

New dimension

deepen, digitalize & differentiate

Natixis

Exane
22nd European CEO Conference
June 12, 2020 - François Riahi

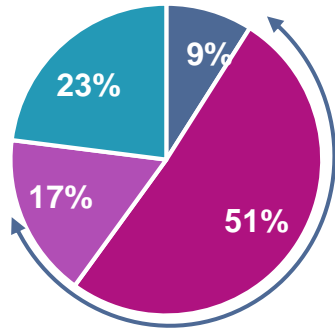


Natixis' business model

Diversification through our choice of an asset-light strategy

Low rate sensitivity

2019 revenue mix

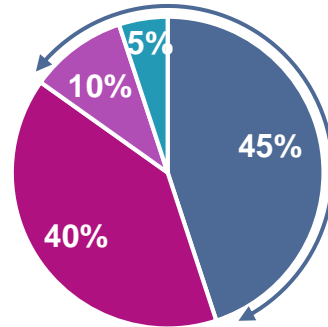


~ 2/3 of revenues from F&C and Insurance

- Net Interest Income
- Fees & Commissions
- Insurance
- Trading & Other

High diversification

2019 revenue mix (businesses)



~ 60% of revenues from non-banking activities

- Asset & Wealth Management
- CIB
- Insurance
- Payments



Key strategic milestones

AWM

Project to create a top european player in life insurance AM with LBPAM
To be finalized in 2H20

CIB

First bank in the world to actively manage its balance sheet's climate impact
Green Weighting Factor

Insurance

Becoming a fully-fledged bancassureur
Taking over the P&C new business for the Banques Populaires' private customers

Payments

Becoming a pure-player
Net revenues x1.3 in 2 years and with ~40% realized with direct clients

Coface

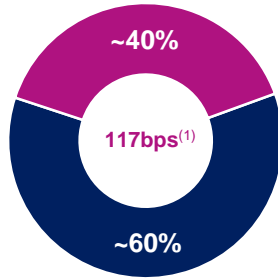
Sale of a 29.5% stake at a price of €10.7 per share

Natixis' business model

Cost flexibility embedded in Natixis' model together with tight control

Cost of risk

Breakdown of 1Q20 cost of risk



- COVID-19 direct impacts & frauds
- Cost of risk excl. COVID-19

Main COVID-19 related impacts

Direct : IFRS 9 scenario reweighting (100% pessimistic)

Indirect : Frauds - mainly in Energy & Natural Resources

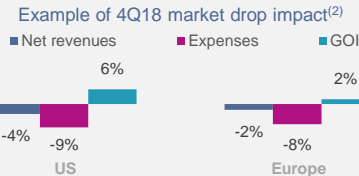
~45bps cost of risk⁽¹⁾ excluding such impacts

Expenses

Asset management

~60%
of variable costs

Bonus pool contracts with affiliates
Variable compensation mechanically and essentially linked to profits before variable compensation



CIB

~30%
of variable staff costs

Variable comp. set out taking into account the EVA
i.e. net revenues and other costs as well as the cost of risk and capital consumption

Expenses down (5)% YoY in 1Q20 at constant FX despite investments being made (e.g. support functions) demonstrating a tight cost control on running expenses and with ongoing effort to be pursued

2020 cost of risk sensitivity to a severe macroeconomic scenario:

~(9)% 2020 French GDP	~\$35 2020 Oil price	~15% Haircut to real estate prices	~30-40% Haircut to aircraft prices
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Cost of risk for the rest of the year could be along the lines of 1Q20 or moderately above



~(8)% to (10)%

Expense reduction potential vs. 2019 at Natixis level
in a severe macroeconomic and market scenario i.e. a

~€5.5bn
2020 underlying cost base

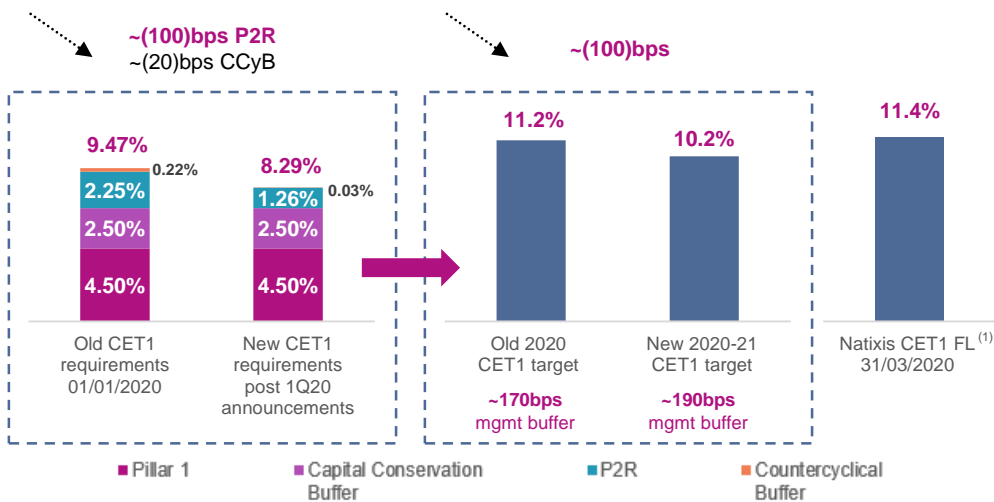
(1) Cost of risk excluding credit institutions. Cost of risk in bps of total amount of loans outstanding, beginning of period

(2) Per asset manager, excluding distribution platform, Holding and Private equity. At constant exchange rate

Natixis' dynamic capital management

Solid capital position and strong track-record for shareholder return

~310bps solid CET1 buffer above current regulatory requirements and ~120bps above new 2020-2021 target

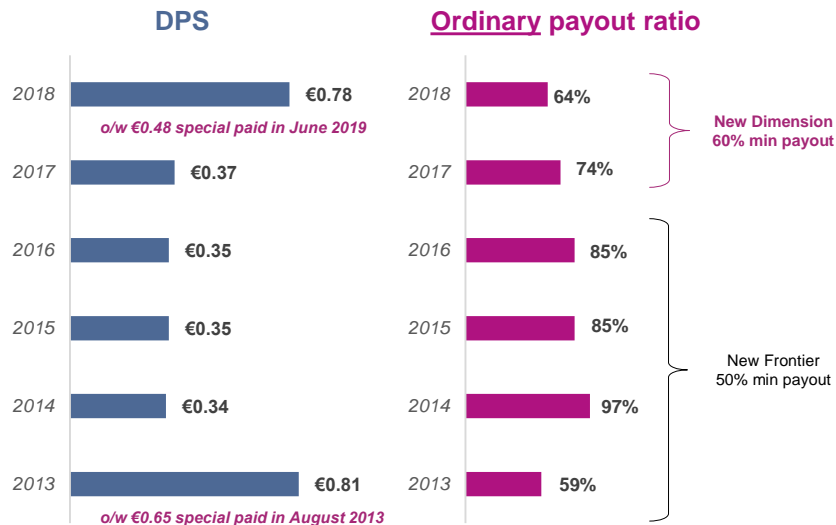


P2R - CRD V Art. 104 brought forward, structurally translating into a **new CET1 target of 10.2% for 2020-2021** - level relevant for excess capital distribution⁽²⁾

Countercyclical buffers - Brought down to zero in several geographies incl. France (effective as of 01/04/2020) and the UK that were the two biggest contributors to Natixis' overall CCyB

(1) See note on methodology (2) Depending on the evolution of ECB recommendations on the topic

Distribution policy first and foremost based on excess capital above target together with a >60% minimum payout ratio



~€9.5bn

Dividends paid for 2013-2018

~150% of end-May market cap. and >75% avg. ordinary payout ratio