

Paris, July 8<sup>th</sup>, 2021

## Strong growth ambitions for Natixis' business lines at the heart of the "BPCE 2024" strategic plan

Groupe BPCE presents today its new strategic plan "BPCE 2024." This business development plan is based on **three strategic priorities** (Winning Spirit, Customers, Climate) and **three key principles** (Simple, Innovative, and Secure), and incorporates **strong ambitions for its core business lines**: Retail Banking & Insurance and Global Financial Services. Natixis' business lines are fully integrated within this strategic plan.

**Over the past ten years, Natixis has developed four business lines that are recognized for their expertise and that create value for our clients:**

- **Asset & Wealth Management:** A global tier-one player, with a diversified and high-performing entrepreneurial model focused on generating value-added for our clients;
- **Corporate & Investment Banking:** a bank recognized for its expertise and innovation capabilities;
- **Insurance:** a fully-fledged bancassurer and a leading player in France;
- **Payments:** an industrial player, highly competitive on all its activities and positioned to foster the digitalization of society.

**The new 2024 ambitions of Natixis' Global Financial Services (Asset & Wealth Management, Corporate & Investment Banking) and Retail (Insurance, Payments) businesses are underpinned by three principles:**

### **DIVERSIFY, for the benefit of our clients and our development**

This principle aims to: i) **selectively** enhance our **value proposition** based on our expertise in order to better **support our clients** and target the highest satisfaction rates, ii) combine our strengths with the Banque Populaire and Caisse d'Epargne **banking networks** to increase our footprint on **high-potential segments** (e.g., French mid-caps the healthcare sector), and iii) conquer **new clients in EMEA, the Americas and in Asia-Pacific**. In 2024, this diversification should result in around **€500 million** of additional revenues for Natixis Corporate & Investment Banking (CIB) in our eight core industries, a contribution of private assets of over **25%** to Natixis Investment Managers' (Natixis IM) profitability, and a **Net Promoter Score above 40 for P&C Insurance and Payments**.

### **COMMIT, to the energy transition and to responsible finance**

This principle aims to cement our positioning as our clients' **go-to financial partner** for their **energy transition** strategies, and notably to multiply Natixis CIB's "green" revenues by **1.7 times** by 2024. It also aims to position **ESG at the center** of our asset management and insurance activities, with a target of over **€600 billion** in assets under management in the sustainable or impact investing category for Natixis IM representing **50%** of total AuM by 2024. Finally, Natixis commits to aligning its balance sheet and investments with a "net zero" emissions trajectory consistent with the Paris Agreement (aligning the insurance general fund with a +1.5°C trajectory by 2030 and Natixis CIB's balance sheet with a +1.5°C trajectory by 2050).

### **TRANSFORM, and invest to deliver sustainable value**

This principle aims to ensure the **sustainable growth** of Natixis' business lines consistent with our risk appetite through ongoing investments in the **robustness of our infrastructure** and our **oversight framework** (e.g. around **€400 million** in total investments in Natixis CIB **technology** over 2021-2024). This ambition also targets investments in **innovation**, particularly data and APIs, the development of our **employees' skills**, and the adaptation and **simplification of our ways of working** to cultivate our agility and collective engagement.

**By building on these principles, each of Natixis' business lines has defined clear ambitions for 2024:**

- **Asset & Wealth Management:** reinforce Natixis Investment Managers' position as a global leader in asset management; provide a high value-added offering to our direct High Net Worth Individuals (HNWI) clients and those of the Banque Populaire and Caisse d'Epargne retail banking networks;
- **Corporate & Investment Banking:** become the go-to bank for our clients in selected and diversified areas of expertise;
- **Insurance:** accelerate the rollout of responsible insurance solutions for the clients of the Banque Populaire and Caisse d'Epargne retail banking networks by capitalizing on the investments we have made;
- **Payments:** innovate and constitute a growth driver for Groupe BPCE and a means of differentiation for the Banque Populaire and Caisse d'Epargne networks.

For Natixis, "BPCE 2024" plan therefore constitutes a growth and investment plan, as reflected in a targeted compound annual growth rate of **around 5% in net banking income for 2020-2024**, along with an **improvement in the cost to income ratio to ~70%**.

**Nicolas Namias, Chief Executive Officer of Natixis, said:**

*"I am delighted to present today the development and growth ambitions of Natixis' businesses at the heart of our BPCE 2024 strategic plan. After ten years focused on building businesses recognized for their expertise and entrepreneurial culture, Natixis is today a robust company embedded within Groupe BPCE.*

*After supporting our clients through the unprecedented crisis from which we are only just emerging, it is now essential to support the three major transitions facing our economies, in all the regions where we are active: the environmental and ecological transition, the technological transition, and the societal transition accompanied by profound changes in our clients' needs and expectations. Our ambition for 2024 is based on three clear objectives: diversify for the benefit of our clients and our development; commit to the energy transition and to responsible finance; and transform our activities and invest to deliver sustainable value. Our ambition is strong: to make each of Natixis' four business lines a benchmark for our clients in order to create value for all our stakeholders.*

*To attain these objectives, Natixis can count on an array of formidable assets: first and foremost, the people who represent our company, committed every day to serving our clients' needs; second, our wealth of expertise, the essential DNA of our business model; and finally, the strength of Groupe BPCE, which will enable Natixis' business lines to continue to develop for the benefit of our clients."*

## ASSET & WEALTH MANAGEMENT (AWM)

**REINFORCE NATIXIS IM'S POSITION AS A GLOBAL LEADER IN ASSET MANAGEMENT AND PROVIDE A HIGH VALUE-ADDED OFFERING TO OUR DIRECT HNWI CLIENTS AND THOSE OF THE RETAIL NETWORKS**

### Ambitions

#### **Pursue a selective and diversified development strategy for the benefit of our clients**

- Advance our position among the world's top 15 asset management firms by strengthening our capabilities and our performance of four key areas of expertise<sup>1</sup> and by accelerating our leadership in ESG
- Accelerate our diversification by client type through strategic distribution partnerships and by region outside of France and the United States

#### **Become an ESG leader in Europe and develop an offering matching the diverse needs of our clients**

- Assert strong ESG ambitions for Natixis IM, notably by measuring the carbon footprint and global temperature trajectory of our portfolios
- Develop a leading ESG offering consistent with our affiliates' convictions and clients' needs
- Strengthen our capabilities to support our clients' ESG developments, notably by making these an integral part of the portfolio construction tools for our clients

#### **Invest to strengthen the resilience and efficiency of our multi-affiliate model**

- Continue to develop a best-in-class oversight framework
- Simplify the operating model for our affiliates (shared services and targeted investments in technology) and maintain strict cost management
- Play an active role in the consolidation trend and pursue a targeted acquisition strategy.

**Provide a high value-added offer to our direct HNWI and network clients** by promoting our ESG vision among the members of our ecosystem and by digitalizing our technology platform

### Principal objectives and indicators

- **Net banking income:** 2020-2024 CAGR >3% assuming a very limited market effect and excluding external growth
- **Cost/income ratio:** ~72% in 2024
- **Cumulative net inflows in Asset Management:** ~€100 bn over 2021-2024

<sup>1</sup> High-alpha strategies, private assets, LDI/insurance management, and quantitative investment management

## **CORPORATE & INVESTMENT BANKING (CIB)**

### **BECOME THE GO TO BANK FOR OUR CLIENTS IN SELECTED AND DIVERSIFIED AREAS OF EXPERTISE**

#### **Ambitions**

##### **Diversify our clients, our expertise, and our geographical presence**

- Strengthen our differentiating expertise and diversify on our eight core industries<sup>1</sup> including Health Care and Tech
- Increase our support for corporate clients, including French mid-caps, with a commercial banking offering, while continuing to develop our privileged relationships with institutional clients
- Reassert our global dimension and our ability to support our clients in the Americas and Asia-Pacific regions and be a "go-to-Europe" bank.

##### **Be our clients' go-to financial partner for their energy transition**

- Embrace our role as a go-to adviser and financial partner, and support our clients in their energy transition strategy
- Align our portfolio with a +2.5°C trajectory by 2024 and +1.5°C by 2050, leveraging the Green Weighting Factor
- Broaden the dynamic beyond the climate to incorporate social, natural resources, and biodiversity dimensions

##### **Accelerate our investments to strengthen our resilience, competitiveness and attractiveness**

- Step up our investments in technology to strengthen our robustness, competitiveness, time-to-market and operational efficiency
- Attract and develop new talent, further enhancing our attractiveness
- Develop the *Natixis Corporate & Investment Banking* brand

#### **Principal objectives and indicators**

- **Net banking income:** 2020-2024 CAGR of ~7%
- **Cost/income ratio:** ~65% in 2024
- **RWA:** 2020-2024 CAGR of ~2%
- **"Green" revenues:** x1.7 between 2020 and 2024

<sup>1</sup> Energy (Oil & Gas, Power & Renewables), Metals & Mining, Real Estate, Transportation, Telecom & Tech, Environment, Healthcare, Insurance

## INSURANCE

**ACCELERATE THE ROLLOUT OF RESPONSIBLE INSURANCE SOLUTIONS FOR CLIENTS OF THE RETAIL NETWORKS BY CAPITALIZING ON THE INVESTMENTS WE HAVE MADE**

### Ambitions

**Accelerate on property & casualty and personal protection insurance and roll out innovative life insurance and healthcare offerings**

- Accelerate commercial momentum with the retail banking networks, particularly in property & casualty and personal protection insurance by capitalizing on our investments
- Continue to roll out innovative offerings, particularly in life and health insurance
- Speed up growth in the small businesses market, in property & casualty, retirement and personal protection insurance

**Position the general fund on a more ambitious trajectory than the Paris Agreement and promote SRI unit-linked funds**

- Align the allocation of the general fund with a +2°C trajectory by 2024 and +1.5°C by 2030
- Develop a more responsible claims management system

**Continue to invest in terms of customer experience and efficiency**

- Offer best-in-class customer and advisor experiences, particularly by leveraging the potential of data and digital technology
- Improve our management ratios

### Principal objectives and indicators<sup>1</sup>

- **Net banking income:** 2020-2024 CAGR of ~6%
- **Cost/income ratio:** ~50% in 2024
- **Equipment rate<sup>2</sup>:** ~35% in 2024

<sup>1</sup> Excluding the impact of the implementation of IFRS 17 <sup>2</sup> P&C and personal protection of the individual customers of the BP and CE retail networks

## PAYMENTS

### *INNOVATE AND SERVE AS A SOURCE OF GROWTH FOR GROUPE BPCE AND OF DIFFERENTIATION FOR THE RETAIL NETWORKS*

#### Ambitions

**Make payments a comparative advantage for the retail banking networks while continuing our development on external clients, thanks to the excellence of our offering and customer experience**

- Accelerate growth for the networks in payments activities and make payments a comparative advantage in their efforts to win business
- Become the French go-to player for the commerce digitalization
- Create a best-in-class digital platform for employee benefits (meal and gift vouchers, money pools...) and launch new offerings
- Differentiate ourselves through technological performance, “useful” data and client experience  
**Foster the development of our talent and our positive impact on society** Support staff in upgrading their skills to accompany them towards the professions of the future, notably digital-related
- Limit our environmental impact by offering recycled and digital vouchers, and encourage solidarity (e.g. donation of meal vouchers)  
**Attain profitability for our 3 activities, while maintaining our investment efforts** Invest in our platforms to provide a competitive offering and support the implementation of new standards (e.g. EPI, Request to Pay)
- Orchestrate our portfolio of fintechs to provide a consistent offering, and capture synergies

#### Principal objectives and indicators

- **Net banking income:** 2020-2024 CAGR of ~9%
- **Cost/income ratio:** ~82% in 2024



### About Natixis

Natixis is a French multinational financial services firm specialized in asset & wealth management, corporate & investment banking, insurance and payments. A subsidiary of Groupe BPCE, the second-largest banking group in France through its two retail banking networks, Banque Populaire and Caisse d'Epargne, Natixis counts over 16,000 employees across 36 countries. Its clients include corporations, financial institutions, sovereign and supranational organizations, as well as the customers of Groupe BPCE's networks. Listed on the Paris stock exchange, Natixis has a solid financial base with a CET1 capital under Basel 3<sup>(1)</sup> of €12.3 billion, a Basel 3 CET1 Ratio<sup>(1)</sup> of 11.6% and quality long-term ratings (Standard & Poor's: A / Moody's: A1 / Fitch Ratings: A+).

<sup>(1)</sup> Based on CRR-CRD4 rules as reported on June 26, 2013, including the Danish compromise - without phase-in  
*Figures as at 31 March 2021*

### Contacts

#### Investor Relations

Damien Souchet [investorelations@natixis.com](mailto:investorelations@natixis.com)  
+33 1 58 55 41 10

Noémie Louvel +33 1 78 40 37 87

#### Press Relations

Daniel Wilson [press@communication.natixis.com](mailto:press@communication.natixis.com)  
+33 1 58 19 10 40

Sonia Dilouya +33 1 58 32 01 03

Vanessa Stephan +33 1 58 19 34 16

### [www.natixis.com](http://www.natixis.com)



Our information is certified with blockchain technology.  
Check that this press release is genuine at [www.wiztrust.com](http://www.wiztrust.com).