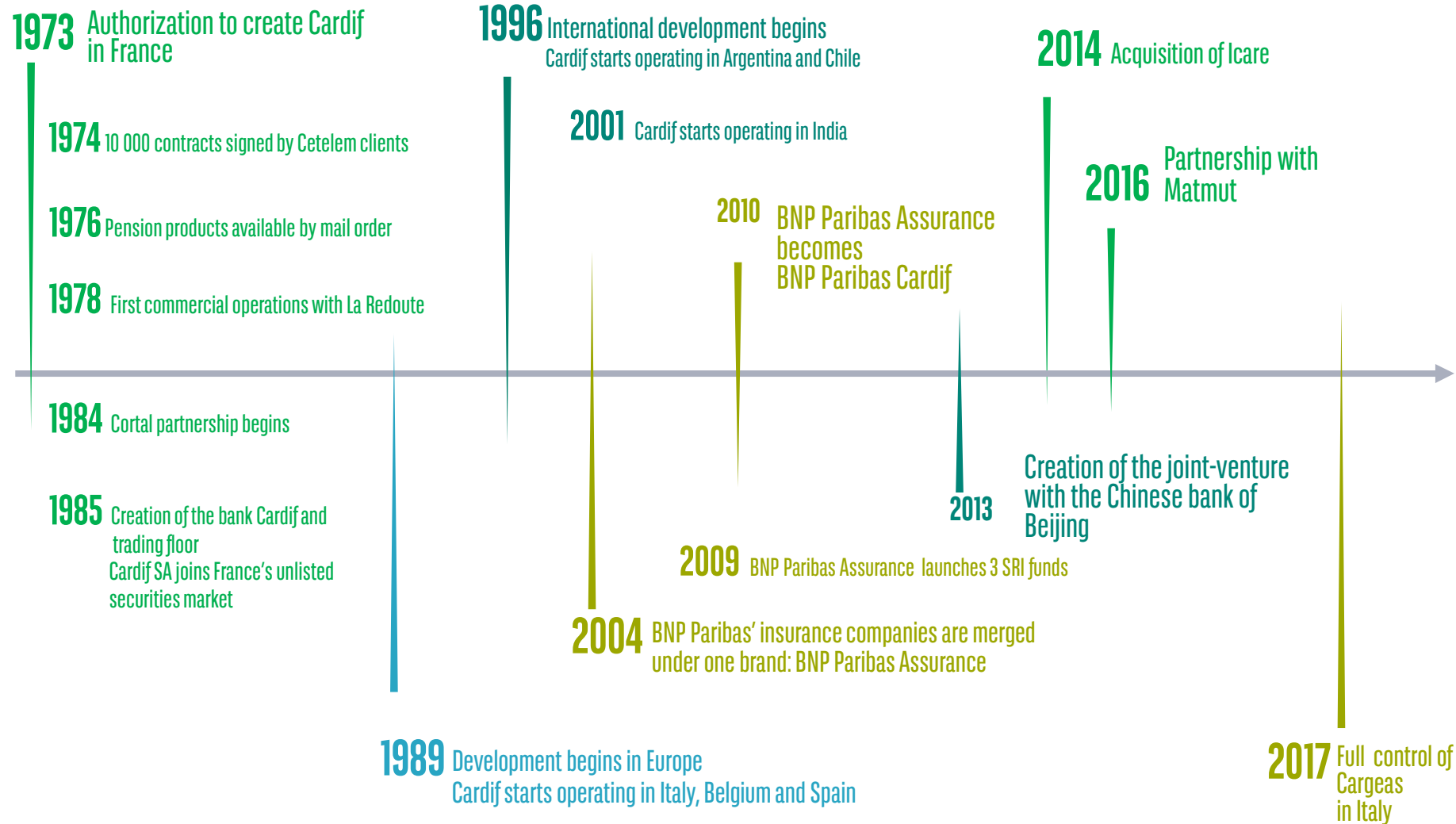
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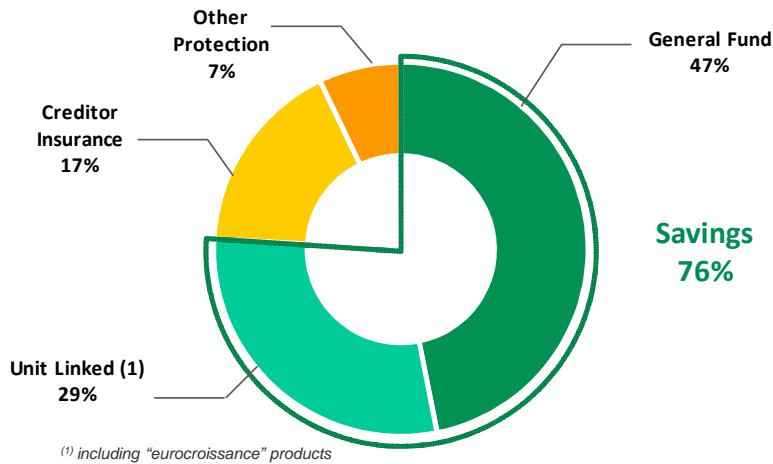
Appendix

BNP Paribas Cardif: 45 Years of History



BNP Paribas Cardif Fully-Fledged Business Model

> BNPP Cardif 2017 GWP by product



- A business model diversified in terms of products, networks and geographies...

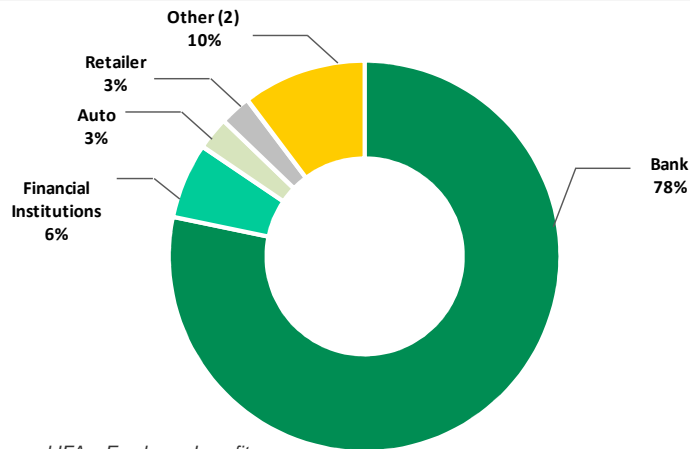
- Product mix combining protection (24%) and savings (76%)

- Distribution ensured through multiple networks (BNP Paribas entities, banks, retailers, car dealers,...)

- Presence in 35 countries generating revenues worldwide

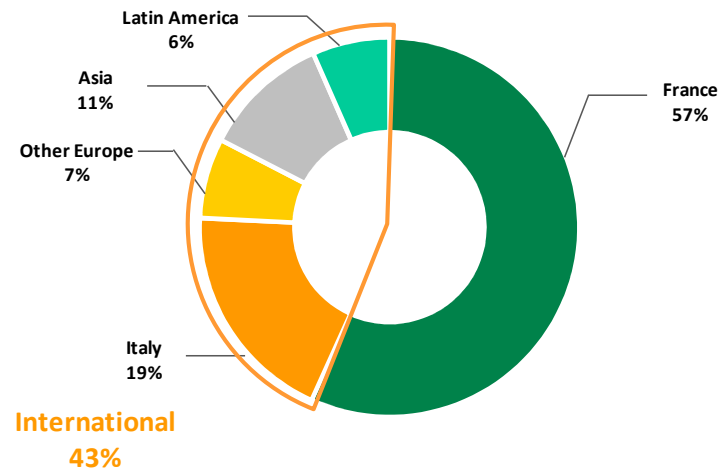
- ...Insurance: a growth engine for the BNP Paribas Group

> BNPP Cardif 2017 GWP by distributor type

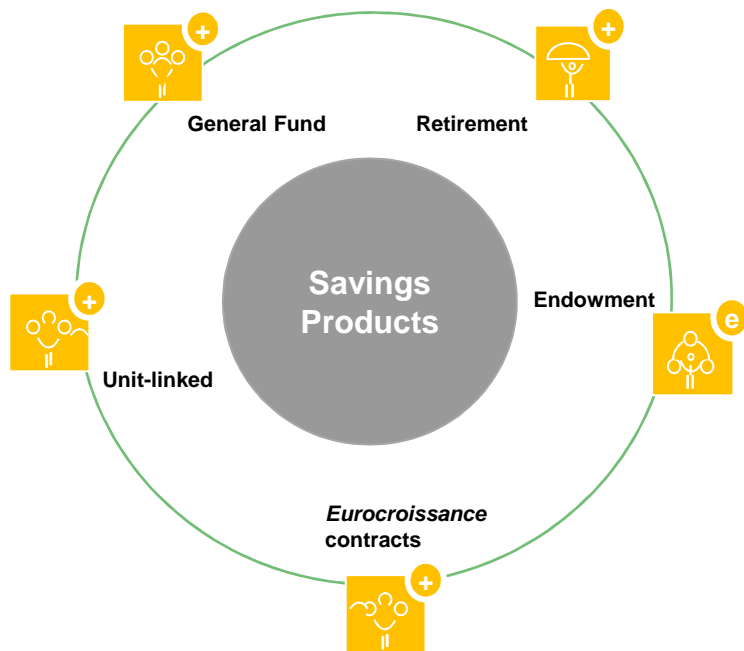


(2) Others: brokerage and IFAs, Employee benefit

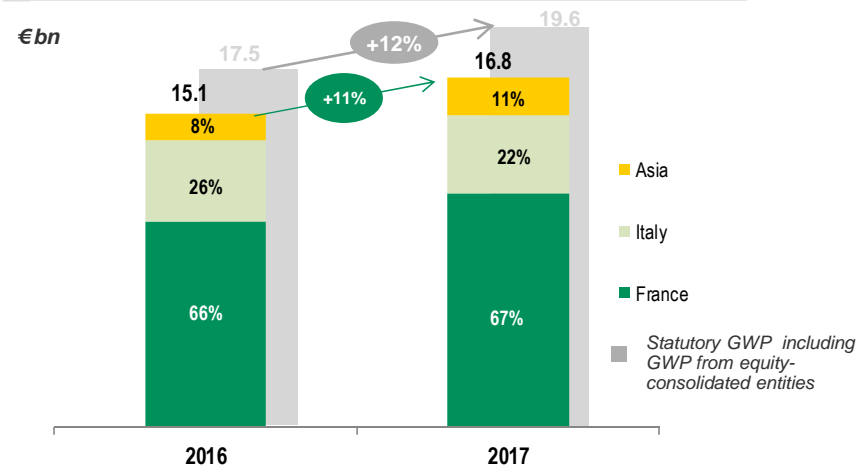
> BNPP Cardif 2017 GWP by geographical area



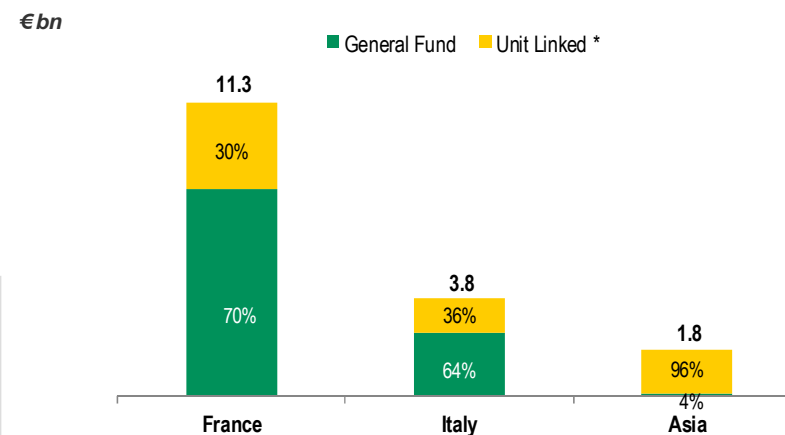
BNP Paribas Cardif Diversified Product Offering



> Savings 2017 GWP by Geographical Area



> Savings 2017 GWP by Product and Country



* Unit linked + « Eurocroissance » contracts

> **Unit-linked products represent 38% of Savings GWP. Most General Funds with no minimum guaranteed rate. France represents 67% of Savings GWP.**

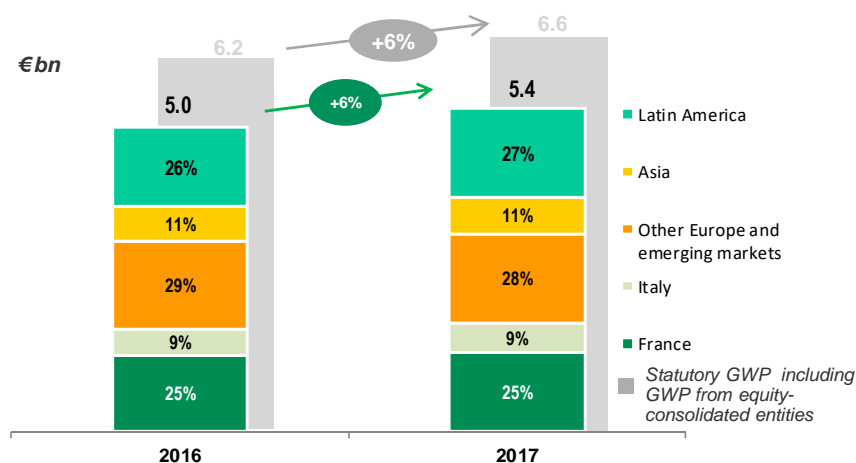
BNP Paribas Cardif Diversified Product Offering



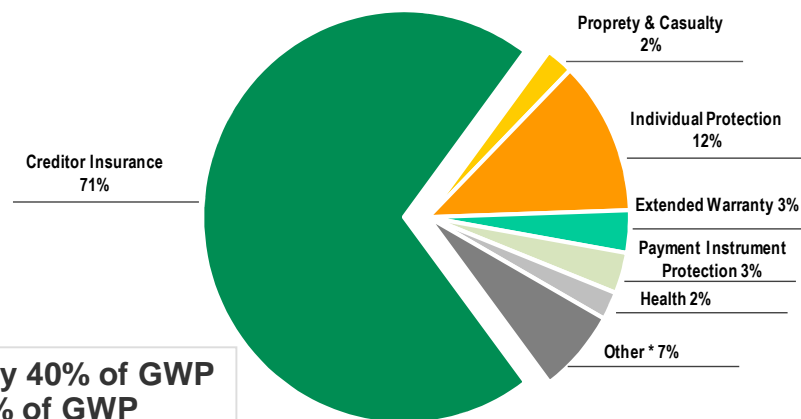
- **Creditor Insurance** includes: Mortgage, Consumers Loans and Auto Loan
- **Personal Protection** includes: Accident Protection and Long Term Care
- **Budget & Income Protection** includes: Standard of Living Guarantee, Account Protection, Shopping Basket and Bill Protection

➤ In 2017, Asian and Latin America's premiums represent nearly 40% of GWP
Other Protection than creditor insurance represents 29% of GWP

➤ Protection 2017 GWP by Geographical Area

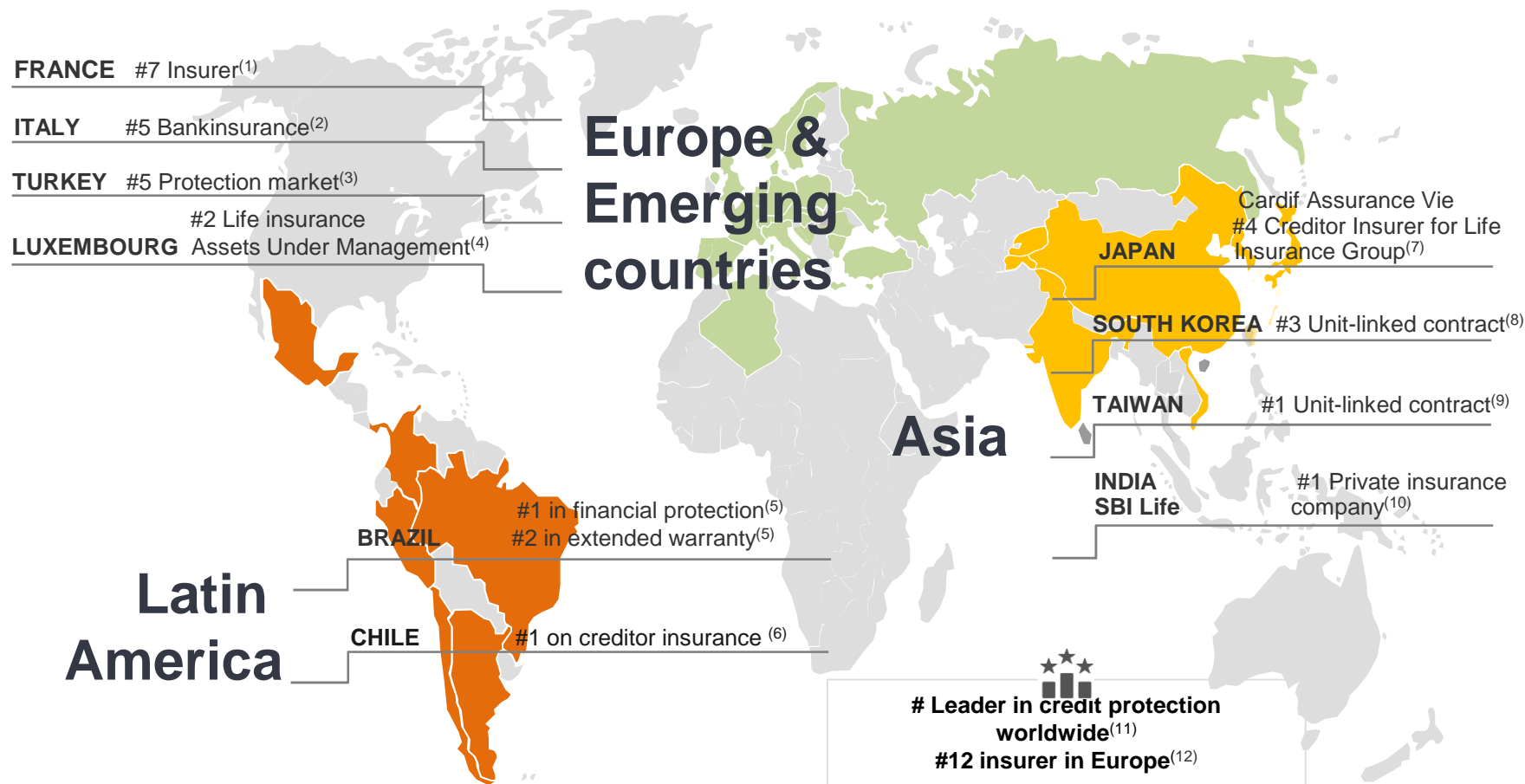


➤ Protection 2017 GWP Breakdown by Product



* Other: collective protection, GAP, budget income protection, personal possession protection, travel, assistance and services

BNP Paribas Cardif: a Major Worldwide Insurance Player



Sources:

(1) Argus de l'assurance December 2017 (based on 2016 GWP); (2) IAM Consulting (Dec. 15), YTD new collection; (3) Turkish insurance association; (4) ACA; (5) SUSEP; (6) Svs (Chilean Insurance regulator, Superintendencia de Valores y Seguros) (2016); (7) Statistics of Life Insurance business in Japan (March 2017); (8) Korea Life Insurance Association Statistic (Nov.2017); (9) Taiwan financial supervisory commission (FSC), Banking bureau/financial industry statistics (January to December 2016); (10) Life Insurance Council; (11) Finaccord; (12) Argus de l'assurance December 2017 (based on 2016 GWP).

Partnerships Standing at the Core of Cardif's Model

- Unique expertise of partnerships with a number of industries, based on end to end presence
- Extensive know-how in terms of distribution management: multi-channel approach, optimisation of customer experience, continuous product innovation
- Strong partnerships in fast growing markets: over 500 local and global partners

BANKS AND FINANCIAL INSTITUTIONS

Group partners		Regional Partners																
BNP PARIBAS Worldwide	BNP PARIBAS Personal Finance Worldwide	State Bank of India India	北京银行 BANK OF BEIJING China	Scotiabank Latin America	BV FINANCEIRA Brazil	Santander Europe Latin America	UBI Banca Italy	BNL GRUPPO BNP PARIBAS Italy	BGZ BNP PARIBAS Poland	合作金庫銀行 TAIWAN COOPERATIVE BANK Taiwan	SHINHAN FINANCIAL GROUP South Korea	SUMITOMO MITSUI TRUST BANK Japan	BancoEstado Chile	BBVA Latin America Turkey	ERSTE BANK Europe	BGL BNP PARIBAS Luxembourg	TEB Turkey	GRUPO AVAL Colombia

RETAILER, TELCO AND UTILITIES

Carrefour Worldwide	falabella. Latin America	magazine luiza vem ser feliz Brazil	cencosud Latin America	orange™ Europe	T-Mobile Europe	GRUPE Casino NOURRIR UN MONDE DE DIVERSITÉ Latin America	3 Europe
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AUTOMOTIVE ⁽¹⁾

Volkswagen Financial Services Worldwide	RCi BANK AND SERVICES Worldwide	PSA BANQUE Europe + LATAM	FCA BANK Europe	GMAC Europe	TOYOTA FINANCIAL SERVICES Europe + LATAM	Hyundai Capital Europe
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Cardif Forward: Development Plan



A
CUSTOMER &
PARTNER FOCUSED
COMPANY



A
GROWTH
ENGINE



A
DIGITAL
DATA DRIVEN
COMPANY

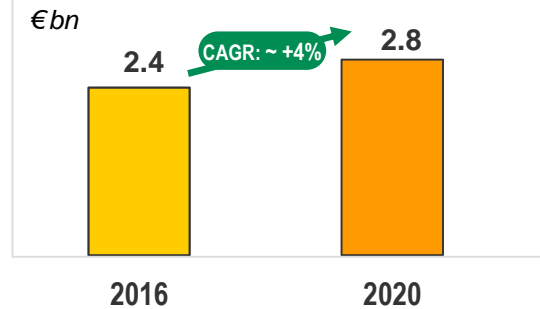


A
PROFITABLE &
RISK-BALANCED
COMPANY



A
HUMAN CENTRIC &
INNOVATIVE
COMPANY

> Revenues⁽¹⁾



- Expand and optimise the footprint to maintain a solid development trend
 - Further expand partnerships
 - Develop Home and Auto business lines through key dedicated partnerships
 - Strengthen presence in growing areas (Asia, Latin America, EMEA) to capture new opportunities
 - Accelerate the development of Protection activities
- Improve operating efficiency
 - Streamline the corporate structure
 - Optimise locations and activity portfolio
 - Enhance and industrialise IT platforms
 - Maintain investments in automation and data management

> Financial targets⁽¹⁾

	2016	2020
Revenues	€2.4bn	~ +4% ⁽²⁾
Allocated Equity	€7.5bn	~ +4% ⁽²⁾
Pre-tax RONE	18.3%	> 18%

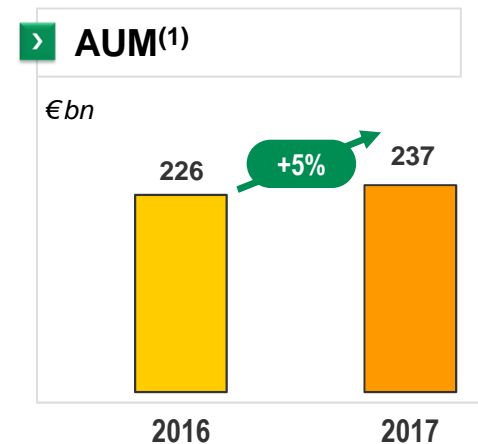
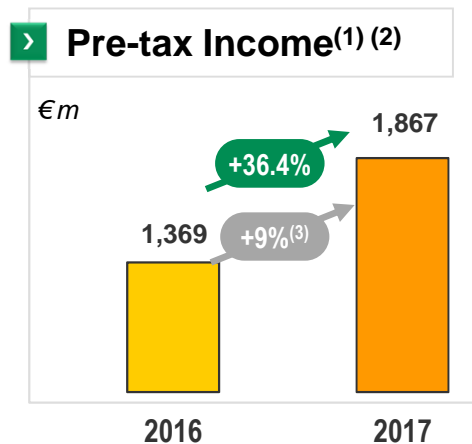
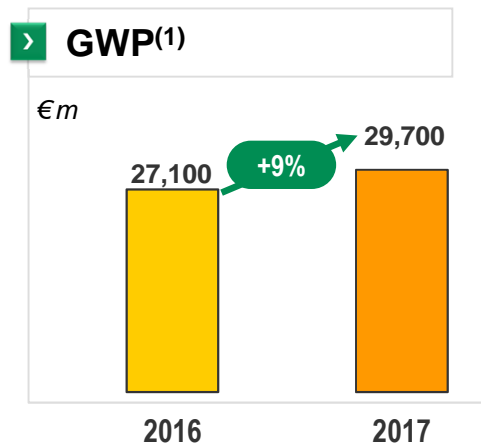


Revenue growth driven by partnerships and diversification

⁽¹⁾ Contribution to the BNP Paribas Group Financial Statements, ⁽²⁾ CAGR

First Steps of the Cardif Forward Plan Implementation

- 2 main transactions in line with the diversifying strategy in protection
 - In France, strategic alliance with **Matmut** through the creation of a joint venture in P&C, **Cardif IARD**
 - In Italy, signature of an agreement with Ageas to take full ownership of **Cargeas Assicurazioni**
- Success of the IPO of SBI Life: 4% out of the 26% initially held by BNP Paribas Cardif was sold resulting in a capital gain on equity of 326 million Euros⁽¹⁾
- Strong operational results as of 2017 (insurance business line contribution to the BNP Paribas Group consolidated accounts) with a 9% increase in Pre-tax income



⁽¹⁾ Contribution to BNP Paribas Group Financial Statements; ⁽²⁾ Pre-Tax Income excluding transformation costs as published by the BNP Paribas Group on 4 February 2018; ⁽³⁾ at constant scope and exchange rates

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BNP Paribas Cardif: Risk Management

> Enterprise Risk Management Culture

- The management of BNP Paribas Cardif considers that effective **Risk Management & Internal Control capabilities are a key competitive advantage and benefit to:**
 - Policyholders who are provided with adequate protection
 - Employees who are provided with an appropriate organization to develop the Company
 - Shareholders who are interested in the solvency and the performance of the Company

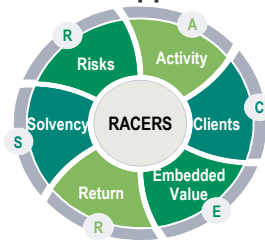
> Enterprise Risk Management Governance

- ERM is aligned with the BNP Paribas Risk Management & Internal Control organization and the Corporate Risk & Internal Control governance is built up around **7 Risk Management & Internal Control principles:**



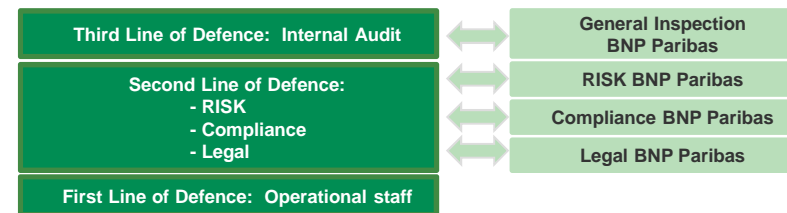
> Risk & Management of BNP Paribas Cardif

- Management of BNP Paribas Cardif business lines is driven by **“RACERS” matrix to adapt our Risk Profile and Risk Appetite**



- General Fund
- Unit-linked
- Creditor Insurance
- Other Protection

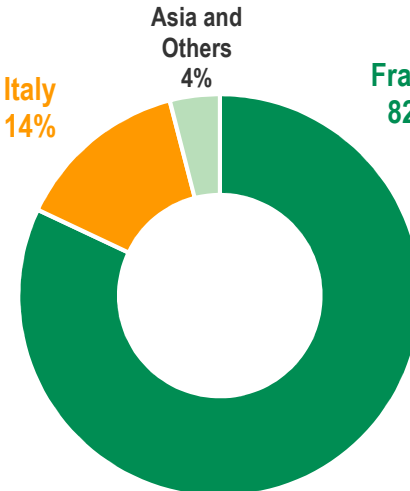
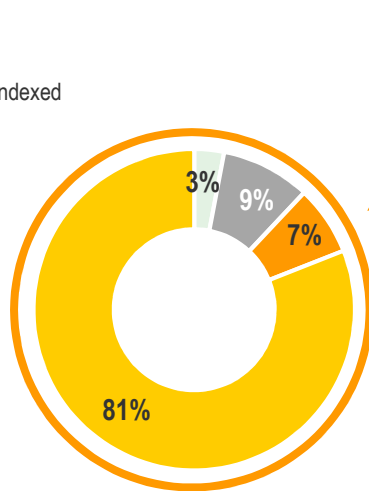
- BNP Paribas Cardif CRO has a hierarchical link with the CEO of BNP Paribas Cardif and with the CRO of BNP Paribas Group (through the IFS CRO), thus guaranteeing independence



BNP Paribas Cardif: General Funds Asset Allocation

General Fund Assets - €154bn at market value (31 Dec 2017)

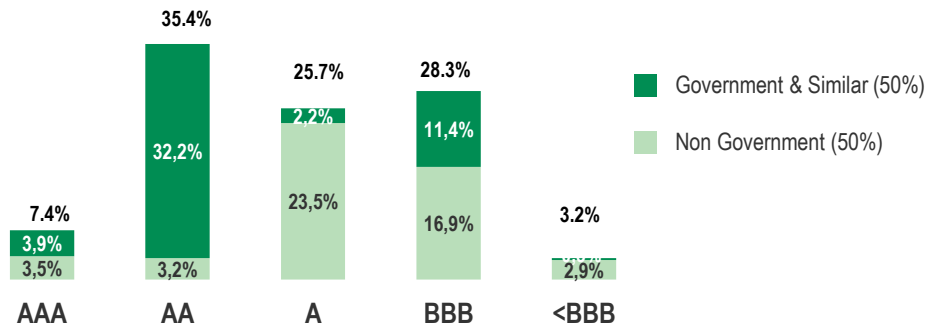
- Fixed rates
- Equities
- Variable and Indexed rates
- Other



- Fixed rates
- Equities
- Real Estate
- Variable and Indexed rates
- Other

General Fund France Fixed rates ⁽¹⁾

2017 Rating of Bond Portfolio by Issuer



2017 Government Bonds Exposure by Issuing Country

Issuing Country	Rating	%
France	AA	52.3
Italy	BBB	12.8
Spain	BBB+	8.1
Belgium	AA-	7.7
Austria	AA+	4.1
Netherlands	AAA	3.1
Germany	AAA	2.2
Ireland	A	2.1
Portugal	BB+	0.2
Other	-	7.4
Government Bond exposure		100.0%

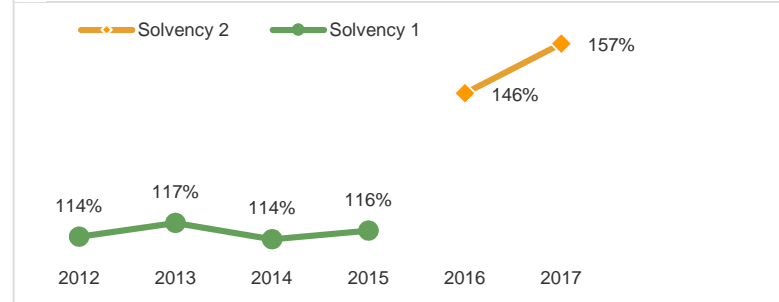
⁽¹⁾ Example of Cardif Assurance Vie General Fund at net book value as at 31/12/2017

BNP Paribas Cardif: Solvency Position

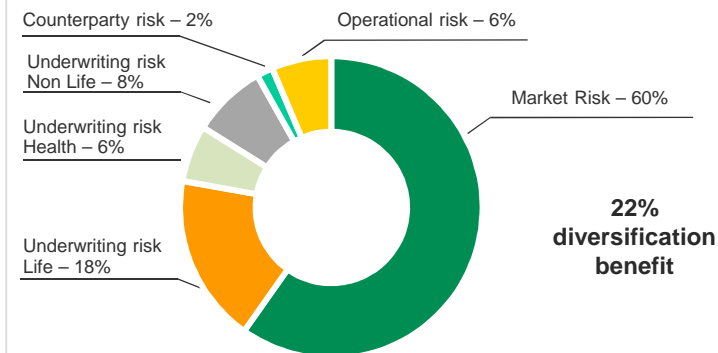
> BNP Paribas Cardif Regulatory Capital under S2 (Dec17) - €m

	Total
Eligible own funds to meet the solvency capital requirement	12,061
Eligible own funds to meet the minimum capital requirement	9,036
Solvency capital requirement (SCR)	7,696
Group minimum capital requirement	3,548
Ratio of Eligible own funds to the solvency capital requirement	157%
Ratio of Eligible own funds to the group minimum capital requirement	255%

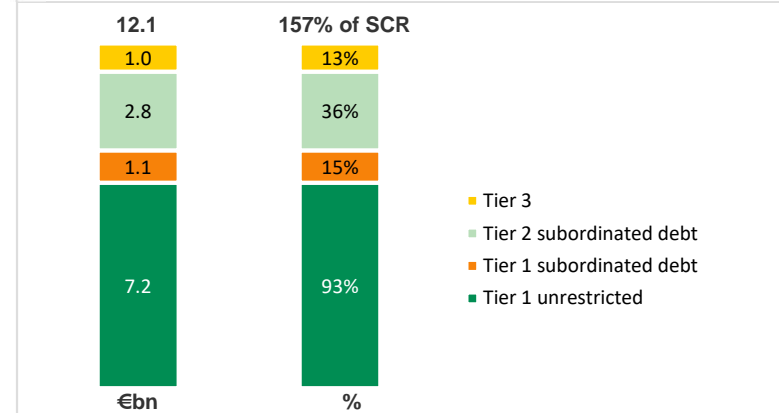
> BNP Paribas Cardif Solvency Ratio



> 2017 SCR Breakdown (before diversification benefit)



> 2017 BNP Paribas Cardif Solvency Own Funds



Company Overview

Insurance Business Line within BNP Paribas

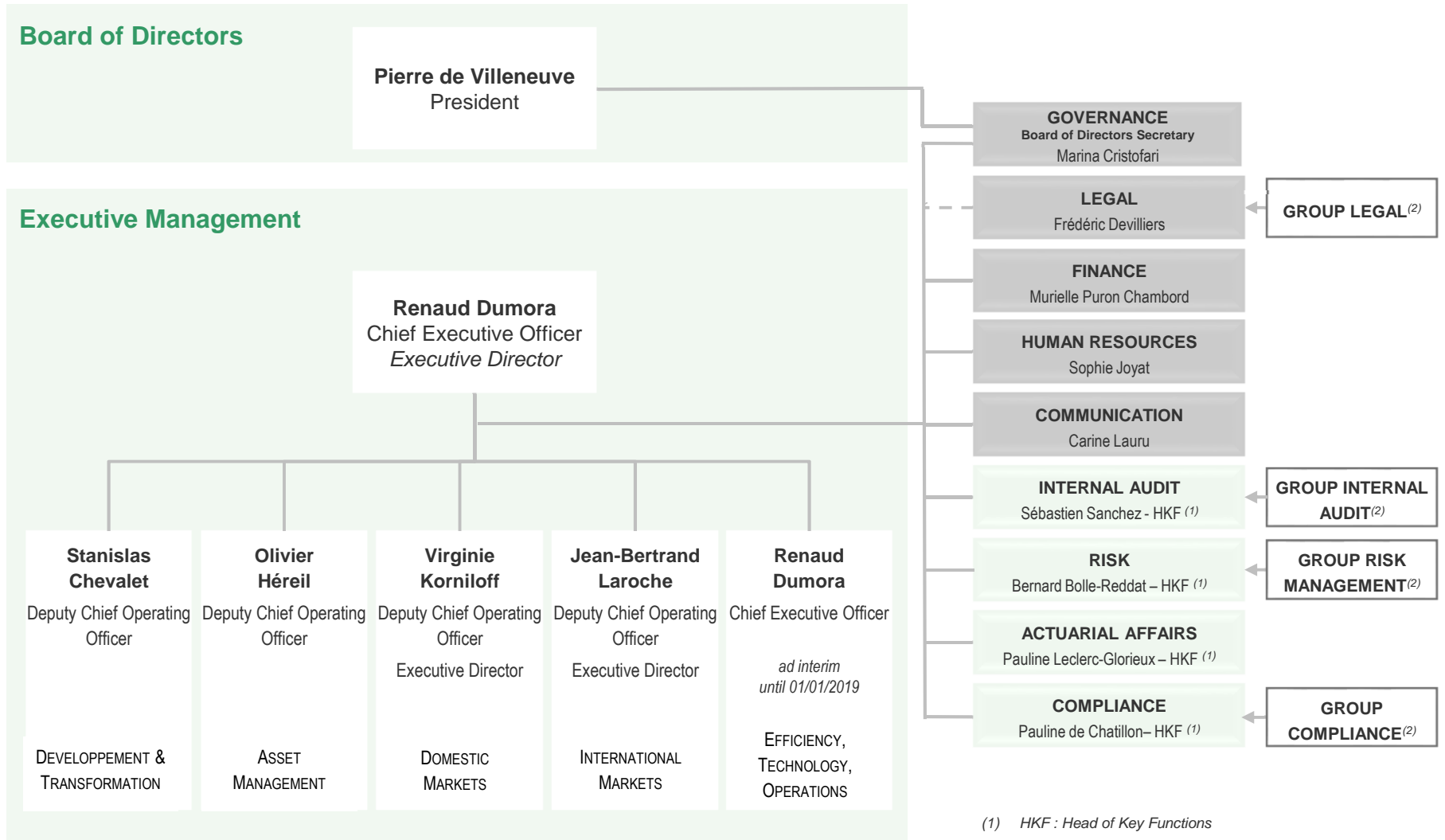
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BNP Paribas Cardif: Governance



(1) HKF : Head of Key Functions

(2) Group BNP Paribas Functions

BNP Paribas Cardif: Executive Committee



Renaud DUMORA

Chief Executive Officer



Stanislas CHEVALET

Deputy Chief Operating Officer,
Transformation & Development



Renaud DUMORA

Head of Efficiency, Technology
& Operations
ad interim until 01/01/19



Olivier HÉREIL

Deputy Chief Operating Officer,
Asset Management



Virginie KORNILOFF

Deputy Chief Operating Officer,
Domestic Markets



Jean-Bertrand LAROCHE

Deputy Chief Operating Officer,
International Markets



Fabrice BAGNE

Head of France



Bernard BOLLE-REDDAT

Chief
Risk Officer



Pauline de CHATILLON

Chief Compliance
Officer



Isabella FUMAGALLI

Head of Italy



Sophie JOYAT

Head of Human
Resources



Carine LAURU

Head of
Communications



Pauline LECLERC-GLORIEUX

Chief Actuary



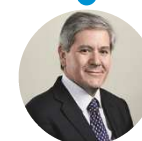
Murielle PURON CHAMBORD

Chief Financial Officer



Vincent SUSSFELD

Head of Asia



Francisco VALENZUELA

Head of Latin America

BNP Paribas Cardif: Board of Directors⁽¹⁾



Pierre de Villeneuve
Chairman

Marie-Claire Capobianco
Member of the BNP Paribas
Executive Committee
Head of French Retail Banking

Véronique Cotten
Head of Strategic Management
Control, BNP Paribas Finance Group

Renaud Dumora
Member of the BNP Paribas
Executive Committee
CEO, BNP Paribas Cardif

Jacques d'Estais
Member of the BNP Paribas Executive
Committee
Deputy Chief Operating Officer,
International Financial Services

Elisabeth Gehringer
Certified Actuary

Aude Gaudin
Chief of Staff,
International Finance Services

Olivier Le Grand
Chairman of the Giacometti Foundation
Treasurer of the GoodPlanet Foundation

Jean-Hervé Lorenzi
Vice-President of UBS Holding France

Yves Martrenchar
Member of the BNP Paribas Executive
Committee
Head of BNP Paribas Group Human
Resources

Jacques Mistral
Senior Fellow Brookings Institution,
Special Advisor IFR

Catherine Olivier
Deputy Group General Counsel

Jean-François Pfister
Head of Risk, BNP Paribas
International Financial Services

Marie-Hélène Sartorius
Company Director

Paul Villemagne
Honorary Chairman

(1) As of 31 December 2017

Cardif Forward: Strategic Priorities



Focus on customers and partners



- ▶ Develop **personalised insurance solutions** and re-invent partner offer to maintain attractiveness
- ▶ Create products and services that are **widely accessible**
- ▶ Redesign and digitalise the **customer journeys**
- ▶ Invest on **partner and customer satisfaction** monitoring process to improve service satisfaction



Awarded by the validation and certification company TÜV Saarland, for the clarity of our Credit Protection Insurance contracts



Enhance Cardif as a growth engine



- ▶ Reinforce **areas of strength** by increasing BNP Paribas Cardif's share on **creditor protection insurance (CPI) and protection markets**, and continuing to be a referent player in savings
- ▶ Create **home and motor insurance offers** in key markets, in Europe and in Latin America, and develop BNP Paribas Cardif's share in P&C market through cross-selling
- ▶ Adapt country and industry footprint to **capture additional growth** (Asia and Latin America)

Build a digital and data-driven company, largely automated



- ▶ Accelerate **digital transformation** and **data usage** to offer a **better service to all** (real-time customer interactions and claim services based on data analytics)
- ▶ Reduce the **carbon footprint** of our operations
- ▶ Invest in new technologies to become an **more prevention-oriented** insurer through innovation and FinTechs
- ▶ Continue to invest to **create an agile IT platform**



What could the world's best analysts find in your data?



Combine profitability and risk balance



- ▶ **Optimise the operational footprint** focusing on efficiency and automation
- ▶ Rationalise and transform the **Corporate structure**
- ▶ Adapt the **risk profile and financial practices** for the future based on new regulations and frameworks



Remain a Human centric & innovative company



- ▶ Make **BNP Paribas Cardif a compelling place to work** to attract and retain talents especially Y and Z generations
- ▶ Promote **diversity and inclusion** and combat discrimination
- ▶ **Work differently** to adapt ways of working to changing employees' expectations
- ▶ Develop "open innovation" with **start-up partnerships** to capture disruptive ideas and solutions for partners and clients



BNP Paribas Cardif in 2020 within BNP Paribas Group

