

# PRESENTATION OF ARVAL

April 2022



**ARVAL**  
BNP PARIBAS GROUP

For the many journeys in life

# PRESENTATION OF ARVAL

- Arval is a **full service leasing company** established in 1989
- It is **100% owned by BNPP Group**
- Arval has a **long track record of profitable operations** (consolidated net income of 720M€ in 2021). Its organic fleet growth has been >7.5% per year since 2016, supported by a growing market both on corporate and individual segments
- **Strong resilience during the covid crisis** with fleet growth of 6.4% and 3.9% increase of combined net income in 2020
- Arval is a long term lessor (average maturity of contracts of 42 months), **giving strong earnings visibility**
- **We are #1 overall** in the 28 countries where we operate with in particular #1 market positions in France, Italy, Spain and Belgium as well as #3 position in Germany and #4 in the UK\*. 90% of our fleet is leased in Developed European markets
- Arval risk profile benefits from **high diversification** in customers (300,000 customers with a strong degree of granularity: top 10 corporate exposures account only for 7% of exposure). High diversification as well on suppliers with no concentration on any OEM
- **Residual values are managed cautiously** based on robust procedures using large historical statistical data. Track record in managing residual values is strong
- Arval is rated since January 2021: **A / F1 with Fitch (stable outlook) and A- / A2 with S&P (stable outlook)\*\***

\* Multibrand full service leasing ; \*\* See ratings on our website Debt Investors

## /// OUR BOARD OF DIRECTORS

Name	BNPP Entity	Job title
Emmanuelle BURY	AMERICAS	Chief Compliance Officer
Charlotte DENNERY	PERSONAL FINANCE	CEO
Sébastien DESSILLONS	CIB	Head of Industries Group EMEA
Louis-Michel DURAY	PERSONAL FINANCE	Head of Automotive Financial Services
Guylaine DYEURE	GENERAL MANAGEMENT	General Secretary of Bnpp board
Sophie HELLER	DOMESTIC MARKETS	Chief Operating Officer Retail Banking
Thierry LABORDE	COMMERCIAL, PERSONAL BANKING AND SERVICES	Chief Operating Officer BNPP
Sylviane LE CARRE	BNP PARIBAS CARDIF	Global Head of Offer Design
Pierre BOUCHARA	BNP PARIBAS FORTIS	Chief Financial Officer
Piet VAN AKEN	BNP PARIBAS FORTIS	Chief Risk Officer
Alain VAN GROENENDAEL	ARVAL SERVICE LEASE	Chairman & CEO

# /// OUR EXECUTIVE COMMITTEE



Alain van Groenendael  
Chairman & CEO



Bart Beckers  
Chief Commercial Officer



Stefano Berleghi  
Global Operations



Bernard Blanco  
Human Resources Director



Eric Boutille  
Chief Risk Officer



François-Xavier Castille  
Managing Director,  
International



Grégoire Chové  
Managing Director,  
Europe



Christophe Conégéro  
Chief of staff to the CEO and  
Business Transformation  
Director



Agnès Dutot  
Head of Compliance



Jean-Baptiste Faure  
Chief Information Officer



Thibault Lavigne  
Development and  
Strategic Partnerships  
Director



Emilie Wirth  
Retail Director



Stéphane de Marnhac  
Chief Financial Officer



Grégory Libre  
Commercial Performance  
Director



Christelle Pallès  
Communications  
& CSR Director



Hugo Salaun  
Chief Marketing Officer



Marie-Laure Soullaine  
Head of Legal



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BNP PARIBAS GROUP

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# /// OUR KEY FIGURES

## OUR TEAM'S ACHIEVEMENTS AT THE SERVICE OF OUR CUSTOMERS

OUR  
PRESENCE  
**30** countries

**#1**  
A confirmed  
leadership  
position in our  
country scope

A **€ 12.3** billion  
Revenues  
Company

OUR CUSTOMERS  
WORLDWIDE  
**+ 300,000**

OUR TEAM  
**+ 7,500** Staff  
members gathered  
by our EVP\*:  
"Arval, a place for  
people in action"

OUR LEASED FLEET  
**≈ 1,5M** vehicles

VEHICLES ORDERED  
**+ 438,000**/year

OUR ANNUAL GROWTH  
**6.4%** (YE 2021 vs YE 2020)

USED CARS SOLD  
**+ 299,000**/year

NPS  
**41.9**

Private Lease NPS  
**38.5**

Client satisfaction **86.2%**  
Driver satisfaction **90.3%**

A BNP PARIBAS GROUP COMPANY

Data reported at end December 2021

\*EVP: Employee Value Proposition: "Arval, a place for people in action"

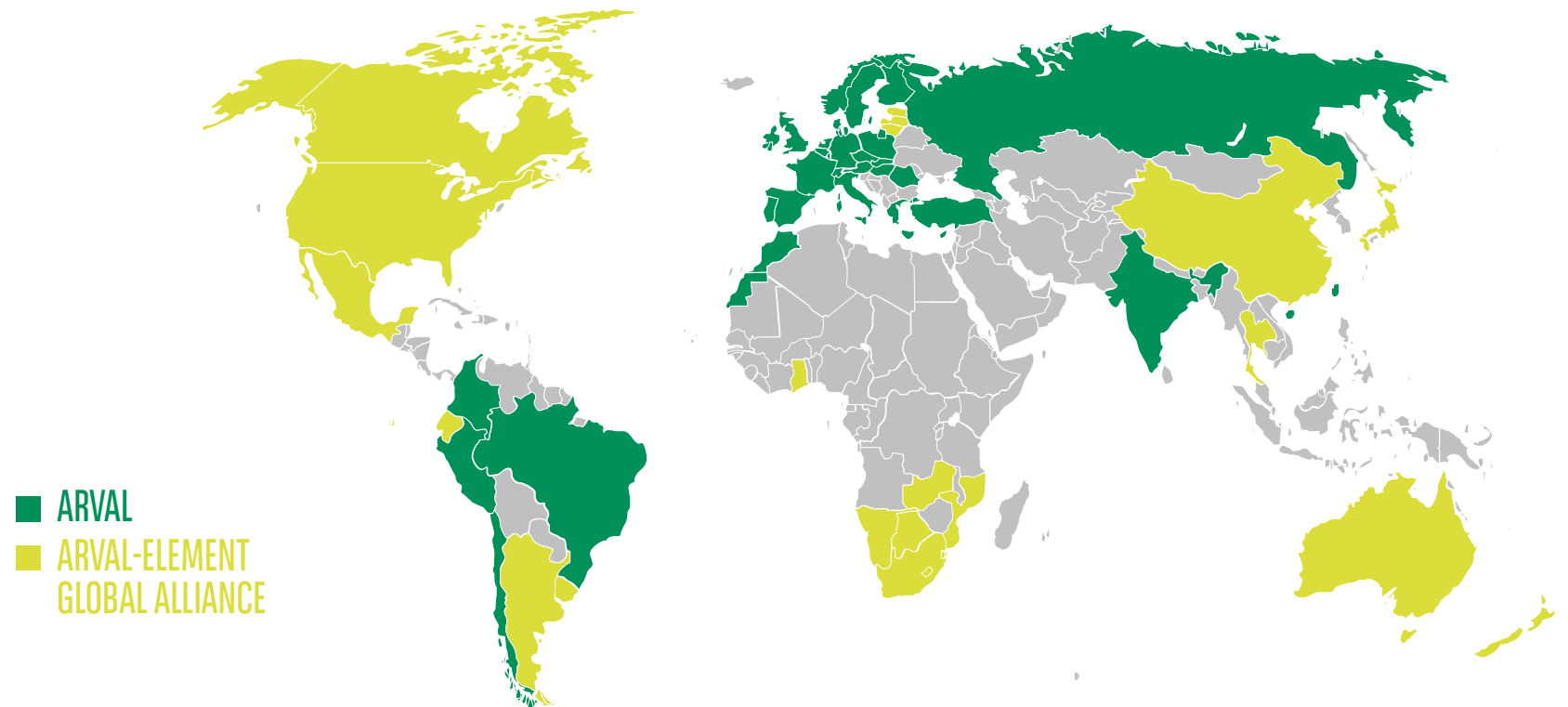


# /// OUR PRESENCE IN THE WORLD

SERVING OUR CLIENTS ACROSS  
THE 5 CONTINENTS THANKS TO  
THE ELEMENT ARVAL GLOBAL  
ALLIANCE

THE ELEMENT-ARVAL GLOBAL ALLIANCE  
VALUE PROPOSITION:

- geographic presence,
- fleet consulting,
- global scale,
- common tools,
- global relationship management.



**1989**  
France  
**1991**  
Belgium  
**1995**  
Italy  
**1996**  
Spain

**1997**  
Luxembourg  
**1998**  
Switzerland,  
Portugal  
**1999**  
Netherlands,  
Poland,  
United-Kingdom

**2000**  
Germany, Austria  
**2002**  
Morocco  
**2003**  
Czech Republic,  
Hungary

**2004**  
Slovakia  
**2005**  
Brazil, Russia  
**2006**  
Romania, Turkey

**2007**  
India, Greece,  
Ireland  
**2012**  
Denmark, Finland,  
China  
**2015**  
Peru, Chile

**2016**  
Sweden  
**2017**  
Norway  
**2020**  
Colombia

# /// OUR CORE BUSINESS

## OUR FULL SERVICE CAR LEASING OFFER

Our historical business is about car leasing with a range of various services. We support our customers throughout the life of their contract:

### TO THE ROAD

WE ADVISE thanks to our consultative approach

WE SELECT & PROCURE vehicles and services

### ON THE ROAD

WE DELIVER the best “on the road” service

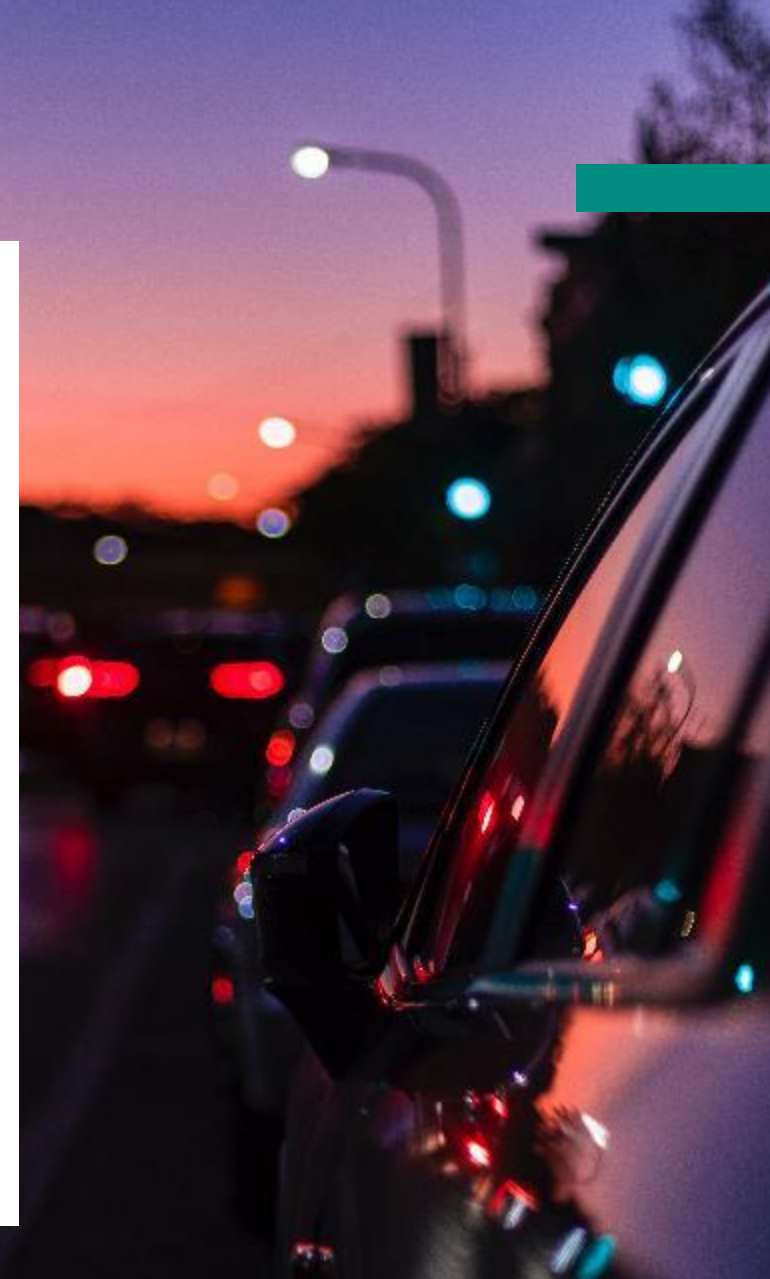
WE REPORT main fleet kpis thanks to digital tools

### OFF THE ROAD

WE SELL the vehicle

## OUR CORE SERVICES

- FUNDING
- INSURANCE
- MAINTENANCE & TYRES
- ROAD SIDE ASSISTANCE
- FUEL MANAGEMENT
- REPAIR
- RELIEF VEHICLE



# /// OUR BUSINESS MODEL

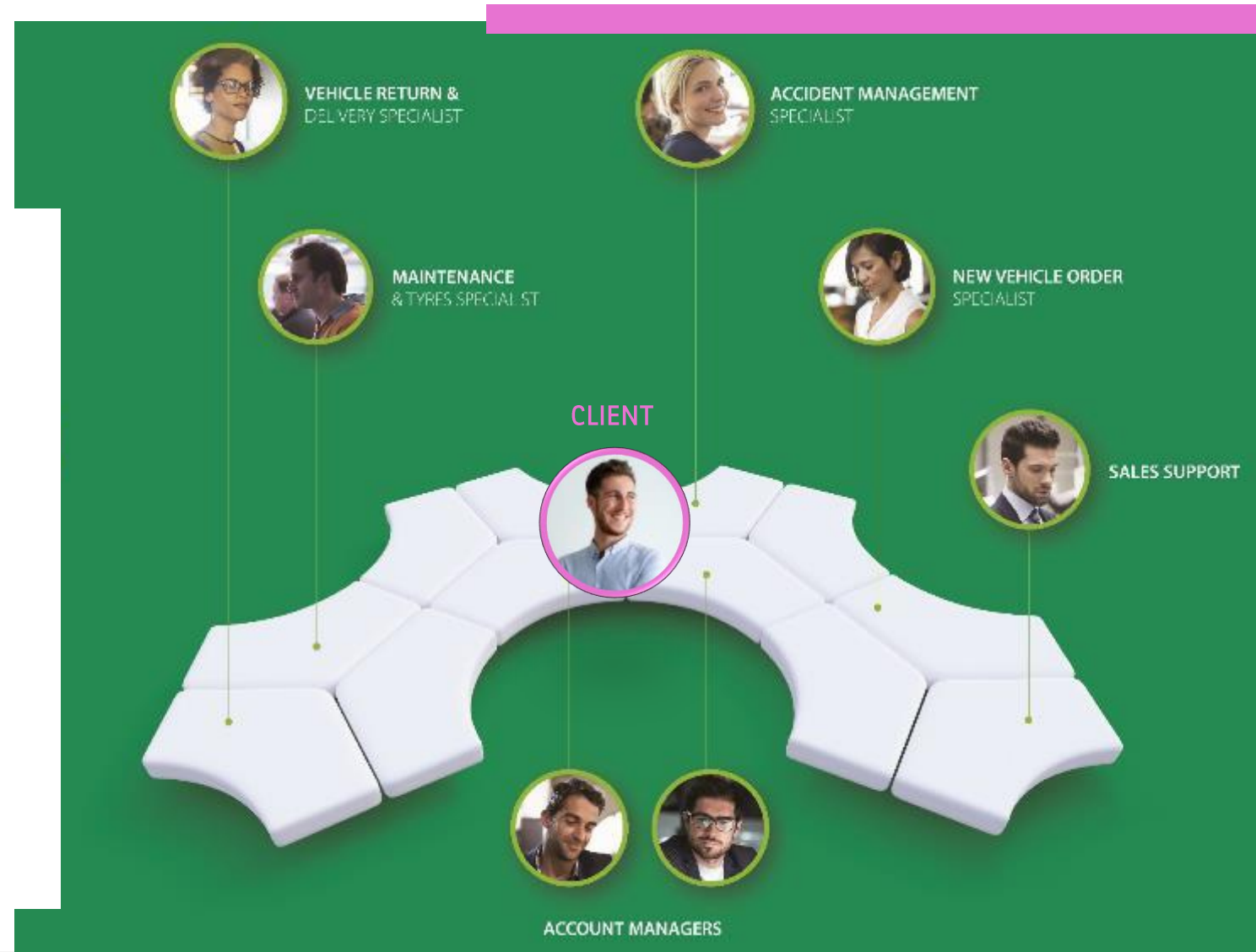
## A UNIQUE COMPETITIVE ADVANTAGE

### THE ACCOUNT TEAM:

### OUR CLIENT, AT THE HEART OF OUR ORGANISATION

A DEDICATED TEAM OF EXPERTS BY YOUR SIDE, SERVING AS YOUR OWN "MINI LEASING COMPANY" WHO DELIVERS THE BEST PERSONALISED EXPERIENCE IN A CARING AND SIMPLE RELATIONSHIP.

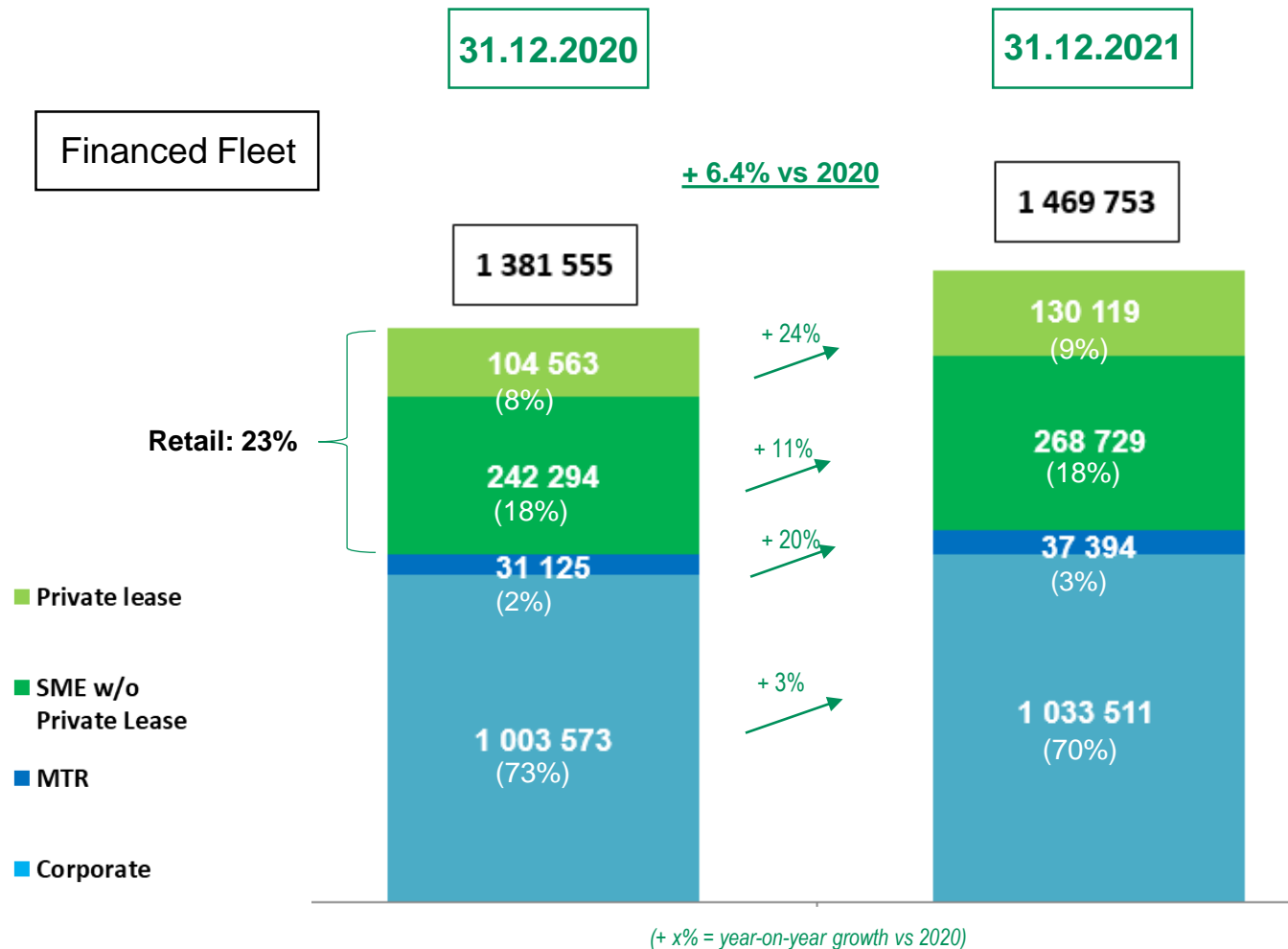
- One common goal: satisfaction
- Team mindset
- Improved customer knowledge
- Increased understanding of client/business issues
- Better and faster response times through improved, direct internal communication
- Both Operations and Sales equally at the service of customers
- End to end customer experience cared for





# FLEET PER CLIENTS PROFILE AS AT DECEMBER 2021

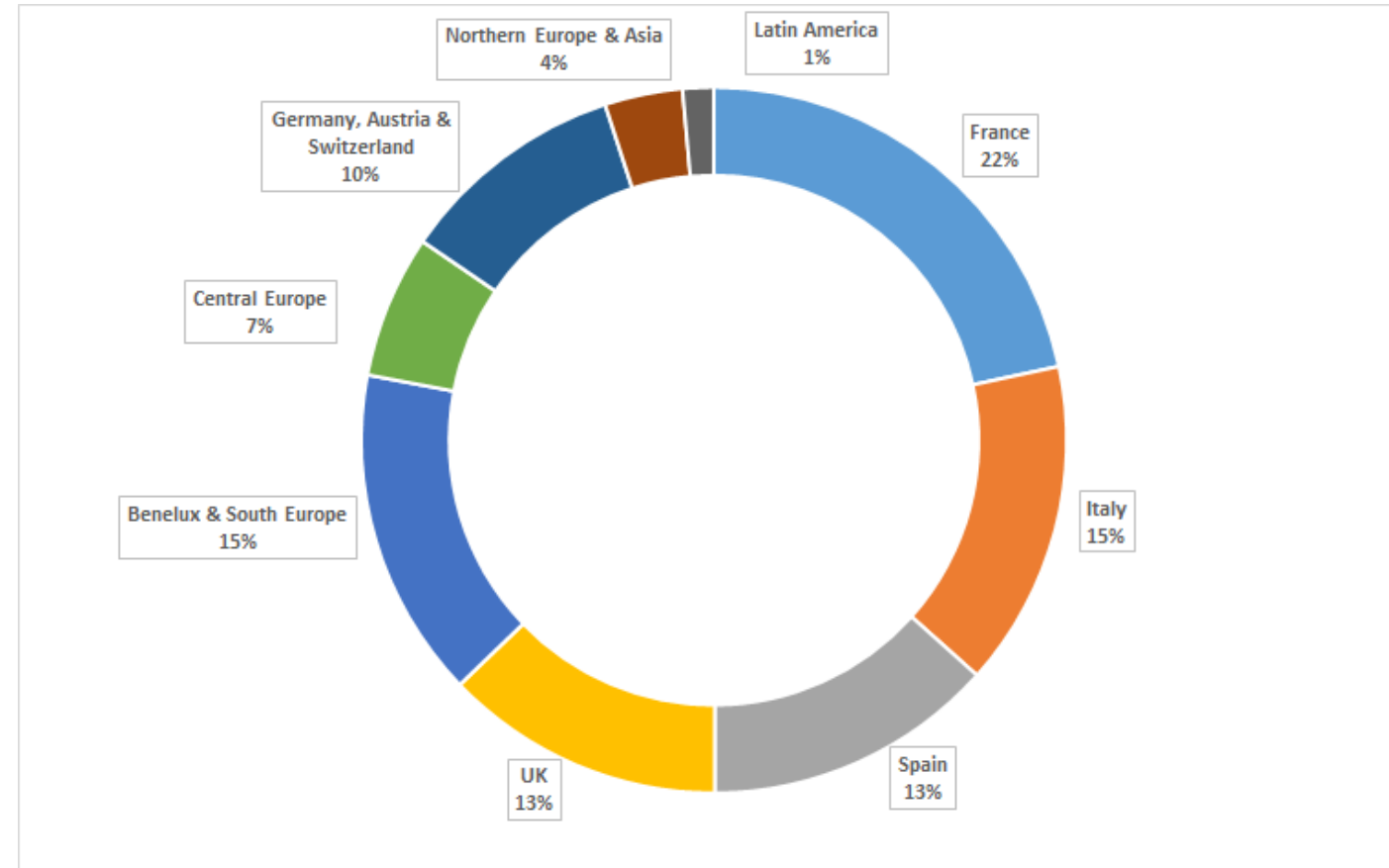
- Historical focus on large corporates
  - 70% of the fleet, of which:
    - ✓ 45% mid & large corporates
    - ✓ 25% large international clients
- Good development with SMEs
- Strong growth with individuals: private lease represents 9% of total fleet as of today



# GOOD DIVERSIFICATION BY GEOGRAPHY

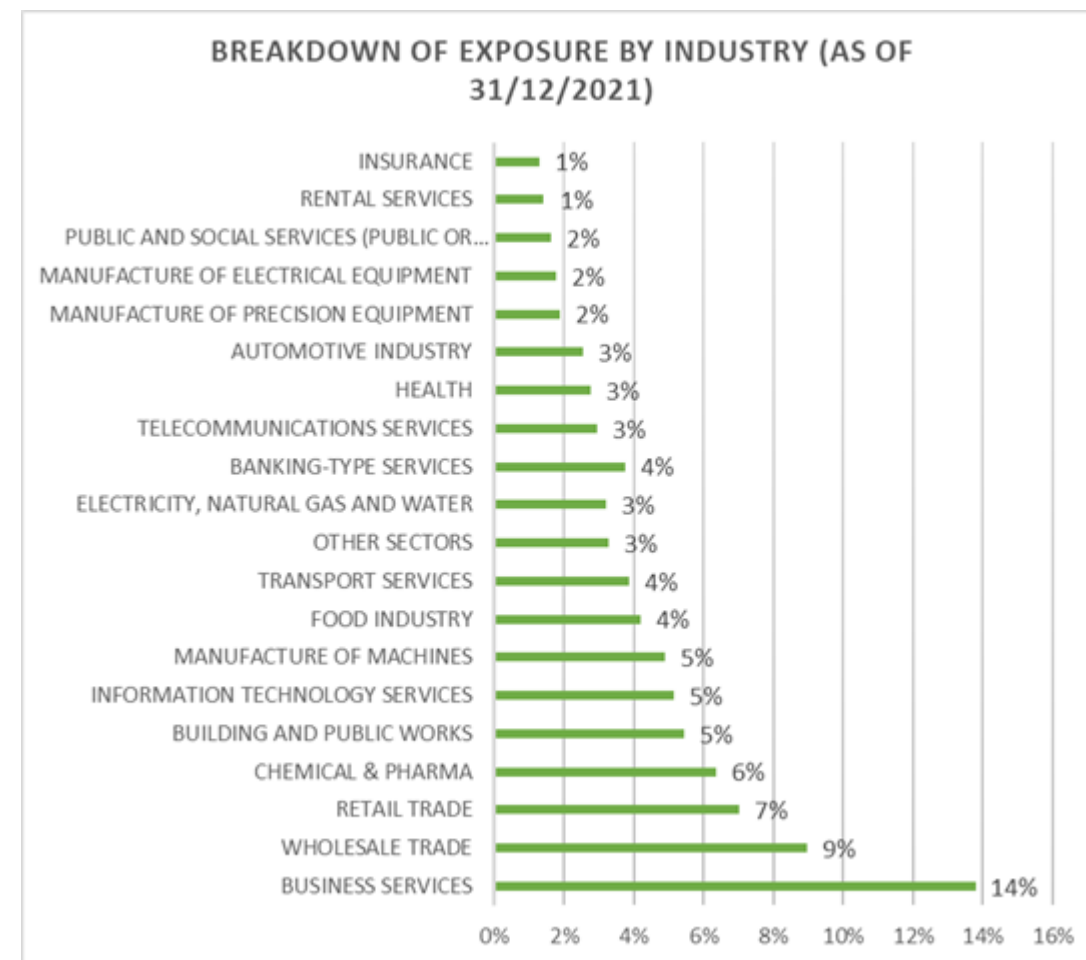
## WITH A FLEET ESSENTIALLY LOCATED IN DEVELOPED EUROPEAN COUNTRIES

- 90% of the fleet is currently located in Developed European economies
- Our Full Service Leasing strategy centers on new cars being leased in Developed markets



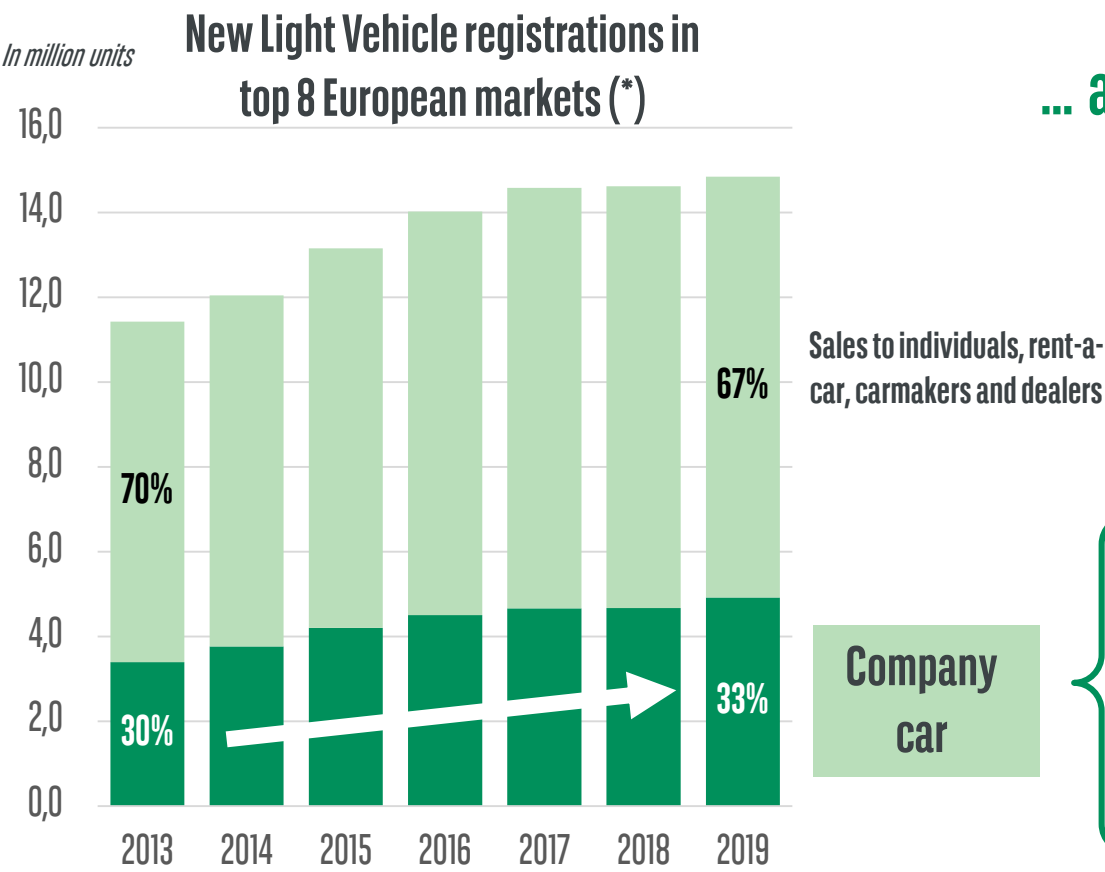
# GOOD DIVERSIFICATION BY CLIENTS AND INDUSTRY

- 30 000 Corporate clients and 270 000 Retail clients
  - Top 10 Business Groups (excl BNPP) represent only 7% of total exposure
  - Top 20 Business Groups (excl BNPP) represent a bit less than 12% of credit exposure
- Arval portfolio is well diversified by industry
- No industry segment exceeds 14% of the portfolio.
- Sensitive industries to the Covid crisis only represent a very small part of the portfolio

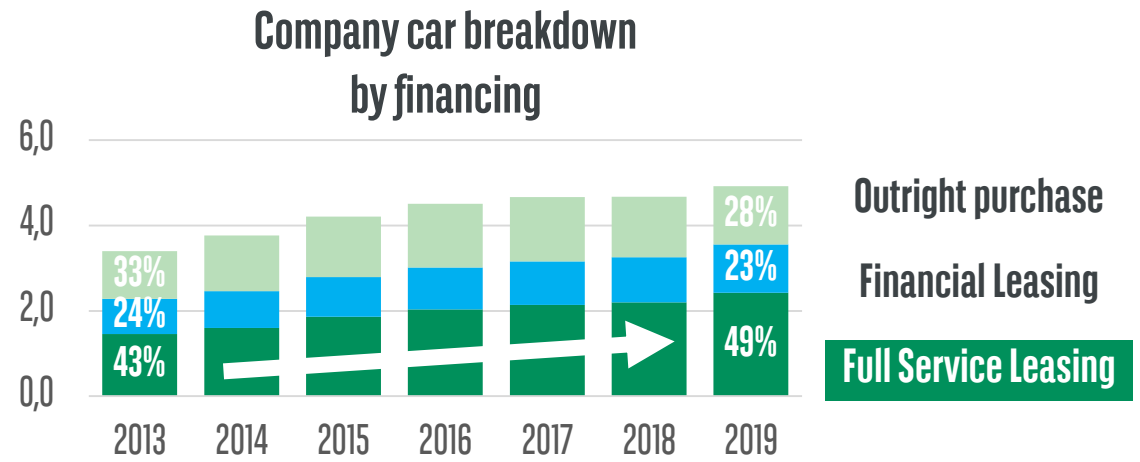


# FULL SERVICE LEASING OUTPERFORMS THE AUTOMOTIVE MARKET

## Increasing share of company cars ...

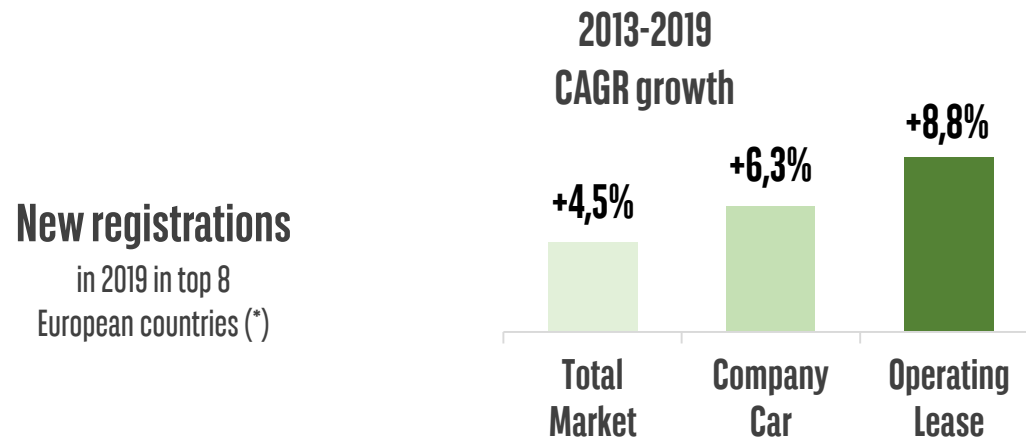
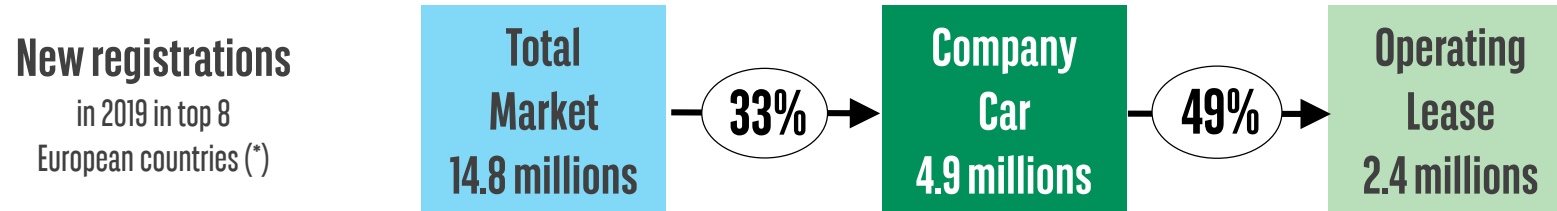


## ... and increasing share of FSL among company cars



# THE FULL SERVICE LEASING MARKET

A STRONG GROWTH SUPPORTED BY INCREASING VOLUMES OF COMPANY CARS AND PENETRATION OF FULL SERVICE LEASING



Sources: Frost & Sullivan, July 2020. (\*) Top 8 countries: Germany, UK, France, Italy, Spain, Belgium, Poland, Netherlands



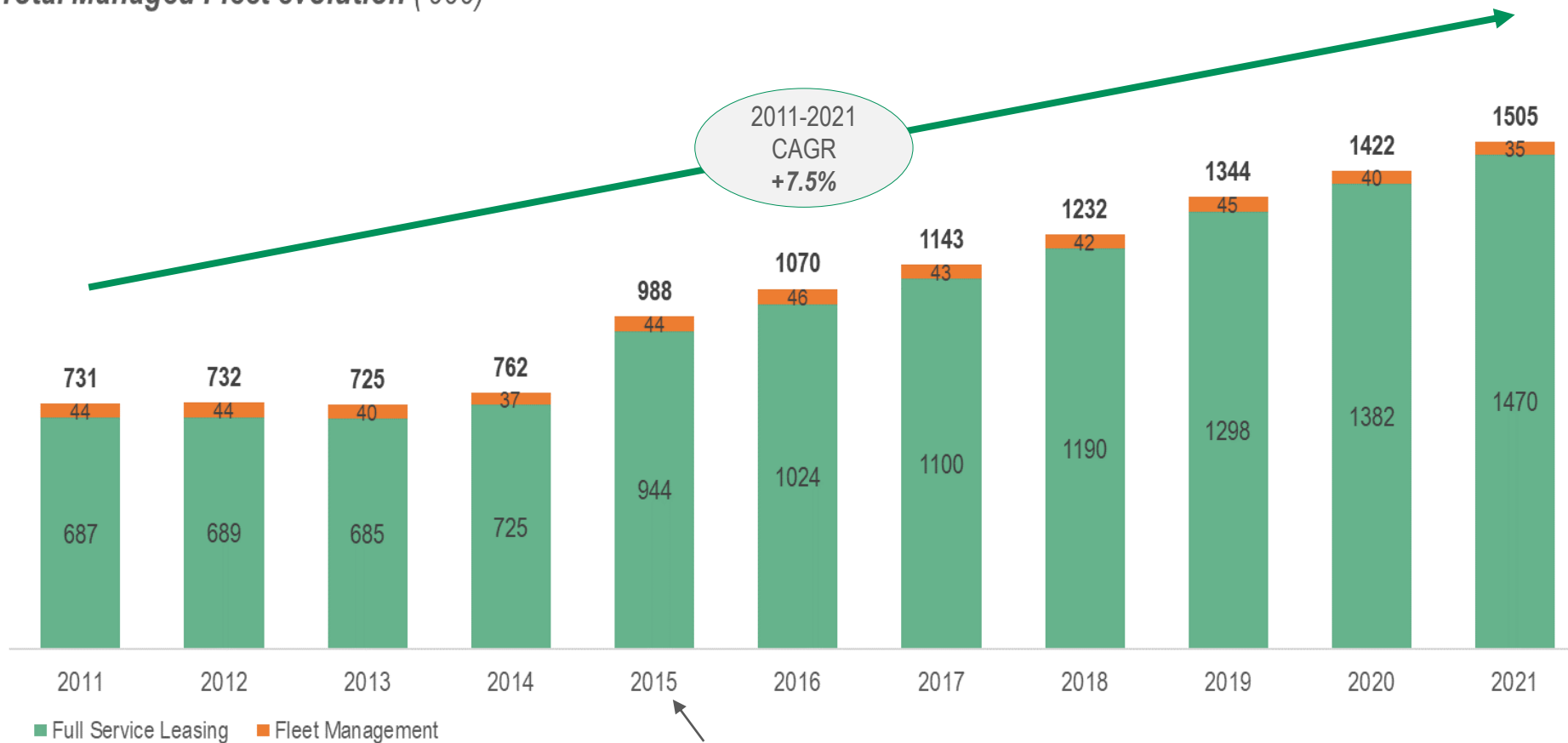
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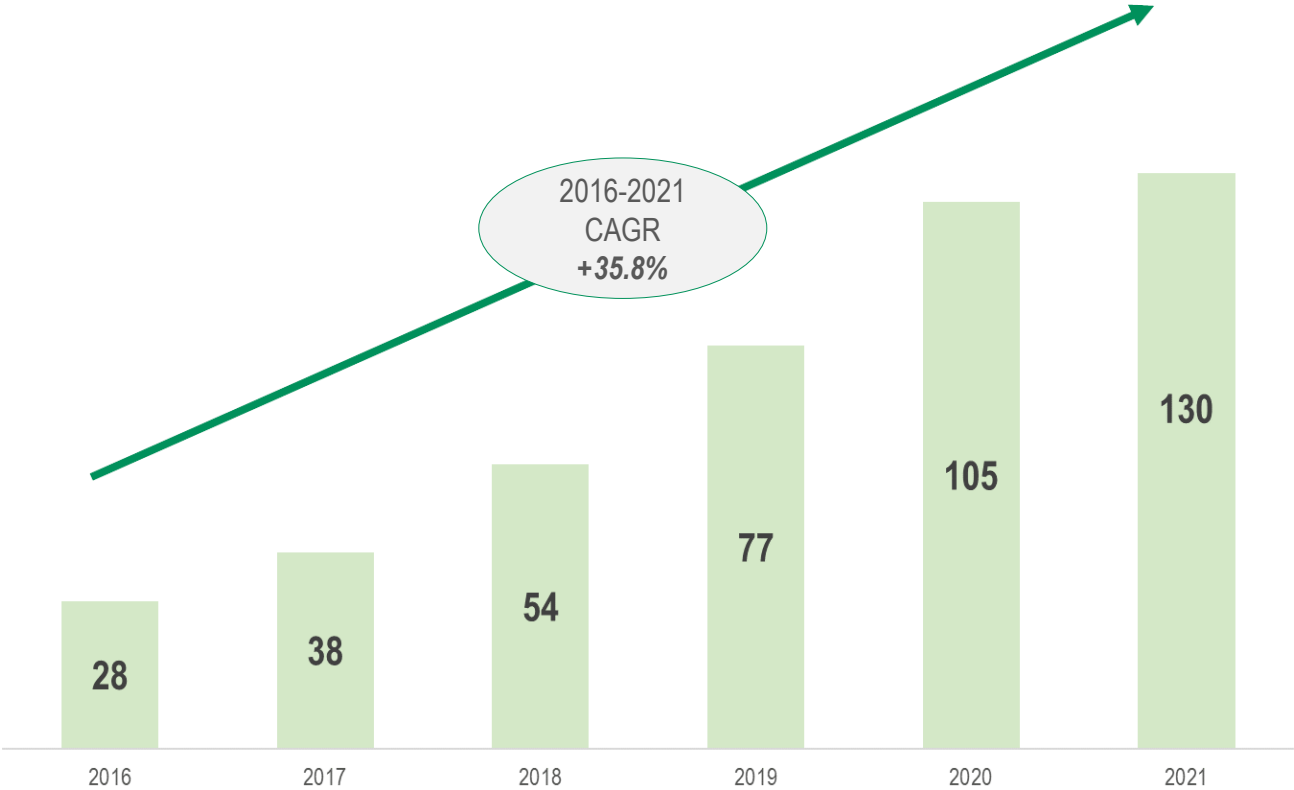
# /// ARVAL LAST DECADE FLEET EVOLUTION

Total Managed Fleet evolution ('000)



Acquisition of GE Fleet Leasing (2 Nov 2015)

# PRIVATE LEASE: A NEW SEGMENT DRIVING ADDITIONAL GROWTH SINCE 2016 ('000)



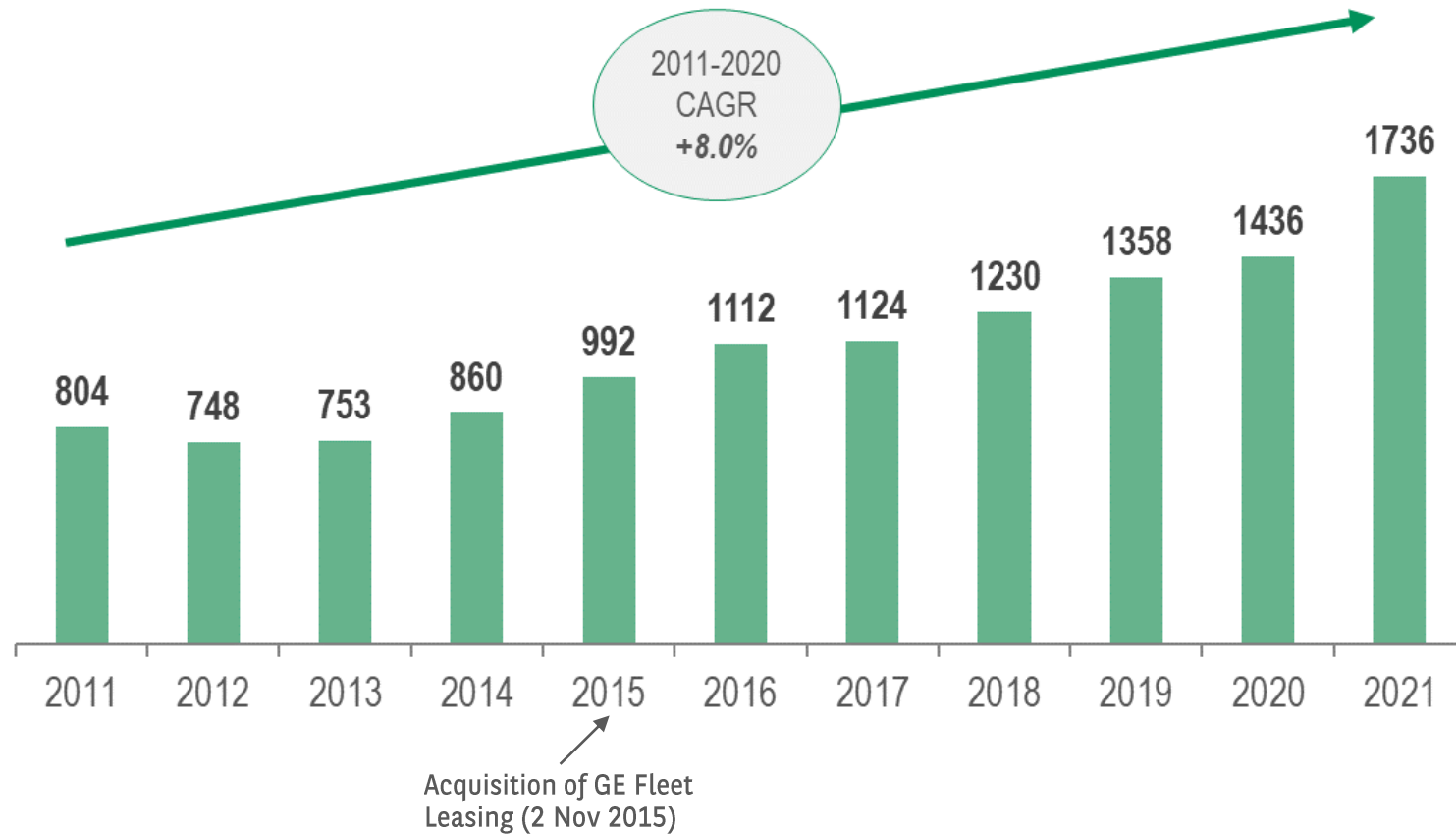
# #1 position in Full Service Leasing in most of its key markets

- Strong and improving competitive position in full service leasing\*
- Leading market shares in full service leasing\* in its core countries:
  - ~20% in France, Italy and Spain and ~12% in the UK which altogether represent 65% of Arval's fleet and business
  - ~20% in Poland, ~18% in Belgium and ~5% in the Netherlands and Germany
  - These 8 countries represent 85% of Arval's fleet
- Arval is a top player in full service leasing\* in its main countries:
  - #1 in France
  - #1 in Italy
  - #1 in Spain
  - #1 in Belgium
  - #1 in Poland
  - #3 in Germany
  - #4 in the UK

*(\*) Multibrand full service leasing ; Source: Company reports, Arval's estimations, FN 50, Frost & Sullivan*

## /// ARVAL LAST DECADE RESULTS\*: STEADY INCREASE OF GOI

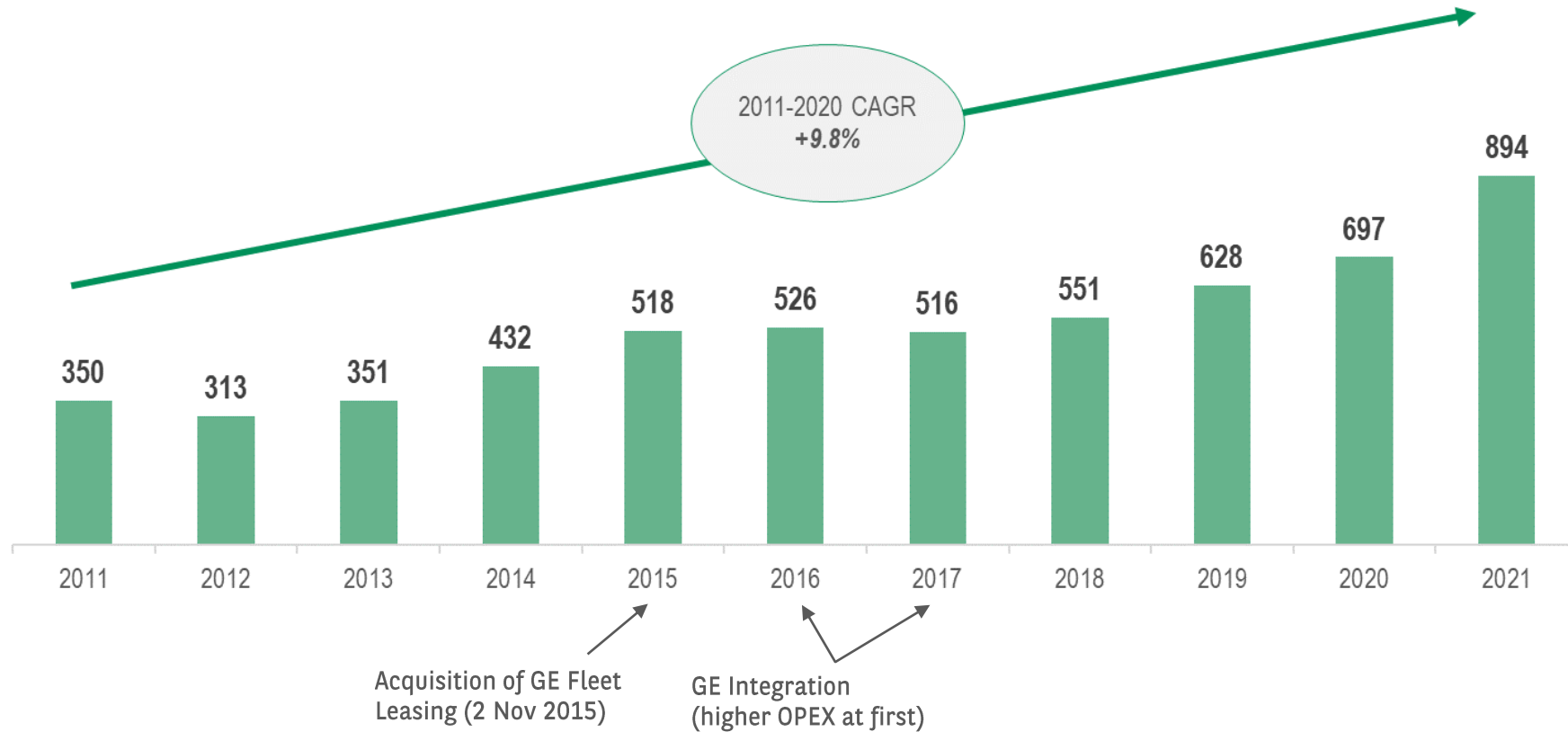
Gross operating income\*\* in M€



\* Pro forma accounts (combined accounts for 2018, 2019 and 2020, consolidated accounts for 2021) ; \*\* Equivalent to net banking income

# /// ARVAL LAST DECADE RESULTS\*

Gross Operating Result\*\* in M€

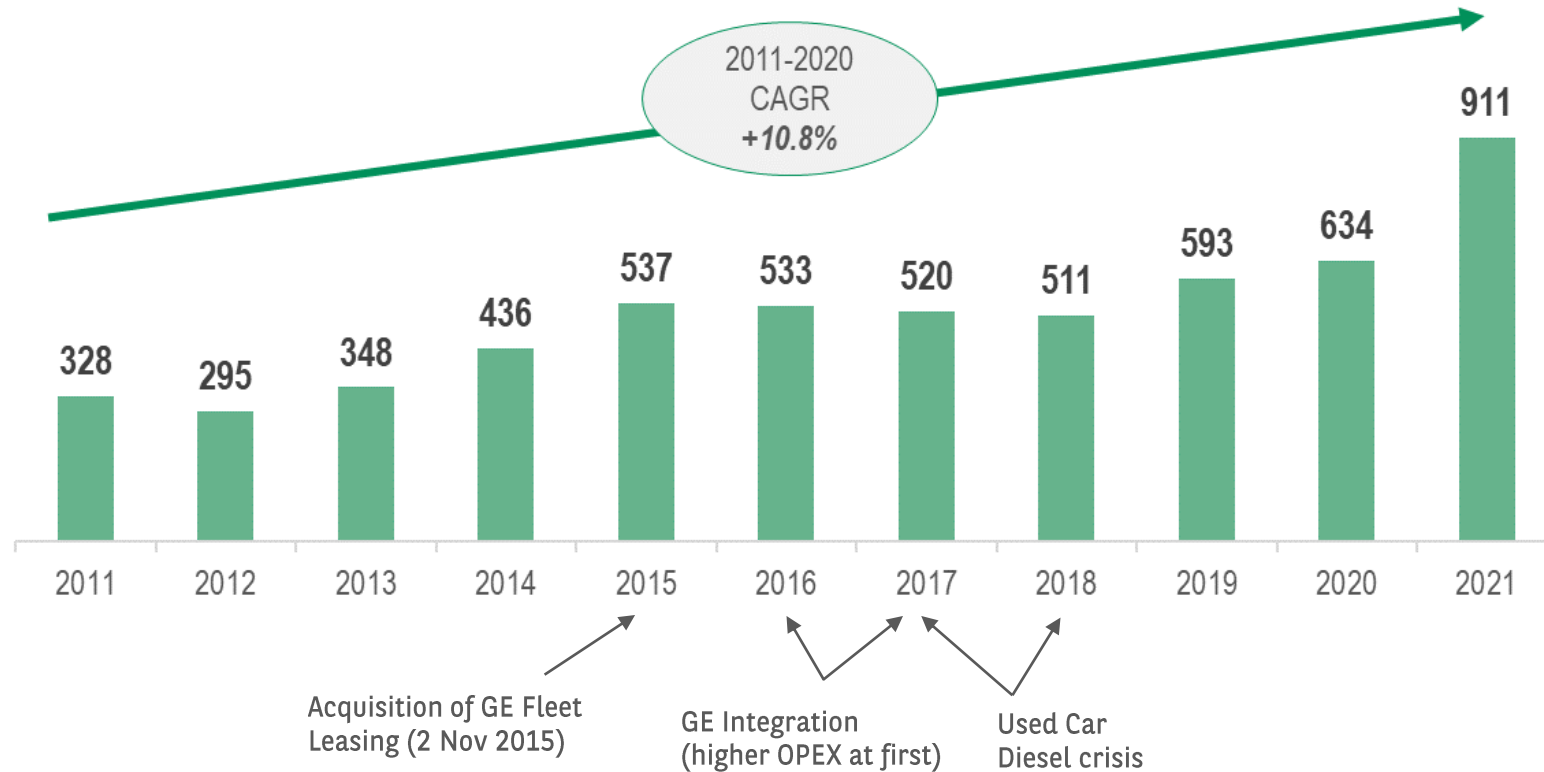


\* Pro forma accounts (combined accounts for 2018, 2019 and 2020 ; consolidated accounts for 2021); \*\* Gross Operating Income minus Operating Expenses



# /// ARVAL LAST DECADE RESULTS\*

NIBT\*\* in M€



\* Pro forma accounts (combined accounts for 2018, 2019 and 2020 ; consolidated accounts for 2021) ; \*\* Net Income Before Tax

### /// ARVAL BEYOND

AN "E-4X4" STRUCTURE : FROM FULL SERVICE CAR LEASING TO MOBILITY INCLUDING THE CAR



## OFFERS

- 360° Mobility
- Flexible & Augmented Cars
- Good for you, good for all
- Arval Inside

## CUSTOMERS

- Corporate
- Retail
- International
- Partners

## LEVERS

- Data
- Process
- Digital
- People

## PASSIONS

- People Engagement
- Customer satisfaction
- Efficiency & Agility
- Sustainability & Responsibility



## /// OUR CSR STRATEGY 2021 - 2025

### 4 PILLARS – 12 ENGAGEMENTS

Arval endorses the BNP Paribas Group commitments, and transposes the Group objectives into local objectives.

### OUR CSR OBJECTIVES IN 2025

**700,000**

Electrified Vehicles in our leased fleet

**30,000**

Volunteering hours accomplished by Arval employees  
One Million Hours to Help

**40%**

Women in Arval COMEXes

**0g**

Compensation of the CO<sub>2</sub> emissions of own operations  
(building, travels & own employees fleet)

**100%**

Of our Countries proposing sustainable mobility offers to our clients

**30%**

reduction on CO<sub>2</sub> emissions vs 2020 on leased fleet

#### THE ECONOMY

**Developing our business in ethical and sustainable way**

1. Promote Sustainable Mobility with a positive impact
2. Ethics of the highest standard
3. Include responsible sourcing in our contracts with suppliers

#### OUR PEOPLE

**Developing and engaging our people responsibly**

4. Promote diversity & inclusion in the workplace
5. Be a good place to work with responsible employment management
6. Be a learning company supporting dynamic career management

#### THE COMMUNITY

**Being a positive agent for change**

7. Influence & act for road safety
8. Finance & support R&D on mobility's future
9. Sustain corporate philanthropy actions related to our core business

#### THE ENVIRONMENT

**Combatting climate change**

10. Partnering with our clients in the transition to a low-carbon mobility
11. Reduce the environmental impact of our operations
12. Advance awareness and sharing of best environmental practices

Contributing to all United Nations 17 Sustainable Development Goals



# ARVAL BEYOND'S 10 KPIS FOR 2025



**€1 billion**  
net income  
before tax



**2 million**  
leased  
vehicles



Return  
on Notional  
Equity



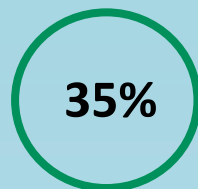
Cost / income  
ratio



**700,000**  
electrified vehicles  
in our leased fleet



**100%**  
of countries offering  
sustainable mobility  
solutions



reduction in  
CO<sub>2</sub> emissions  
vs. 2020 for our total  
leased fleet



CO<sub>2</sub> emissions  
for our own  
operations



**20**  
Net Promoter  
Employee Score



**40**  
Net Promoter  
Score



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