

In Conversation With ...

Florent Thiry

Americas Head of Financial Intermediaries & Corporates
BNP Paribas Securities Services

Why did BNP Paribas decide to launch US custody services in 2012?

As a top five global custodian, we felt that there was an opportunity to provide a differentiated service in the US, the biggest financial market in the world. You can't be considered a true global player without having a local presence here.

Today, the US is one of 27 countries in BNP Paribas' proprietary custodial network. Covering over 90 markets worldwide, our global custody network includes over \$11.5 trillion in assets under custody. Additionally, with over 90% of clients' assets held within our own proprietary network, we can ensure one of the highest levels of operational efficiency and asset protection in the industry.

How do you differentiate yourself in the US?

Advanced technologies, dual-office operations and customized client services are among the elements that distinguish BNP Paribas within the US custody space.

Rather than rely on aging legacy systems, we have crafted a US custody platform that is among the industry's newest, featuring highly agile solutions that facilitate real-time process management, coupled with a multi-layered security environment. Also, because we have a single system for local and global custody, clients can expect reduced fails, better cut-off times and more competitive pricing.

With command centers in Jersey City, NJ and Lisbon, Portugal, we can offer clients a unique dual-office arrangement giving them ready access to a wealth of global markets covering the Americas, Europe and Asia, while also providing a full 16 hours of daily processing and service coverage (3:00 a.m. – 7:00 p.m. EST), including same-day cut-off for voluntary corporate actions in the US.

Tell us about the different custody models you offer in the US.

In addition to traditional global and local custody, we also offer broker-to-custody and account operator models.

Our broker-to-custody model is available to clients based in Europe and Asia, offering them order entry, routing, monitoring and advanced execution capabilities to ensure seamless processing of their US securities flows.

Under our account operator model, the client maintains full operational control over its end clients' assets, while we operate their DTCC account, handling all custody-

related processes like trade settlement, corporate actions, tax reporting, proxy voting, reconciliation and cash management.

What is the impact of new technologies on the industry?

Investment in technology and the pace of innovation have drastically increased. Significant advancements in AI, cloud computing, big data analytics and blockchain are having a truly transformative effect on financial markets and institutions.

Our BNP Paribas Digital team is working on three key priorities: improving the customer experience, automating our processes and building services for tomorrow.

Hundreds of Robotics Process Automation (RPA) tools are currently being deployed throughout BNP Paribas. The immediate advantages are an increase in employee and client satisfaction, given manual processes are prone to human error and can be time-consuming.

AI initiatives are also currently being rolled out in certain locations which will improve the customer experience by providing answers with a quicker turnaround, allowing us to better manage our clients' needs.

Florent Thiry

Americas Head of Financial Intermediaries & Corporates
BNP Paribas Securities Services

