

CEOS' POINT OF VIEW

EPIISODE #1 WEALTH MANAGEMENT

How to lead the largest private bank in the eurozone?

Transcript of CEOs' Point of View, a podcast with Vincent Lecomte, CEO of BNP Paribas Wealth Management, hosted by content creator Jokariz.

Jokariz:

Hello everyone, and welcome to CEOs' Point of View. CEOs' Point of View is a completely unique format in which I interview key CEOs from the leader in banking and financial services in Europe, BNP Paribas. These leaders are responsible for thousands of people and serve the interests of thousands, even millions, of clients. So, we'll try to understand what their daily life looks like, the challenges of the businesses they lead, and how their decisions address current societal issues. I'm very happy to bring you this new format, produced in partnership with BNP Paribas, which takes us to the heart of their leaders' vision, to understand how they help shape the world of tomorrow.

Vincent:

Hello, I'm Vincent Lecomte, CEO of BNP Paribas Wealth Management, and I'm going to talk to you about my job, in CEOs' Point of View.

Jokariz:

Well, Vincent, welcome to CEOs' Point of View. You're the first guest to be put on the spot. How do you feel?

Vincent:

Very relaxed. First, because I've watched several of your shows and I see that everyone always comes out alive at the end of these shows.

Jokariz:

Normally, yes, we haven't checked on everyone afterward, but usually it goes well. So, Vincent, first of all, can you explain a bit about your role today at BNP Paribas?

What is the mission of BNP Paribas Wealth Management and its CEO?

Vincent:

Maybe a bit of context to start: I want to talk to you about entrepreneurs. Entrepreneurs create wealth.



They drive development projects for their clients, taking risks, meeting various needs. We, at BNP Paribas, are here to serve these entrepreneurs, and in particular, BNP Paribas Wealth Management is here to support them in their wealth management choices. BNP Paribas Wealth Management is the leading private bank in the eurozone. Top 10 worldwide, in a league where there are only American and Swiss competitors. We have 6,700 employees worldwide. 80% of our activity is in Europe and 20% in Asia. So, we really have these two pillars. Our ambition is to strengthen our

leadership in Europe. And my job is precisely to mobilise, unite, and carry these ambitions, to serve our clients.

Jokariz:

You touched on it a bit, but who is the typical client of BNP Paribas Wealth Management? Is it an entrepreneur? Is it a very wealthy family? Are they French or international? You mentioned it a bit, but what do they look like?

Vincent:

You're right, our clients are extremely diverse. Looking at Europe, we have a geographic belt, going from Belgium, Flanders, the Netherlands, to Germany, with the famous "Mittelstand". These family-owned businesses, that are very focused. You find the same in Northern Italy, notably, in German-speaking Switzerland, and of course, in France. That's what makes the entrepreneurial fabric so rich. That's 40% of our clients. But we also support tech entrepreneurs, top athletes, families. And again, our goal is to support them over time, throughout their life journey.

Career path and choices

Jokariz:

Thank you, that's very clear, Vincent. Now, let's talk a bit about your background, which started at ESCP business school (one of France's leading business schools). It's funny, because while preparing for this interview, I realised we have two things in common. First, we both went to ESCP, even if you did it in another century. Do you remember what was trendy back then? Did everyone want to go into consulting, finance? What was it like?

Vincent:

At the time, students wanted to go into consulting, markets activities, mergers and acquisitions. And classically, I first went into consulting. I joined Accenture, where I spent five years. Then I joined a bank, Paribas, which became BNP Paribas in 1999. In a job that at the time, nobody knew: I joined a securities back office. Everyone wanted to do mergers and acquisitions, market activities. I made this contrarian choice, as a salesperson, to go sell services. I remember my friends didn't understand at all what I was doing. Very technical services. But I learned a lot. And actually, it was a small activity at the time, we were 300 people. Now, 30 years later, this activity is one of the world leaders in this business. It's called CIB Securities Services, it's present in 27 countries, with 11,000 people. And that really illustrates the Bank's development through its different businesses, which have managed to create world champions.

Jokariz:

That's actually our second thing in common, we both went through BNP Paribas. I really just passed through, since I only stayed 10 months.

Vincent:

In markets activities, precisely.

Jokariz:

In markets activities, absolutely. And you, you joined Paribas before the merger, in 1992, so you've been with the company for over 30 years. Careers like that don't exist anymore today. How do you keep challenging yourself and stay motivated throughout a 30-year career? What's your secret?

Vincent:

I don't feel like I had a single career but rather several careers, since I did multiple jobs. With one constant: the client. Being at the service of the client, with different facets, in the various activities I've worked in. From production - I mentioned the very technical securities custody jobs. Then I joined Asset Management - investment product creation for private and institutional clients. Then I moved into distribution by joining Consors, which is the #2 online bank in Germany. And more recently, BNP Paribas Wealth Management. So, I've really lived several lives. But there's also another constant: always working in an international context. I've had the chance to work in global functions in Europe, Asia, and the US, with a special mention for Germany, where I spent 10 years of my life, in Düsseldorf, Frankfurt, Nuremberg. So, I have a special affection for that country.

Jokariz:

What advice would you give to young people starting their careers today?

Vincent:

As I mentioned, you have to let yourself be carried by opportunities and have a curious, bold spirit. Make suggestions. Know how to positively challenge things. With a constructive and entrepreneurial mindset. That's what we need: to develop this entrepreneurial spirit.

What does a typical day look like for a CEO?

Jokariz:

What does 24 hours in the life of Vincent look like?

Vincent:

There's no typical day.

Jokariz:

So your days are always different?

Vincent:

Each day is different, with of course some rituals. Management rituals, client meetings, travel. There are a lot of unexpected things too. You also need time for yourself. To listen to others. Because listening is also part of the job. I don't have all the answers. It's the collective; that's what creates group momentum. And of course, I'm also accountable to the teams. And to my boss, Renaud Dumora, who is Deputy Chief



Operating Officer of the Group.

Jokariz:

So, we've mostly talked about your professional life, but I imagine that having such a job, such responsibilities, also impacts your private life. You mentioned Asia, you travel a lot, you spend a lot of time on planes. Do you still manage to keep time for yourself and your family, for your loved ones? How do you manage that?

Vincent:

Well, I'm lucky to have very strong anchors. My family and Brittany. So I have a great crew. I'm also passionate about sailing.

The passion for sailing... and its analogy with professional life

Jokariz:

What does sailing bring you concretely?

Vincent:

Sailing, and the sea, bring a form of humility, because the weather, the sea, the wind, are always stronger than you. So you have to adapt. There are quite a few analogies, actually, between business and sailing or boating. You have to know where you're going. You need a clear direction. A solid boat. BNP Paribas is that solid boat. You also need a united crew. It's not always united and it's up to you, as skipper, to build the bonds. That's also important, it's the collective. So, there are quite a few analogies. And I also like it when things get rough. When there's wind, when the sea is choppy. When it rains. That sometimes happens in Brittany.

Jokariz:

That brings up a lot of questions. First, in your professional life, do you also prefer challenging environments? Are you like that in your professional life?

Vincent:

Actually, we have no choice because we are experiencing all sorts of geopolitical crises, very diverse environments. So, you have to constantly adapt. You need very strong guidelines. You have to stay agile. And it's like on a boat. You can have a very clear course, but in certain circumstances, you'll have to tack to get there. You'll have to adjust your sails. And it's exactly like that in business. But you have to be determined, make sure your boat is always well maintained. With a solid crew. I insist a lot on the collective: a successful crew is a united crew. There's also a key point: when you're on a boat, you always have to look around you. It's like in business. You always have to keep an eye on what's happening around you. Your competitors, your clients of course. Clients are our real engine. What do they want? And you can see that expectations evolve over the years.

Jokariz:

The analogy is very good. On a boat, you can have a wind that has carried you well for a long time. But



then, conditions change. There's another land in sight, you have to change course or tack, it'll take a bit longer.

Vincent:

We're actually in a permanent regatta. It's a boat race, and the winner is not only the one who makes the best choices, but also the one who stands out from competitors. That's extremely important in our very competitive industry. As I said earlier, always look to improve.

Jokariz:

Last question about sailing, because it piqued my curiosity. You say the sea taught you humility. Do you remember a memorable anecdote about that?

Vincent:

I have a lot of sailing anecdotes. There's one that particularly marked me. A few years ago, I was on a racing catamaran, which can reach speeds up to 20 knots. 20 knots equal 36 km/h. And that day, there was a lot of wind. And then what had to happen, happened. We capsized. Which has happened to me hundreds of times, as a former sailing instructor. Except this time, I couldn't get back to the boat, which is the number 1 reflex. First, you have to get back to the boat, even capsized, and then right it. I immediately saw the boat pushed by the wind, with my son fortunately on board, drifting away. And I drifted in the water for 1 hour 30 minutes. There was a lot of wind, big waves. No one around. I started to find the time a bit long, so I moved around in the water. And actually, it allows you, with a lot of humility, to put things in perspective. You have time to think about a lot of things. Well, in the end, I'm here because I was rescued, a lot of resources were deployed, which is a bit embarrassing. When I got on their rescue boat, I was hypothermic. I came back a few weeks later to my office and gathered the management team. And that was the start of a whole reflection. What are we here for? A whole reflection to engage the teams on our "purpose," our *raison d'être*. And our purpose as a private bank is to truly serve our clients, to support them throughout their journey. Protect, grow, transmit their wealth, also give meaning to what they do.

Supporting clients: with which approach?

Jokariz:

Let's talk a bit about the philosophy with which you support your clients. If we take a concrete example, say I'm an entrepreneur today, and tomorrow, I'm lucky enough to sell one of my companies for 50 million euros and I come to see you, Vincent, or your teams. What would you advise me to do?

Vincent:

First of all, we'll listen to you. Listen to your story. These stories are always very inspiring, as I mentioned - entrepreneurs' stories - to really understand how you built it, what drove you in your life. What enabled you to develop such a company. Then, we'll listen to your goals. What do you want to do now? Because once an entrepreneur, always an entrepreneur. You'll have other projects. So, how can we support you overtime on your future projects? And of course, depending on the goals you share with us, we'll determine the best investment as well as credit solutions, by leveraging both the expertise of BNP Paribas Wealth Management - our technical expertise in wealth management and engineering - and the Group's expertise. Our goal is to bring not just Wealth Management's expertise but also the Group's expertise to meet your needs. Because you might consider real estate investments, you might want to launch other



companies. That's at the heart of our mission. Above all, we're in it for the long term. Because we want to be able, as we already do with many entrepreneurs, to sit down with you in 1 year, 5 years, 10 years, 30 years to support you throughout your journey.

Jokariz:

Very clear, okay. So, you don't see it as a one-off mission to help me with a sale or something, but more to understand my long-term ambition and help me, maybe with a sale, and then to reinvest in a new project and have long-term support. Thank you very much, and I hope for both of us that it happens. Of course, among the new trends in the sector, there's AI. So I had to ask you about it. Can you explain a bit how it impacts you, BNP Paribas, how it impacts your teams? Do you use it in your investment decisions?

Tech addict?

Vincent:

Don't feel obliged to ask me, because I'm passionate about it. Tech has always fascinated me. It's true that at BNP Paribas Wealth Management, we had a number of initiatives very early on around everything related to client experience, to enrich the client journey. By co-creating with our clients, and with Fintechs, a number of new apps to better meet our clients' needs. So, AI is indeed taking over in a very positive way because it allows us to hyper-personalise the proposals we make to our clients, making them even more tailored to their needs. Being even faster, more time-to-market. For example: preparing a client meeting. You always have to gather lots of information about the clients' situation, the industry context, their aspirations. AI, thanks to the new tools we've put in place, allows us to very quickly generate a very simple presentation that aggregates all this knowledge. So the client wins. Our teams win. And it's even more time spent with our clients.

The acquisition of HSBC Private Bank in Germany

Jokariz:

Another recent development is that you, BNP Paribas Wealth Management, have just acquired HSBC's private banking in Germany. What's the strategy behind this new acquisition?

Vincent:

You have to realise that the German market is the largest market in continental Europe in terms of size. We mentioned earlier the richness of the German entrepreneurial fabric, the "Mittelstand" that has developed over the years. It's an absolutely strategic market for the Wealth Management industry and also for BNP Paribas, which is already the leading non-German bank in Germany. All business lines are represented. So, this acquisition allows us to more than double in size and join the top 4 private banks in Germany, always with the same goal of serving this clientele of entrepreneurs and families.

Jokariz:

Recently, BNP Paribas also finalised this summer the acquisition of AXA IM. How will this impact BNP Paribas Wealth Management clients?

The client benefit of the acquisition of AXA IM

Vincent:

It's an outstanding operation that BNP Paribas has indeed carried out, as it creates one of the very top European asset managers, across all asset classes. So, a very, very good operation, which will benefit our clients above all, as we'll be able to broaden the range of products we offer, especially in private assets, where AXA IM has developed extremely specialised expertise, in private debt, infrastructure, and health. These products can now be offered to our clients. So we're fully involved in this adventure. Of course, there's an integration project for asset management, but for us, it's above all a commercial project to be able to offer even more to our clients.

Jokariz:

So, your clients have a point of contact, their private banker, who knows them, knows their issues, but behind the scenes who can call on a whole range of experts for different products, and so the acquisition of AXA IM will increase the number of experts and products you can support them with.

Vincent:

Exactly, it's at the heart of our business - it's a profession of expertise, and it's about being able to enhance the skills we've historically had. In terms of private assets, we've been supporting our clients in this asset class for more than 20 years, which is, indeed, crucial in a broader asset allocation.

Jokariz:

So, more generally, can you explain what the philosophy of BNP Paribas Wealth Management is in supporting your clients, and what is your positioning? How do you differentiate yourselves from other banks?

The One Bank approach of BNP Paribas for our clients

Vincent:

You always start with the client. In reality, the client has only one life: the professional and personal lives are intertwined, just like yours; it's completely mixed. Our goal is not only to bring the expertise of BNP Paribas Wealth Management, but also the expertise of the Group. This is what we call the "One Bank" approach, since our business is truly positioned at the intersection of the three divisions - CPBS (Commercial, Personal Banking & Services), CIB (Corporate and Institutional Banking), and IPS (Investment & Protection Services) - enabling us to deliver all these areas of expertise for the benefit of our clients. And that's really our goal, because once again, the client only has one life.

Jokariz:

Your strength is being a large group of 200,000 employees, and in fact, the client can benefit from all this expertise and all these business lines that stand behind their single point of contact, their private banker.

Vincent:

Exactly.

Advice to 30-year-old Vincent



Jokariz:

So Vincent, I'll leave you with the final word. The question I like to ask at the end of an interview is: for the listeners who recognise themselves in your profile, what advice would you give to the Vincent who is 20 or 30 years younger?

Vincent:

Fail fast. Learn fast. I could also say Sail fast and learn fast. I think it's also important to learn from your mistakes, from your failures. Careers are not linear. And to understand and not blame yourself or be blamed sometimes by those around you. And above all, to learn quickly in order to relaunch yourself into an entrepreneurial project.

Jokariz:

Listen Vincent, thank you very much for making time for us. We know you have very busy days. That was the first episode of CEOs' Point of View. Don't hesitate to tell us what you thought in the comments, it helps us a lot. We'll read all the comments and adapt accordingly. And don't forget to subscribe to the channel. Thank you very much.

