

PRESS RELEASE

BNP Paribas explores public blockchain infrastructure for money market fund tokenisation

- BNP Paribas Asset Management has issued a tokenised share class of French-domiciled money market fund, recorded on public blockchain infrastructure.
- The initiative relies on a permissioned access model on Ethereum, restricting holding and transfers to authorised participants within a regulated framework.
- Conducted as an intra-group experiment, the project leverages the joint expertise of BNP Paribas Asset Management, CIB AssetFoundry™ and BNP Paribas' Securities Services business to test new end-to-end fund processes.

BNP Paribas Asset Management has issued a tokenised share class of an existing French-domiciled money market fund, marking a new step in its exploration of fund tokenisation using public blockchain infrastructure.

The project involved the issuance of a tokenised share class of the BNP Paribas Asset Management money market fund on the public Ethereum network via BNP Paribas' AssetFoundry™ platform. The tokenised shares are issued under a permissioned access model, whereby holdings and transfers are restricted to eligible and authorised participants, in line with applicable regulatory requirements.

This initiative follows BNP Paribas Asset Management's earlier tokenised money market fund issuance in Luxembourg on a private blockchain. This second tokenised money market fund project was implemented using a different technological and operational setup through a public blockchain. Together, these initiatives reflect BNP Paribas' approach to exploring multiple tokenisation and distribution models to better serve the fund managers and their investors.

Leveraging BNP Paribas' cutting edge capabilities across the Group's integrated model

Within this project, BNP Paribas Asset Management acted as the fund issuer. BNP Paribas Securities Services business acted as transfer agent and fund dealing services provider, while BNP Paribas CIB's AssetFoundry™ platform provided the tokenisation and connectivity layer to the public blockchain network.

Moreover, BNP Paribas' Securities Services business operated the wallet setup and held the private key within the scope of this controlled intra-group pilot.

The initiative was conducted as a one-off, limited intra-group experiment, enabling BNP Paribas to test new end-to-end processes, from issuance and transfer agency to tokenisation and public-blockchain connectivity, within a controlled and regulated framework.

Public blockchain with permissioned access

The tokenised fund shares were issued on the public Ethereum network with permissioned tokens ensuring that only eligible participants can hold and transfer the tokens, while benefiting from the strength and broad adoption of public blockchain infrastructure.



BNP PARIBAS

**The bank
for a changing
world**

This approach allows BNP Paribas and BNP Paribas Asset Management to assess, how public blockchains can be integrated into regulated fund structures, while maintaining the highest standards of governance, investor protection, and operational robustness.

Tokenisation is an innovative technology that is being explored across the financial industry for its potential to enhance how investment funds are issued and distributed over time. For money market funds in particular, which play a central role in liquidity management for corporate and institutional investors, tokenisation could be used as an alternative to traditional batch-based fund processing, including more regular and flexible processing of fund related operations, while preserving the regulated nature of these funds.

"BNP Paribas Asset Management is committed to driving innovation that will ultimately benefits our clients. This second issuance of tokenised money market funds, this time using public blockchain infrastructure, supports our ongoing efforts to explore how tokenisation can contribute to greater operational efficiency and security within a regulated framework." Edouard Legrand, Chief Digital and Data Officer at BNP Paribas Asset Management

"BNP Paribas' AssetFoundry™ platform delivers key digital-assets capabilities, from tokenisation to network connectivity and wallet-related functionalities within a controlled setup. This initiative allows us to better understand the operational and governance implications of tokenisation for money market funds." Julien Clausse, Head of AssetFoundry™ (Digital Assets & Tokenisation) at BNP Paribas CIB

"BNP Paribas' Securities Services business transforms innovation into tangible value for our clients. By acting as transfer agent and leveraging the Group's tokenisation infrastructure, we deliver a streamlined and secure operational setup that supports fund processes enabled by public blockchain infrastructure, within a regulated and permissioned context." Paul Daly, Head of Distribution Product Solutions at BNP Paribas' Securities Services business

About BNP Paribas

Leader in banking and financial services in Europe, BNP Paribas operates in 64 countries and has nearly 178,000 employees, including more than 144,000 in Europe. The Group has key positions in its three main fields of activity: Commercial, Personal Banking & Services for the Group's commercial & personal banking and several specialised businesses including BNP Paribas Personal Finance and Arval; Investment & Protection Services for savings, investment and protection solutions; and Corporate & Institutional Banking, focused on corporate and institutional clients. Based on its strong diversified and integrated model, the Group helps all its clients (individuals, community associations, entrepreneurs, SMEs, corporates and institutional clients) to realise their projects through solutions spanning financing, investment, savings and protection insurance. In Europe, BNP Paribas has four domestic markets: Belgium, France, Italy and Luxembourg. The Group is rolling out its integrated commercial & personal banking model across several Mediterranean countries, Türkiye, and Eastern Europe. As a key player in international banking, the Group has leading platforms and business lines in Europe, a strong presence in the Americas as well as a solid and fast-growing business in Asia-Pacific. BNP Paribas has implemented a Corporate Social Responsibility approach in all its activities, enabling it to contribute to the construction of a sustainable future, while ensuring the Group's performance and stability.

Press contacts

BNP Paribas Group - Indira Salinas - indira.salinas@bnpparibas.com - +33 (0)7 89 56 44 79

BNP Paribas Asset Management - Jana Chehadee - jana.chehadee@bnpparibas.com - +33 (0) 6 45 11 76 20

BNP Paribas' Securities Services business - Arnaud Liziard - arnaud.liziard@bnpparibas.com - +33 (0)7 70 11 08 07



BNP PARIBAS

**The bank
for a changing
world**