

BPCE AND GENERALI:
CREATING AN ASSET
MANAGEMENT LEADER
IN EUROPE

**Press conference** 



## **SUMMARY**

- Ol Context
- O2 Transaction overview and key highlights
- O3 Creating the asset management leader in Europe
- 04 Full alignment with "BPCE VISION 2030"
- O5 Transaction timeline and next steps

### AN AMBITIOUS PROJECT IN AN ASSET MANAGEMENT SECTOR UNDERGOING TRANSFORMATION



**Evolving client** behaviors



Need for cost control



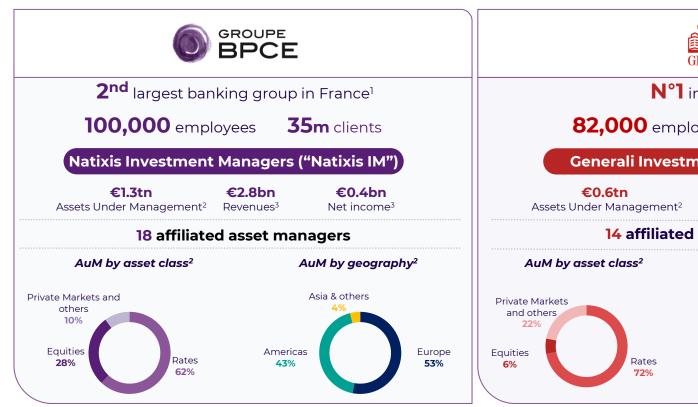
Access to permanent capital

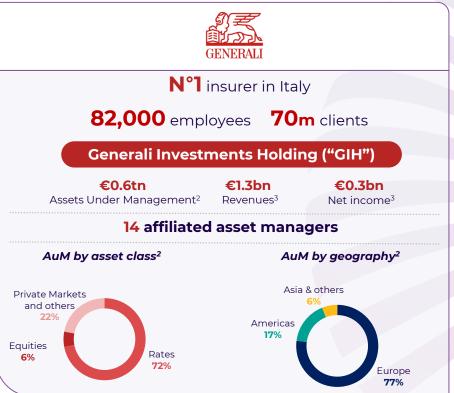


Consolidating sector

Concentration of assets towards diversified managers offering a broad range of asset classes; growing demand for private assets. Increased costs driven by the macroeconomic environment; investments required to address sector developments (new strategies/products, IT/AI, etc.) and regulatory requirements. Development of new strategies requires access to significant permanent capital / seed to co-invest alongside clients. Consolidation among asset managers, with a range of strategic actions taken to address the challenges of the sector.

### A NEW EUROPEAN AND GLOBAL CHAMPION BUILT ON THE ROBUST ASSET MANAGEMENT ACTIVITIES OF TWO LEADING GROUPS





Notes: (1) Market share of approximately 22% in terms of savings and loans to clients (2) Assets under management as of Q3 2024; (3) 2023 Data – transaction perimeters



#### AN INNOVATIVE AND BALANCED TRANSACTION

BPCE and Generali plan to combine their asset management activities to create: (i) the largest asset manager in Europe by revenue and (ii) the 9<sup>th</sup> largest asset manager globally, with €1.9tn in AuM¹, supported by shareholders sharing a common vision and led by investment professionals with extensive industry experience.

BPCE and Generali have signed a preliminary protocol ("MoU") aimed at deepening discussions on the contribution of the activities of Natixis Investment Managers ("Natixis IM") and Generali Investments Holding<sup>2</sup> ("GIH") in a joint venture ("NewCo").

- NewCo would be owned 50-50% by BPCE (through Natixis IM) and Generali (through GIH2)
- NewCo would benefit from robust governance, with equal representation from BPCE and Generali on the board of directors and top-tier management

#### **Experienced leadership**



Nicolas Namias Chairman



Philippe Donnet Vice-Chairman CEO of Generali

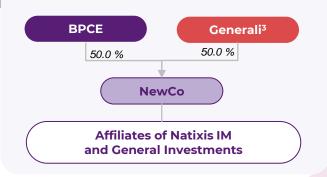


Woody Bradford CEO CEO of Generali Investments



Philippe Setbon
Deputy CEO
CEO of Natixis
Investment Managers

#### Organigramme simplifié



Notes: (1) €1.9tn as of Q3 2024; (2) GIH shareholding: 83.25% Generali and 16.75% Cathay Life; (3) Stake via GIH



#### STRONG DRIVERS FOR SUCCESS

- A global asset management champion, a leader in Europe, with significant size
- Three complementary strategies across: i) insurance, ii) conviction driven active, iii) private markets
  Leading expertise across multiple affiliates
- 3 Global distribution capabilities
- Long-term support from two leading institutional groups which share a common vision
- 5 Significant potential for value creation

# A GLOBAL ASSET MANAGEMENT CHAMPION WITH SIGNIFICANT SIZE



Source: IPE Top 500 Asset Managers 2024 - Notes: (1) Pro forma data within the scope of the transaction

# THREE COMPLEMENTARY STRATEGIES: INSURANCE, CONVICTION DRIVEN ACTIVE, AND PRIVATE MARKETS

Insurance management (LDI<sup>1</sup>)

**Conviction driven active** 

**Private markets** 

**Y** 

Assets under management: ~€0.9tn<sup>2</sup>

N°1 asset manager globally in insurance

Assets under management: ~€0.7tn²

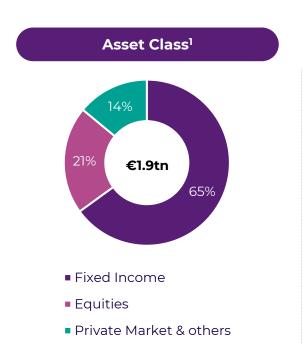
An asset manager with **strong** and recognized brands

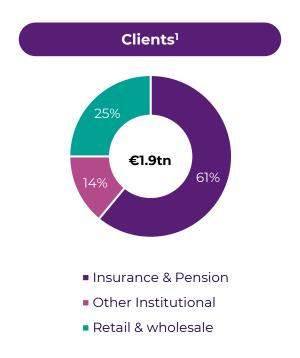
Assets under management: ~€0.2tn<sup>2</sup>

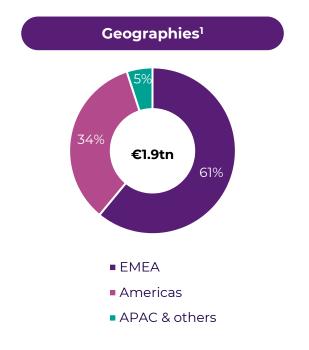
**Enhanced** by acces to Generali's balance sheet

(1) LDI: Liability driven investing; (2) 2023 Data

## 2 A SCALED AND DIVERSIFIED ASSET MANAGER







(1) AuM distribution as of Q3 2024

#### 3 (

#### **GLOBAL DISTRIBUTION CAPABILITIES**



A distribution
model combining
the strength of a
global distribution
platform, direct
distribution
capabilities through
affiliates, and thirdparty distribution
agreements



Strengthening
distribution by
combining the
strengths of BPCE
and Generali to
cover all
geographies and
types of clients



An enhanced ability to attract talent and generate economies of scale



### LONG-TERM SUPPORT FROM TWO LEADING INSTITUTIONAL GROUPS

## Alignment of interests

BPCE and Generali share a common asset management vision.

Combined entity would act as a shared development platform across asset management activities.

A 50-50 ownership<sup>1</sup>.

# Balanced governance

Principle of co-control.

Equal governance by BPCE and Generali.

# **Commercial** agreements

BPCE and Generali general account assets would be managed by the combined entity for a minimum duration of 15 years.

Distribution of the combined entity's products through the networks of both groups.

# Backed by permanent capital

Combined entity would benefit from access to permanent capital.

Generali would commit seed capital of €15bn which will be deployed by the combined entity over the next five years

<sup>1.</sup> The ownership is based on the value of the contributed assets, the €15 billion in seed money from Generali, and a preferential dividend paid to BPCE in the first two years following the completion of the operation.

### 5

#### SIGNIFICANT POTENTIAL FOR VALUE CREATION





- Leverage global distribution to accelerate crossselling
- Meet all institutional clients' needs with a broad and diversified offering
- Accelerate the growth of private markets through the use of seed capital





- Optimise mechanisms to improve operational efficiency
- Leverage economies of scale to better manage thirdparty contracts

### FULL ALIGNEMENT WITH BPCE'S STRATEGIC PROJECT: VISION 2030



April 2024

Announcement
of the SGEF
acquisition, to
position BPCE
as the European
leader in
equipment leasing

June 2024

Strategic partnership with BNP Paribas in paymants, to create the #1 processor in France with the ambition to place among the Top 3 in Europe **June 2024** 

BPCE's VISION 2030 **strategic project** announced **June 2024** 

New offerings and partnerships serving clients with Leroy Merlin in the energy transition, and with Verisure, for customer protection

January 2025

Announcement of the creation of the **European leader** in asset management, owned **50-50 by BPCE and Generali** 



The transaction forms part of the ongoing and dynamic implementation of VISION 2030

#### TRANSACTION TIMELINE AND NEXT STEPS







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