

# FULL YEAR RESULTS 2020

MAX JADOT, CEO

BRUSSELS, 12 MARCH 2021



**BNP PARIBAS**  
**FORTIS**

The bank for a changing world



# FULL YEAR RESULTS 2020

## TODAY'S AGENDA

**PART 1**

Introduction

**PART 2**

Financials

**PART 3**

#PositiveBanking

**PART 4**

Conclusion





PART1

# INTRODUCTION



## IN 2020, A YEAR MARKED BY THE PANDEMIC, **OUR CUSTOMERS** HAD CLEAR EXPECTATIONS

### Support me during the crisis

- > Primary focus on **Moratoria Covid-19** and **new credits**



### Stay in touch with me

- > Daily banking, remote advice, cashless solutions, direct sales



### Bring me solutions for a more sustainable Belgian society

- > **Transition to better society** & ensure long-term **resilience** of the BE Economy



Through our long-term presence and investment in Belgium, and our strong liquidity & solvency position, and the commitment of our staff, the bank was and is well positioned to deliver (upon customer expectations).



PART 2

# FINANCIALS



## > Perimeter

Repartition

Consolidated level

Belgian Retail Banking level

Financing the Belgian economy

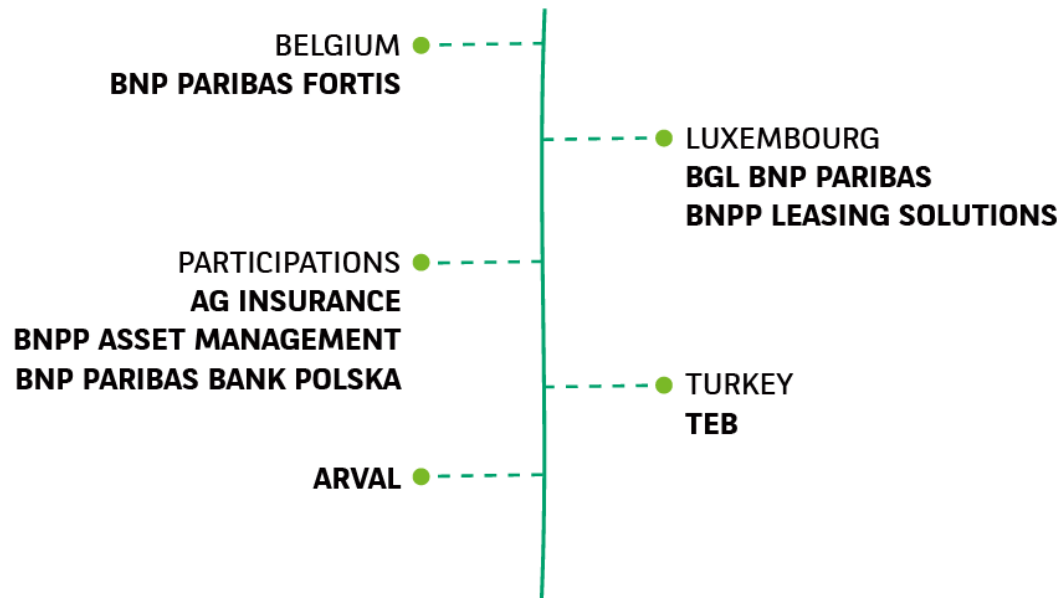
Cost Income Ratio

Financial structure

## Our consolidated perimeter



**BNP PARIBAS**  
**FORTIS**





Perimeter

> Repartition

Consolidated level

Belgian Retail Banking level

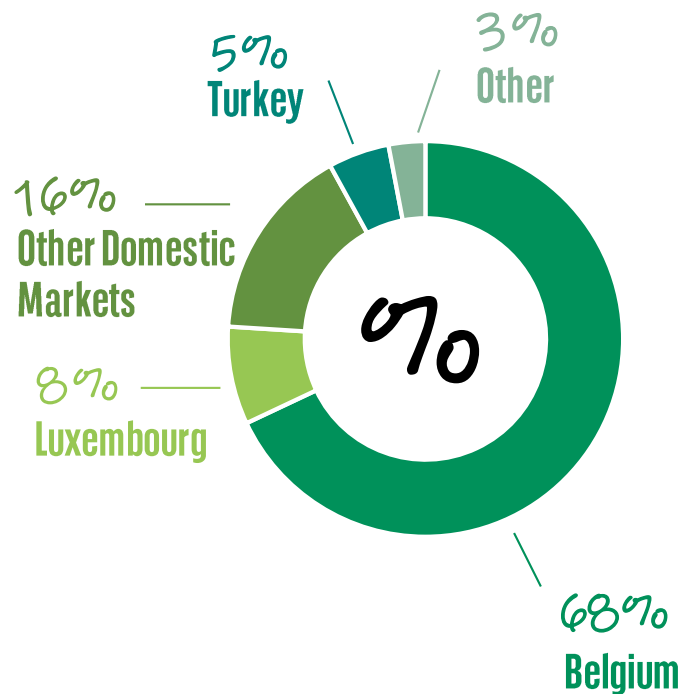
Financing the Belgian economy

Cost Income Ratio

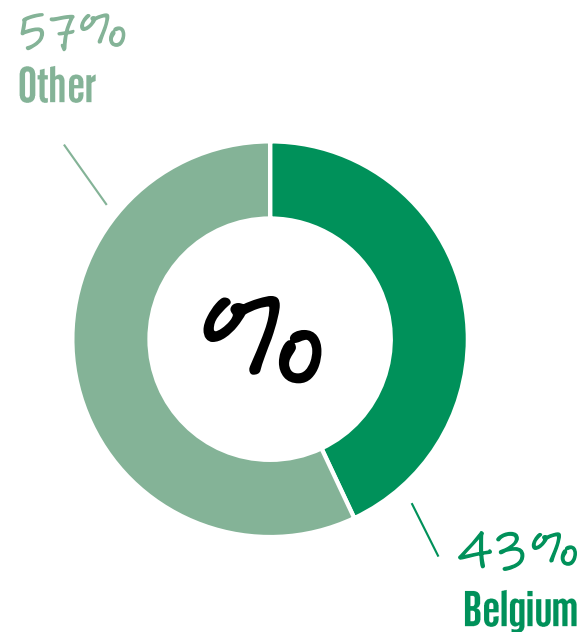
Financial structure

## Our repartition

### Balance Sheet



### Net Profit





## Robust business development at consolidated level

Perimeter

Repartition

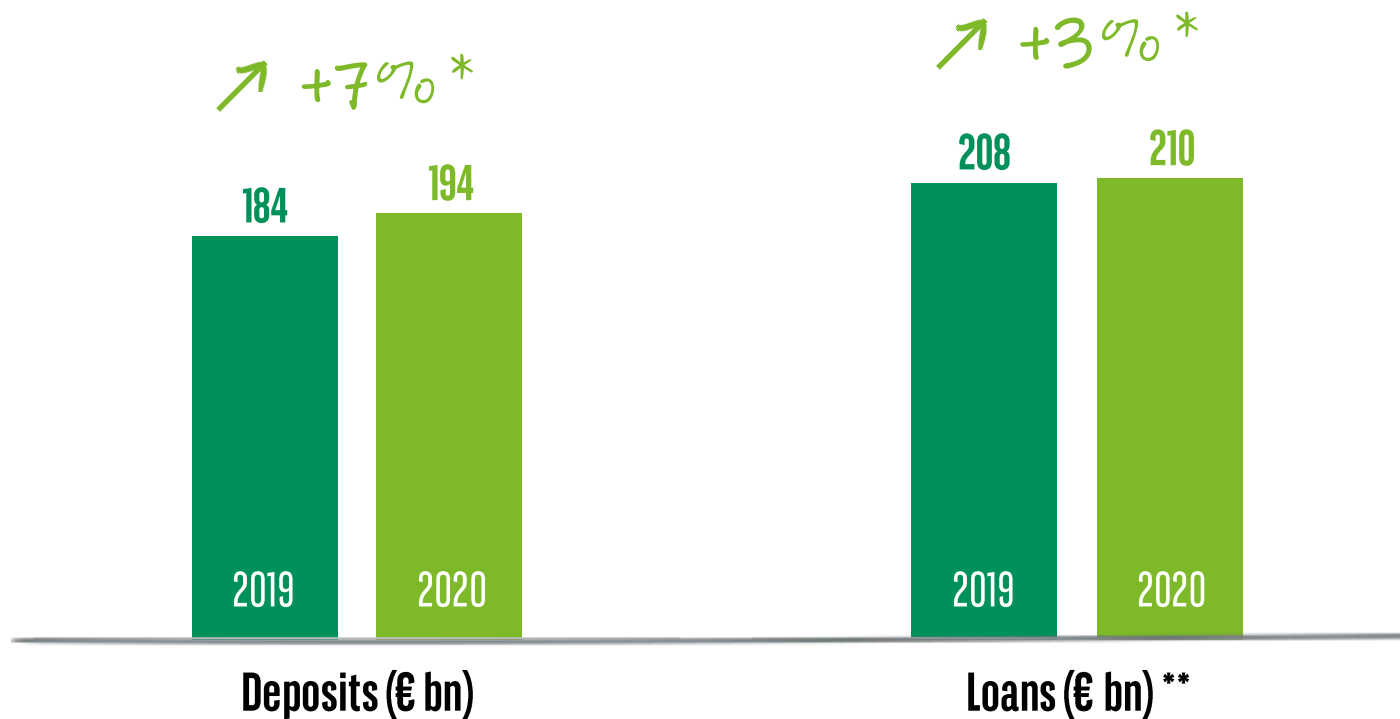
> Consolidated level

Belgian Retail Banking level

Financing the Belgian economy

Cost Income Ratio

Financial structure



\* Excluding retreated items (RI), i.e. at constant scope, constant exchange rates and excluding exceptional

\*\* Including the property, plant and equipment (PPE) of Arval





## Resilient results **at consolidated level**

In EUR m	2019	2020
<b>Revenues</b>	<b>8,036</b>	<b>7,893</b>
Operating Expenses	(4,754)	(4,542)
<b>Gross Operating Income</b>	<b>3,282</b>	<b>3,351</b>
Cost of Risk	(454)	(676)
<b>Operating Income</b>	<b>2,828</b>	<b>2,675</b>
Associates Income	254	322
Other Non-Operating Items	156	(114)
Pre-Tax Income	3,238	2,882
<b>Net Income Attributable to Equity Holders</b>	<b>2,212</b>	<b>1,870</b>

Perimeter

Repartition

&gt; Consolidated level

Belgian Retail Banking level

Financing the Belgian economy

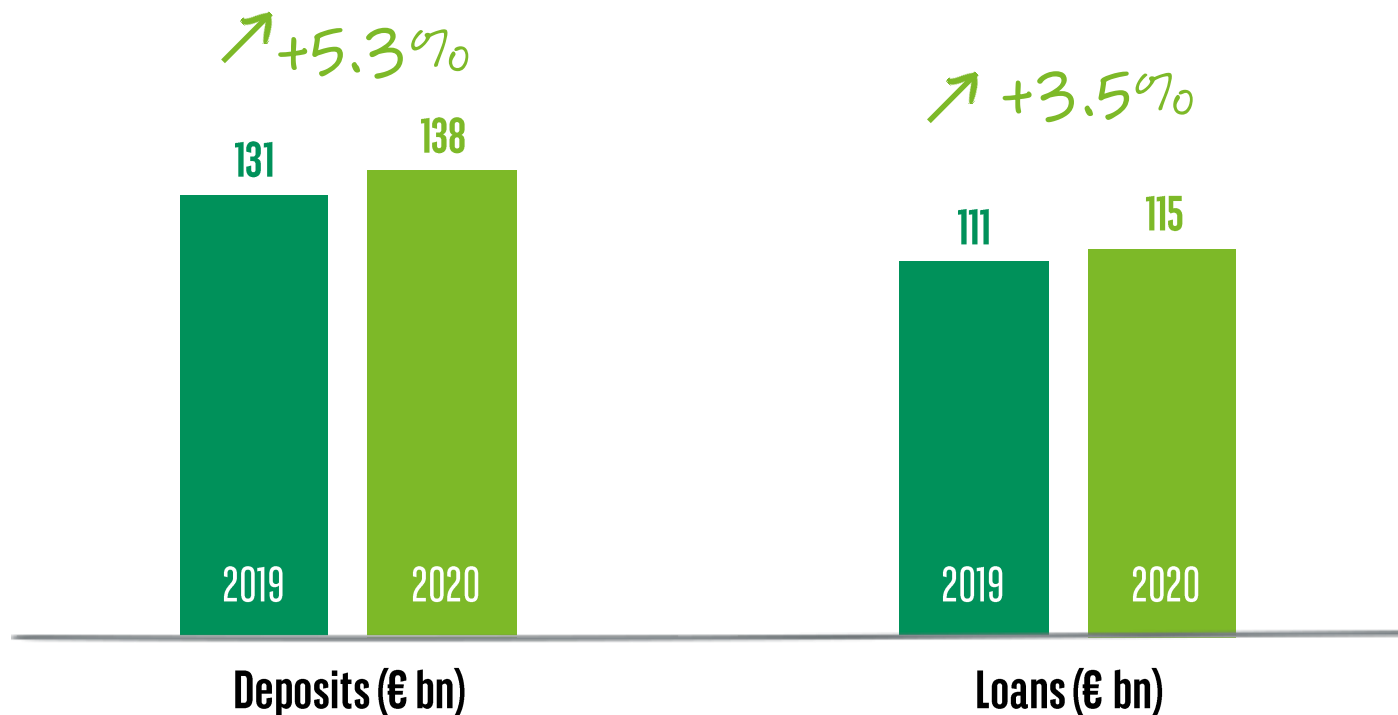
Cost Income Ratio

Financial structure



## Continued growth at Belgian Retail Banking level

- Perimeter
- Repartition
- Consolidated level
- > Belgian Retail Banking level
- Financing the Belgian economy
- Cost Income Ratio
- Financial structure





## Resilient results at Belgian Retail Banking level

In EUR m	2019	2020
<b>Revenues</b>	<b>3,524</b>	<b>3,432</b>
Operating Expenses	(2,480)	(2,408)
<b>Gross Operating Income</b>	<b>1,044</b>	<b>1,024</b>
Cost of Risk	(55)	(230)
<b>Operating Income</b>	<b>989</b>	<b>794</b>
Non-Operating Items	10	31
<b>Pre-Tax Income</b>	<b>999</b>	<b>826</b>

Perimeter

Repartition

Consolidated level

&gt; Belgian Retail Banking level

Financing the Belgian economy

Cost Income Ratio

Financial structure



## Strong continued commitment to the Belgian economy

Perimeter

Repartition

Consolidated level

Belgian Retail Banking level

> Financing the Belgian economy

Cost Income Ratio

Financial structure

EUR  
130.1  
bn

+ EUR 3.9bn  
vs end 2019

EUR 43.1bn  
Corporates & local  
governments  
(including CIB BE)

EUR 19.4bn  
Small businesses

EUR 5.8bn  
Arval & Leasing

EUR 53.5bn  
Mortgages

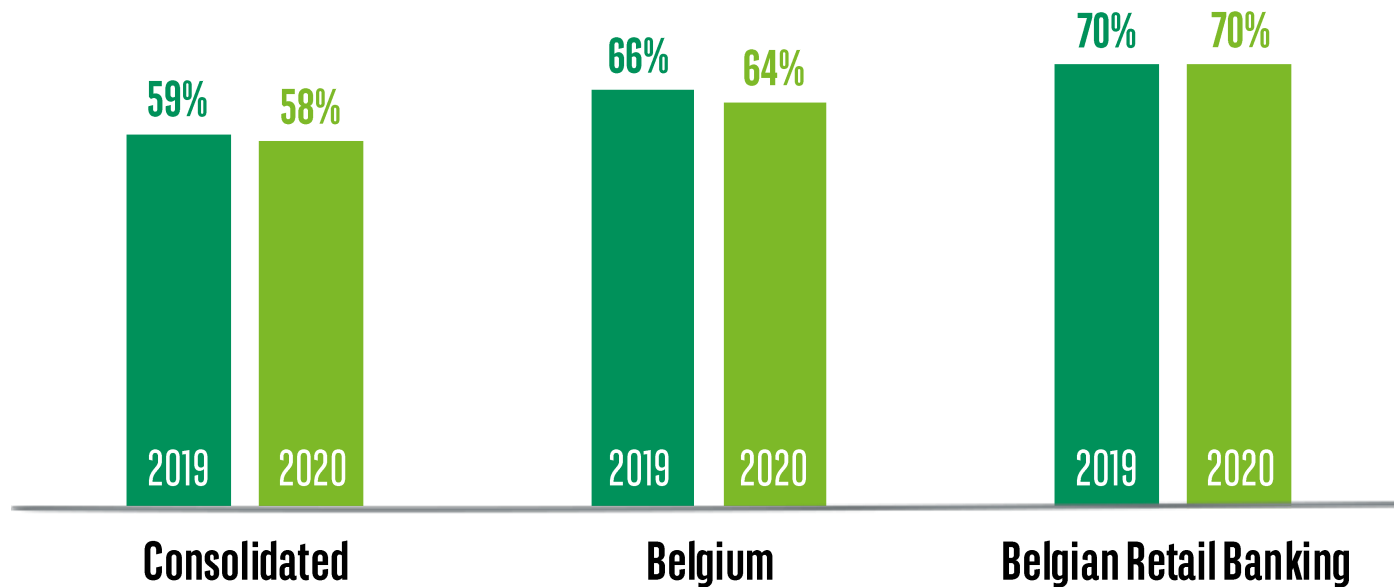
EUR 8.2bn  
Consumer lending  
(including Alpha Credit)

EUR  
bn



## Stable operational efficiency

Perimeter  
Repartition  
Consolidated level  
Belgian Retail Banking level  
Financing the Belgian economy  
> Cost Income Ratio  
Financial structure





## Strong financial structure

Perimeter

Repartition

Consolidated level

Belgian Retail Banking level

Financing the Belgian economy

Cost Income Ratio

> Financial structure

### Solvency

15.9%

Fully loaded CET1

### Liquidity

191%

LCR  
(non-consolidated basis)



PART 3

# #POSITIVEBANKING



> Our purpose

Overcoming the crisis

Focus on 3 strategic pillars

## Our purpose

Together we commit to a better society,  
as the trusted financial companion,  
at all moments of our client's life.





## A commitment alongside our customers

Our purpose

Overcoming the crisis

> Customers

Families & Entrepreneurs

Professionals

Working capital

Focus on 3 strategic pillars

①

**Branches**

100%

100% of our branches remained open

②

**Calls**

+22%

Almost 3.3 million incoming calls

③

**Videoconference**

+60%

Up to nearly 4,200 videoconference per month

④

**Click-to-call**

+84%

Almost 675k calls recorded

Staff operating from home: from 2K on average to 8K



## A commitment alongside families & entrepreneurs

Our purpose

Overcoming the crisis

Customers

> Families & Entrepreneurs

Professionals

Working capital

Focus on 3 strategic pillars

YEAR 2020

**Mortgage loans**

#45,500

Moratoria  
April to December 2020

4bn

Amount Mortgage loans (EUR)

**Professional loans**

#57,500

Moratoria  
April to December 2020

9.2bn

Amount professional loans (EUR)

**New money with  
state guarantee**

#4,700

April to December 2020

965m

(EUR)



## A commitment alongside families & entrepreneurs

Our purpose

Overcoming the crisis

Customers

> Families & Entrepreneurs

Professionals

Working capital

Focus on 3 strategic pillars

MONTH END FEBRUARY 2021

**Mortgage loans**

#4,800

Still at end February 2021  
Moratoria

400m

Amount Mortgage loans (EUR)

**Professional loans**

#8,000

Still at end February 2021  
Moratoria

1.3bn

Amount professional loans (EUR)

**New money with  
state guarantee**

#4,950

At end February 2021

> 1bn

(EUR)



## A commitment alongside our **professionals**: New credit production

Our purpose

Overcoming the crisis

Customers

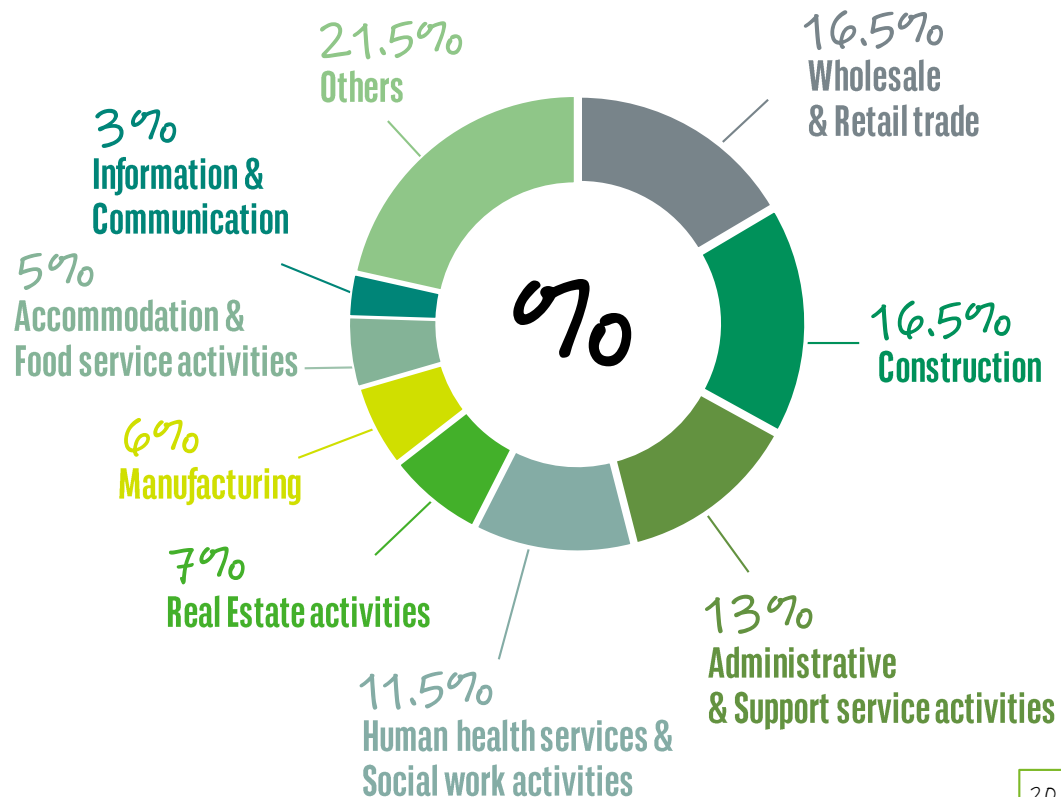
Families & Entrepreneurs

> Professionals

Working capital

Focus on 3 strategic pillars

EUR  
17  
bn





## Bank solutions for working capital

Our purpose

Overcoming the crisis

Customers

Families & Entrepreneurs

Professionals

> Working capital

Focus on 3 strategic pillars

### Factoring

350,000

Counterparts

- > # clients contacts: + 10% and fully digitized
- > Client base increased by 6%
- > 9 million assigned invoices per year for an amount of more than EUR 32bn per year

### Cash Management

8,700

Clients

- > In BE we are serving # 8,700 clients
- > We are present in 55 countries for Cash Management services
- > Successful launch of Axepta, to process card payments in-store and online

### Trade Finance

21,800

Transactions & guarantees

- > Nearly 13,000 documentary transaction
- > More than 8,800 commercial guarantees



## Focus on 3 strategic pillars

Our purpose

Overcoming the crisis

> Focus on 3 strategic pillars

Make life  
**EASIER**

Enable people  
to **GROW**

Root  
**SUSTAINABILITY**  
in our DNA



#POSITIVEBANKING



# MAKE LIFE EASIER



- > Pay easily & safely
- > Manage finances



> Customers pay easily & safely

Customers manage their finances

## Contactless payments on the rise: increased use of apps & wearables



→ #1.7M

Active Easy Banking App users  
(+13% vs 2019)

Rebuild **Easy Banking App**  
& New services

(Launched on November 2020)



### Mobile and Wearables

- > **No. of Users:** #335k
- > **New enrolments:** +30%
- > **Transactions volume:** +57%
- > **Spend volume:** +91%





> Customers pay easily & safely

Customers manage their finances

## Contactless payments on the rise: supporting the new customer behaviour

+325%\*

Use of contactless debit card

### Visa debit cards

(Launched on March 2021)



4 million  
Full portfolio replacement

BNP Paribas Fortis and Visa are introducing Visa Debit into the Belgian market for the first time

A better value proposition both online and in-store

The most accepted debit product in Europe and the World (more than 200 countries and territories, by 70 million merchants)

26%

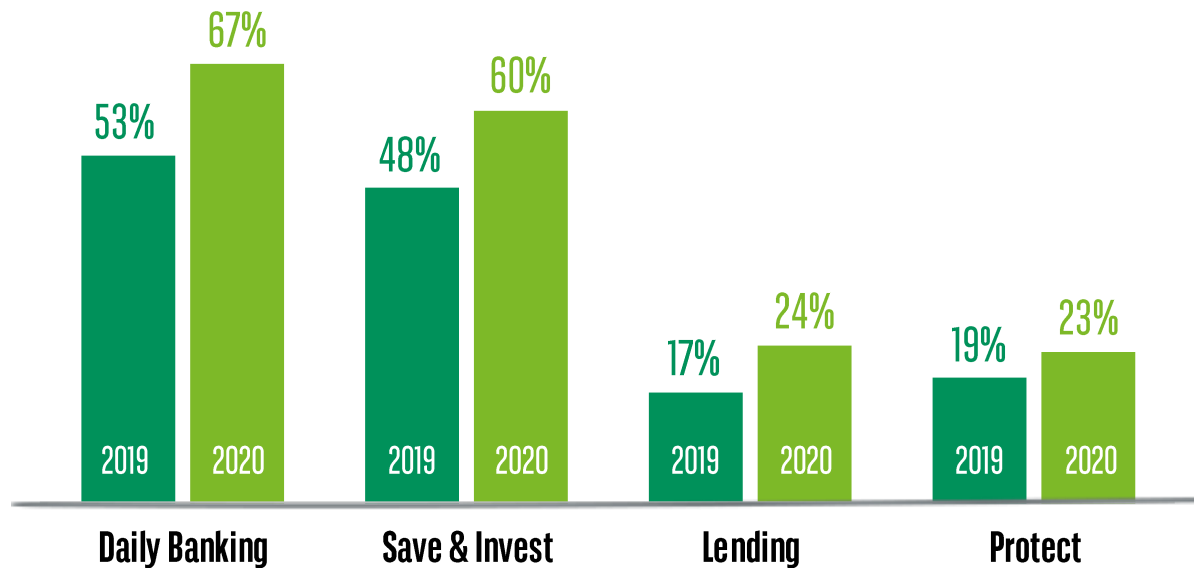
Debit cards  
Market share



Customers pay easily & safely

> Customers manage their finances

## Connected banking: digital sales in Retail & Private



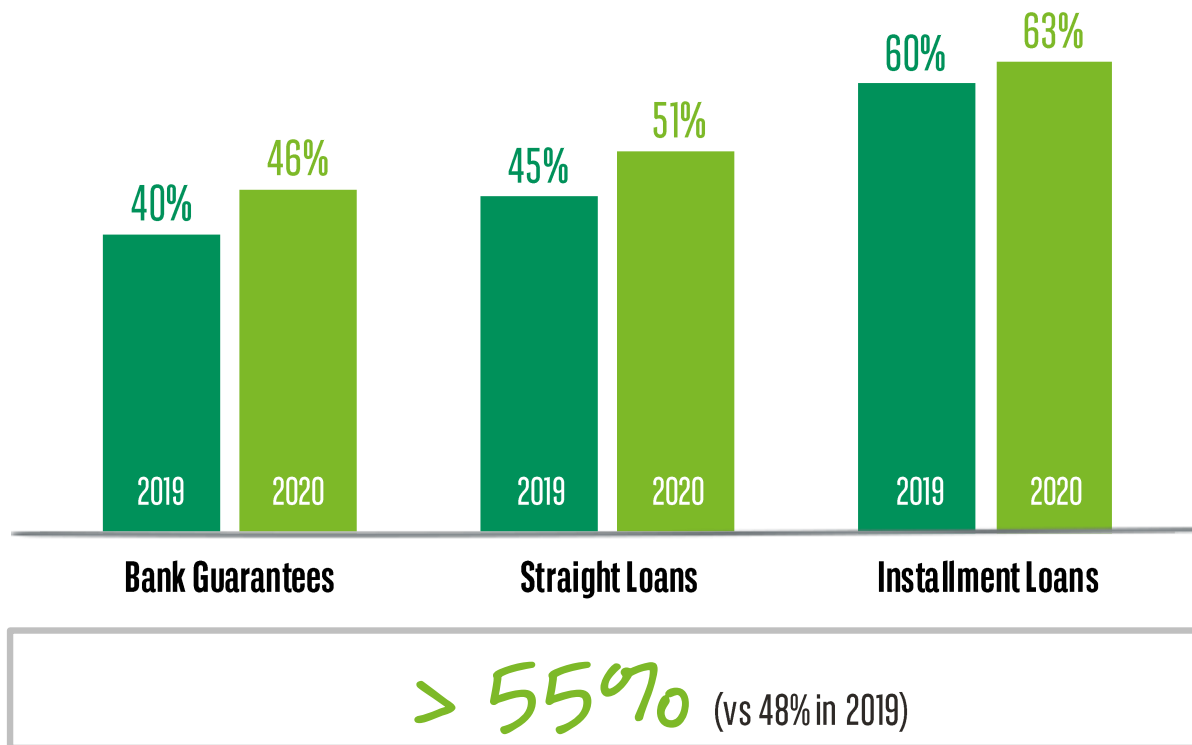
> 56% (vs 43% in 2019)



Customers pay easily & safely

> Customers manage their finances

## Connected banking: digital sales for Entrepreneurs and Corporate



#POSITIVEBANKING

ENABLE PEOPLE TO GROW



# ENABLE PEOPLE TO GROW

- > Boosting entrepreneurship
- > Supporting 'emerging' young talent
- > Supporting & developing our talent





Boosting entrepreneurship

> Visibility

Advice

Payment solution

Supporting 'emerging' young talent

Supporting & developing our talent

## Post-lockdown campaign





Boosting entrepreneurship

Visibility

> Advice

Payment solution

Supporting 'emerging' young talent

Supporting & developing our talent

## Supporting our customers' **business model**

### Innovation Hubs

5

- > Sectors of intervention:  
Fintech, Green/Cleantech,  
Life Sciences, ICT/Digital  
and Agrifood Tech

# 1k

- > Support nearly of 1,000  
innovative companies in  
their start-up phase and  
then in their growth  
phase. Client base  
increased by 12% in 2020

> 100m

- > Annually, we grant on  
average EUR 100 mio



Boosting entrepreneurship

Visibility

Advice

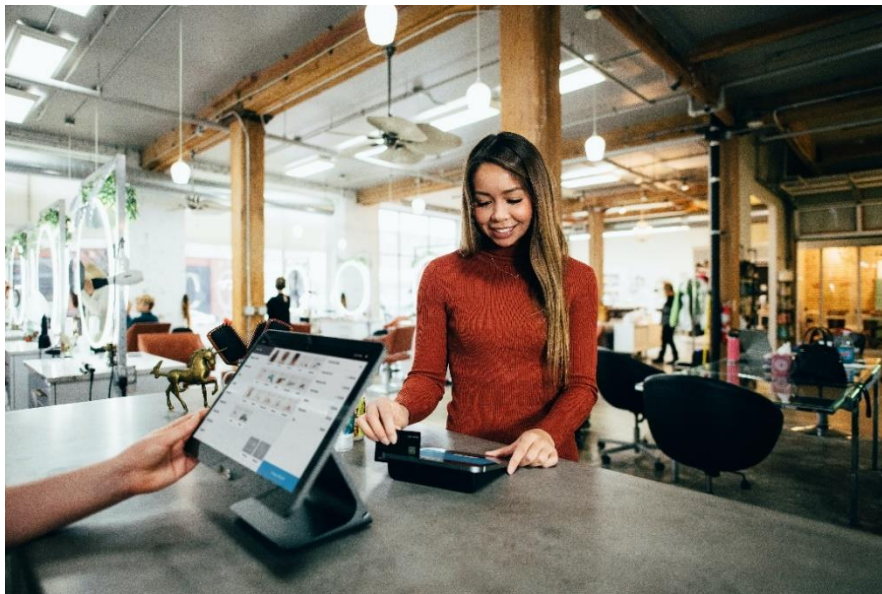
> Payment solution

Supporting 'emerging' young talent

Supporting & developing our talent

## Suite of seamless and connected payments

Largest banking competitor on Belgium acquiring market



**AXEPTA**  
BNP PARIBAS

Launched on April 2020

Clients

> #15k

Transactions

> 45M

Market share

7%



Boosting entrepreneurship

> Supporting 'emerging' young talent

Supporting & developing our talent

## Supporting 'emerging' young talent

### Enable children to go to school

ICT material for children  
Extra donation in 2020 (150,000 EUR)



### Support the most vulnerable children

10 champions in 2020 received  
each 25,000 EUR  
Focus on children in poverty

### Give young entrepreneurs the chance to start a business

Micro-finance



Venture Philantropy Fund  
VZW Habbekrats (integration of children)



Koning Boudewijnstichting  
Fondation Roi Baudouin  
König-Baudouin-Stiftung  
King Baudouin Foundation

*Samen werken aan een betere samenleving  
Agir ensemble pour une société meilleure  
Gemeinsam wirken für ein besseres Zusammenleben  
Working together for a better society*

### Help the youngest

Extra action Rode Kruis, Pamperbank  
and Goods to give



### Give the floor to youngsters

Sponsoring of BNP Paribas Fortis  
Tennis, Cinema, Arts





Boosting entrepreneurship

Supporting 'emerging' young talent

> Supporting & developing our talent

## Supporting & developing our talent

### Staff

#11,032

- > External hirings: 378
- > Internal mobility: 687 moved to a job in another "Business Line"
- > Nationalities: 39

#50,120

- > Total mandays of training
- > We invest 3.41% of staff expenses in training

#915,000

- > 915,000 teleworks days
- > 10.7 average telework days per month per employee

#POSITIVEBANKING



# ROOT SUSTAINABILITY IN OUR DNA



- > Positive impact
- > Future-fit mobility
- > Drive change



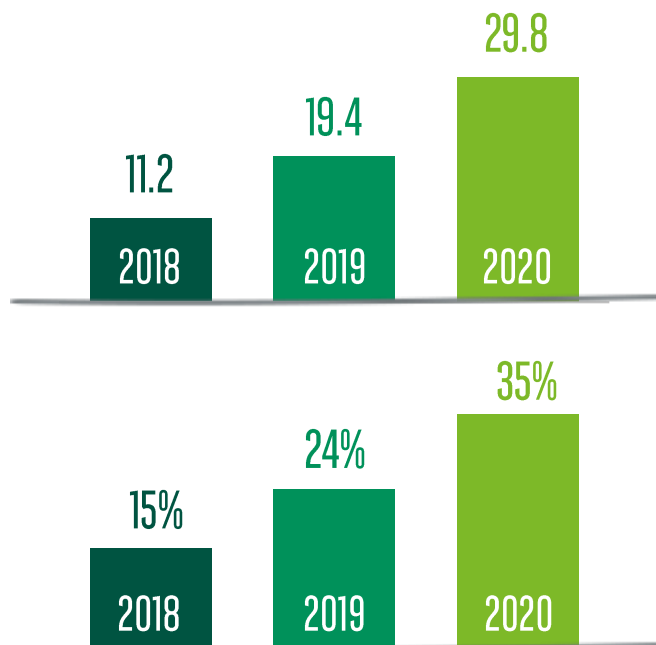
> Customers go for positive impact

Customers embrace future-fit mobility

Companies drive change

## Increasing appetite in sustainable investments

SRI Funds : AuM (EUR bn) and SRI Invest products in the total off balance RPB



### SRI Funds

93

Funds labelled  
'Towards Sustainability'

37.8%\*

Market share Belgium



>300k

Clients have at least 1 SRI product

\*Source: MIRA report, October 2020, drawn up by the Ethibel forum and the University of Antwerp



> Customers go for positive impact

Customers embrace future-fit mobility

Companies drive change

## Towards a new era as leader in financing of sustainable housing

BNP Paribas Fortis  
links the interest  
rate of credit to the  
sustainability of  
housing

1 in 3  
renovation loans  
is a Green Loan

Mortgage loans  
granted for  
construction and  
renovation represent  
40% of volumes  
in 2020

BNP Paribas Fortis:  
1st Belgian bank to  
offer the  
Energy Efficient  
Mortgage Label

EUR 3.75 bn

Total green mortgage loans

(In 2020, this segment is growing to 4% compared to 2% for the whole stock.)



Customers go for positive impact

> Customers embrace future-fit mobility

Companies drive change

## Facilitating sustainable mobility

# of contracts for  
leasing (e)-bikes

↑ + 78%



**ARVAL**  
BNP PARIBAS GROUP

1,026

2019

1,830

2020

# of loans for  
(e)-bikes

↑ + 53%



**alphacredit**  
BNP PARIBAS GROUP

1,508

2019

2,311

2020

% of contracts for  
leasing electric cars & hybrid cars



**ARVAL**  
BNP PARIBAS GROUP

Electricity only

Hybrid

1.50%

4%

First registration 2019

3%

9%

First registration FY2020

6.50%

20%

Ordered end december 2020



Customers go for positive impact

Customers embrace future-fit mobility

> Companies drive change

## Enhanced offer of sustainable financing solutions

### Sustainable Business Competence Centre

> 150

# Projects worth 500M  
EUR analysed yearly

> 130

Support of 130 clients  
and external  
stakeholders in strategic  
sustainability  
discussions

> 27

27 Biogas and Biomass  
projects enabling BNPPF  
to be the first large Belgian  
bank in this challenging  
finance area

EUR 3.5 bn

Total renewable energy projects exposure

(+16% vs 2019)





Customers go for positive impact

Customers embrace future-fit mobility

> Companies drive change

## Increasing **interest** in sustainable financing solutions

**Pairi Daiza** - World's largest photovoltaic carport  
Sole lender



EUR  
10,7M

**Elia** - Sustainability Linked Loan  
Coordinator & Sustainability Coordinator



EUR  
650M

**The Norther** offshore wind project  
Arranger, Facility & Security Agent and Account Bank



EUR  
968M

**Fluvius** - Green Bond  
Joint Lead manager



EUR  
600M



PART 4

# CONCLUSION





## 2021: LOOKING FORWARD

Positive banking as a compass to navigate through crisis  
and be a catalyst for a resilient Belgian economy in the post-COVID era

### Continue to provide Financial Support

- > Stand by the Belgian **households & entrepreneurs**
- > Support the **Belgian economy** as much as we can
- > Launch integrated approach for **working capital** (Transaction Banking)

### Accelerate the Digitization

- > Step up efforts for **digital inclusion**
- > Enhance **digital access** to our services and solutions
- > Offer **new services** in our app

### Deepen the Sustainable Transition

- > Promote **transition** in investments, housing, mobility, finance
- > Increasingly take into account **climate-related and environmental risks & regulation**
- > **100%** of our investment offering is **SRI**



# QUESTIONS?

& ANSWERS



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