

PRESS RELEASE

Contribution to BNP Paribas Group 2019 results

BNP Paribas Cardif posts record 2019 pre-tax net profit, tripled in ten years

- World leader in bancassurance partnerships¹ and creditor insurance²
- Record pre-tax net profit³ for 2019: 1.7 billion euros, up 16% compared with 2018
- Continued deployment of 2020 strategic plan centered on digital transformation
- 500 distributor partners with whom a hundred contracts were signed or renewed in 2019
- Over half a million insurance policies marketed by Orange

Sharp rise in net profit

- BNP Paribas Cardif continued its growth, posting **record pre-tax net profit of 1.7 billion euros** (excluding exceptional items), **an increase of 16% vs. 2018**. At constant scope and exchange rates, pre-tax net profit rose 19.2%. BNP Paribas Cardif has tripled its net profit in the space of a decade⁴.
- **Gross written premiums** for the insurance business of the BNP Paribas Group totalled **29.8 billion euros** at year-end 2019, a decline of 6%⁵ compared with 2018, a record year for savings inflows in France. The savings segment had gross written premiums of 22.5 billion euros (-9%⁵ vs. 2018), while the protection insurance segment accounted for 7.3 billion euros (+3%⁵ compared with the previous year). International business development was sustained, led by Latin America and Asia, excluding India.
- At 31 December 2019, BNP Paribas Cardif had **260 billion euros in assets under management**, an increase of 9% compared with 2018. In France, **some 98% of directly held assets in the general fund have been evaluated against environmental, social and governance (ESG) criteria**, one of the highest proportions in the market. The energy transition figures among the priorities of BNP Paribas Cardif's CSR strategy, and at the end of 2019 the insurer already counted **3.7 billion euros in green investments**. It also holds **6.7 billion euros** invested in unit-linked assets labelled as "socially responsible investments", **an increase of 73%** compared with 2018. In addition, BNP Paribas Cardif is committed to **providing financing for the real economy** by supporting businesses with a variety of structures in diverse sectors, from corporations and startups to establishments active in the social and solidarity economy. These responsible investments drive economic growth, promote innovation and the development of new technologies and create jobs.

BNP Paribas Cardif **domestic markets** (France, Italy and Luxembourg) had gross written premiums of **19.7 billion euros** in 2019 (-10%⁵ vs. 2018) after an exceptional year in 2018.

In **international markets** (Asia, Latin America and Europe, excluding domestic markets), the insurer recorded gross written premiums of **10.1 billion euros**, an increase of 1.5%⁵ compared with 2018:

- **Asia** had gross written premiums of **4.9 billion euros** in 2019, stable compared with the previous year. In the protection insurance segment, Asia recorded gross written premiums of 0.9 billion euros, up 3%⁵ compared with end 2018 (excluding India) thanks to business in Japan. In the savings segment, Asia posted 4 billion euros in inflows, an increase of 17%⁵ excluding changes in scope following the deconsolidation of India⁶. Taiwan accounted for 3 billion euros in new cash, up 13%⁵ compared with 2018.
- **Latin America** continued its growth momentum in protection insurance with gross written premiums reaching **1.7 billion euros** (+5%⁵ vs. 2018). This increase was due in particular to Brazil (+10%⁵ vs. 2018), Colombia (+20%⁵ vs. 2018) – thanks to the development of creditor insurance – Mexico (+27%⁵ vs. 2018) and Peru (+44%⁵ vs. 2018).
- **Europe** (excluding domestic markets) **and emerging markets** recorded a 5%⁵ rise in gross written premiums compared with 2018, reaching **3.5 billion euros**.

Nearly a hundred partnerships signed or renewed in 2019

A recognized expert in bancassurance partnerships¹, BNP Paribas Cardif markets its products through **500 partners** around the world in diverse sectors. With a presence in **34 countries**, the insurer generates **over half of its gross written premiums (58%) in international markets**.

In 2019, BNP Paribas Cardif generated **nearly half of its gross written premiums** (48%, or 14.3 billion euros) through partners outside the BNP Paribas Group. Of the 7.3 billion euros in total protection insurance gross written premiums, 70% (5.1 billion euros) comes from business with external partners. These partners include banks and financial institutions, along with automobile, retail and telecoms industry leaders, as well as financial advisors and brokers.

Building on this experience, the insurer signed or renewed nearly **one hundred partnerships in 2019**. Through these agreements it seized new development opportunities in the three major geographies where it deploys its expertise: Asia, Latin America and Europe. These new partnerships, which promise fresh growth, include several significant long-term agreements.

- **In France**, the year was marked by the **success of an insurance offer marketed by Orange**. In July 2018, BNP Paribas Cardif and Orange signed a major partnership in France to insure mobile devices against damage or theft risks. In just a year and a half, **more than 600,000 Orange clients** have subscribed the “Assurances 24h Orange” cover to protect their smartphone or tablet. This significant partnership is aligned with BNP Paribas Cardif France’s strategic plan to diversify its business. Following several partnerships with major retail and electronics chains, this collaboration with one of the world’s leading telecommunications operators adds a new dimension to the affinity insurance segment with an offer built around expertise and digitization. Last year also saw continued development of property and casualty insurance marketed via the BNP Paribas branch banking network. **Cardif IARD, a joint venture between BNP Paribas Cardif and Matmut**, saw 10% growth in gross earned premiums in 2019 versus 2018.
- **Europe**: BNP Paribas Cardif provided its recognized analytics know-how for **Sainsbury’s Bank**, a subsidiary of the United Kingdom’s leading retailer. Thanks in particular to its expertise in dynamic pricing, the insurer won the call for tenders and launched a digitized pet insurance offer for the bank’s clients.



The insurer
for a changing
world

- **Latin America:** BNP Paribas Cardif signed a **15-year** strategic alliance with **Scotiabank**, an international Canadian bank and a leading provider of financial services in the Americas. The insurer will provide access to protection insurance for Scotiabank's **nine million clients** in Latin America. Its protection and insurance solutions will be developed for Scotiabank clients in Chile, Colombia, Mexico and Peru.
- **Asia:** BNP Paribas Cardif renewed long-term agreements with Taiwan banks **Hua Nan Bank** and **Yuanta Bank**, continuing to expand its **bancassurance network in Asia**. In Korea, BNP Paribas Cardif also developed an extended warranty offer for **KIA** vehicles in collaboration with **Hyundai Fire & Marine**, the casualty insurance company of the Hyundai group.

BNP Paribas Cardif, a leader in wealth management in France

A leader in wealth management in France, BNP Paribas Cardif is the **third-largest life insurer in the country**⁷, operating via a general fund which totalled **123 billion euros in assets under management at 31 December 2019**. This includes 10 billion euros managed via business with financial advisors, and 13 billion euros via AEP, a commercial brand of BNP Paribas Cardif which designs and markets investment savings solutions for high net worth clients of private banks, investment management firms and brokerage platforms.

In France, BNP Paribas Cardif recorded gross written premiums of **12.6 billion euros**. Gross written premiums from **savings** totalled **11 billion euros** (-15% vs. 2018), following an exceptional year in 2018, when gross written premiums surged 15% compared with 2017. In an environment marked by low and even negative interest rates, BNP Paribas Cardif provides its clients with long-term support with access to products matched to their profiles and individual situations. In addition to euro funds, the insurer develops alternative investment solutions and is expanding its offering so that all savers can benefit from products and investment vehicles aligned with their needs and objectives. For clients conversant with investment alternatives who seek meaningful savings options, BNP Paribas Cardif offers **more than 70 unit-linked products with the socially responsible investment label**, as well as **private equity solutions**. In 2019, inflows in unit-linked contracts represented 34% of total inflows (compared with 30% in 2018).

In late 2019, BNP Paribas Cardif also signed an innovative partnership with **Birdee**, a subsidiary of Gambit Financial Solutions, which introduced its **first life insurance product in France**. Designed for individuals seeking to diversify their savings with online solutions, "Birdee Vie" is an online life insurance offer that uses the Gambit Financial Solutions robo advisor. Digitization of this new savings offer makes it possible to propose quality asset allocation advice from an initial investment of 1,000 euros.

BNP Paribas Cardif has seized opportunities introduced by the **PACTE law** in France as well. Leveraging its extensive distribution network in France – BNP Paribas Retail Banking, BNP Paribas Private Bank, partner investment advisors, brokers and others – the insurer adapted its offer to meet client needs, working closely with distribution partners. It now offers **PER pension savings plans** via its different distribution channels in France, **starting at 30 euros**⁸. The product designed for financial advisors proposes a choice of **over 900 different investment vehicles**, one of the most diversified ranges in the market at the end of 2019. BNP Paribas Cardif has thus confirmed its position as **a major and longstanding player in retirement savings** with an offer that spans individual and collective retirement savings and employee savings plans⁹.

BNP Paribas Cardif **protection**¹⁰ gross written premiums in France rose 3% vs. 2018 to **1.6 billion euros**. This increase came primarily from growth in creditor insurance, where BNP Paribas Cardif is **the world leader**². The company introduced a new offer branded **Cardif Libertés Emprunteur**. Ten years ago it was **one of the first insurers in France to facilitate access to creditor insurance for people suffering from certain pathologies** such as asthma, paraplegia or coronary diseases. Cardif Libertés Emprunteur now offers cover and adapted rate scales for **four additional pathologies**¹¹, making insurance more accessible. To facilitate the client experience, BNP Paribas Cardif also introduced the **“Passeport Cardif Libertés Emprunteur”, a first in France**. This solution lets clients anticipate mortgage insurance formalities before they begin looking for a property or obtain a bank loan by receiving an insurance proposal that remains valid for 12 months. The 100% digital subscription process is designed to provide an immediate decision online for **nine out of ten clients**. This solution has proved a solid commercial success with a **58% increase in the number of Cardif Libertés Emprunteur policies subscribed in 2019**.



“The major developments that marked 2019 confirm the success of our partnership-based business model. Our robust foundations, the know-how of our teams in savings and protection and our global expertise in partnerships have enabled us to triple our pre-tax net profit in ten years,” stated Renaud Dumora, Chief Executive Officer of BNP Paribas Cardif.

An infographic showing BNP Paribas Cardif 2019 key figures is available on bnpparibascardif.com

About BNP Paribas Cardif

The world leader in bancassurance partnerships and creditor insurance², BNP Paribas Cardif plays an essential role in the lives of its policyholder clients, providing them with savings and protection solutions that let them realize their goals while protecting themselves from unforeseen events. As a committed insurer, BNP Paribas Cardif works to have a positive impact on society and to make insurance more accessible. In a world that has been deeply transformed by the emergence of new uses and lifestyles, the company, a subsidiary of BNP Paribas, has a unique business model anchored in partnerships. It co-creates solutions with almost 500 partner distributors in a variety of sectors (including banks and financial institutions, automotive sector companies, retailers, telecommunications companies, energy companies among others), as well as financial advisors and brokers who market the products to their customers. With a presence in 34 countries and strong positions in three regions – Europe, Asia and Latin America – BNP Paribas Cardif is a global specialist in personal insurance and a major contributor to financing for the real economy. With nearly 8,000 employees worldwide, BNP Paribas Cardif had gross written premiums of €29.8 billion in 2019.

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¹ Finaccord 2018

² Source : Finaccord

³ Excluding exceptional items

⁴ 2009 pre-tax net profit: 546 million euros

⁵ At constant exchange rates

⁶ Scope impact following deconsolidation of SBI Life

⁷ L'Argus de l'Assurance, June 2019

⁸ BNP Paribas Multiplacements PER (marketed by BNP Paribas retail branches) and BNP Paribas Multiplacements Privilège PER (for clients of BNP Paribas Banque Privée France) are available from 30 euros. Cardif Essentiel Retraite (distributed by financial advisors and brokers) is available from 1,500 euros.

⁹ Via its joint venture BNP Paribas Epargne & Retraite Entreprises

¹⁰ The protection segment covers creditor insurance, personal protection, property and casualty insurance and extended warranties for motor vehicles.

¹¹ Parkinson's disease, obesity, gestational diabetes, psychological disorders related to a traumatic event (aggression, separation or divorce, spousal violence, terrorist attack, etc.)