



BNP Paribas Asset Management completes end-to-end fund transaction test using blockchain

[10 January 2018] BNP Paribas Asset Management successfully completed a full end-to-end fund transaction test late last year, using blockchain technology.

The test has been conducted leveraging on BNP Paribas Securities Services' blockchain programme, Fund Link, and FundsDLT, a blockchain based decentralized platform for fund transaction processing, which has been developed through collaboration between Fundsquare (a subsidiary of the Luxembourg Stock Exchange), InTech (a subsidiary of POST Group) and KPMG Luxembourg.

The test demonstrated that Fund Link is able to connect with other blockchains, opening the door to a new model of interoperability and marks a key milestone for fund distribution. The transaction included each part of the fund trade process, from delivery of the order to the processing of the trade.

BNP Paribas Asset Management is among the first leading global asset managers to take part in this prototype testing. This new development is fully in line with its growth plan, which puts innovation and technology at the heart of its strategy, making BNP Paribas Asset Management a leading provider of digital investment services to support the distribution of its funds.

Fabrice Silberzan, Chief Operating Officer, BNP Paribas Asset Management commented: *"We have a unique opportunity to continue shaping the future of the asset management industry using digital technology, and transform the fund distribution process. While investors will benefit from reduced transaction time, we will also profit from a sleeker, more streamlined system underpinned by technology and relevant for all fund types and geographies."*

The test also makes BNP Paribas Securities Services one of the first asset servicing providers to process a full end-to-end fund transaction using blockchain technology which is integrated within its core platforms.

Arnaud Claudon, Head of Asset Managers, BNP Paribas Securities Services, said:

"This is a key milestone in our Fund Link project as it showcases the interoperability of our platform, something which will be key to us moving forward. This transaction is a continuation of the work we

started earlier this year and is fully aligned with our goal of co-creating with external partners and the wider market.”

Said Fihri of KPMG Luxembourg explained:

“The pool of asset managers using FundsDLT to perform test transactions is expanding. The participation of leading asset managers like BNP Paribas Asset Management is a clear indication of the platform’s growing maturity, and firms from further afield – the US, UK and Germany – have also entered into discussions with the FundsDLT team. There’s a real sense of excitement about the project, and a feeling that FundsDLT is playing a role in shaping the fund distribution landscape.”

Olivier Portenseigne of Fundsquare concluded:

“Our goal is to collaborate with major players from the fund industry so as to capitalise on the benefits that blockchain technology brings. We are delighted to see BNP Paribas Asset Management come on board as a frontrunner in pioneering and testing our platform. FundsDLT is an international initiative that streamlines a number of activities within the fund distribution value chain, and as a consequence, will reduce costs for the benefits of investors across fund and investor domiciles. This will certainly bring a competitive advantage to early joiners.”

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Press contacts:

BNP Paribas Asset Management
Sandrine Romano
+33 (0)1 58 97 74 49
sandrine.romano@bnpparibas.com

Quentin Smith
+44 (0) 20 7063 7106
quentin.smith@bnpparibas.com

BNP Paribas Securities Services
Simon Danaher
+44 20 7595 9108
simon.danaher@bnpparibas.com

Fundsquare
Paolo Brignardello
+352 28 370 528
paolo.brignardello@fundsquare.net

Notes to editors:

About FundsDLT

FundsDLT is the result of collaboration between Fundsquare (a subsidiary of the Luxembourg Stock Exchange), InTech (a subsidiary of POST Group) and KPMG Luxembourg. The platform is being developed to enable asset managers to sell funds through a new distribution channel, while significantly reducing administration costs and the time to process transactions for both asset managers and other asset servicers. FundsDLT will streamline a range of fund administration and

order-routing tasks by using blockchain to automate several processes in a secure manner. The model is applicable to a wide range of funds and does not depend on the jurisdiction.

For more info on FundsDLT's, please visit: <http://www.fundsdlf.net/>

About BNP Paribas Asset Management

BNP Paribas Asset Management is the investment management arm of BNP Paribas, one of the world's major financial institutions. Managing and advising EUR 571 billion in assets as at 30 September 2017, BNP Paribas Asset Management offers a comprehensive range of active, passive and quantitative investment solutions covering a broad spectrum of asset classes and regions. With more than 700 investment professionals and around 600 client servicing specialists, BNP Paribas Asset Management serves individual, corporate and institutional investors in 73 countries around the world. Since 2002, BNP Paribas Asset Management has been a major player in sustainable and responsible investing.

For more information, please visit bnpparibas-am.com, or follow us on:



About BNP Paribas Securities Services www.securities.bnpparibas.com

BNP Paribas Securities Services, a wholly owned subsidiary of the BNP Paribas Group, is a leading global custodian and securities services provider. It had assets under custody of USD 10.8 trillion as at 30.09.2017. Backed by the strength of the BNP Paribas Group, we provide multi-asset post-trade and asset servicing solutions for buy and sell-side market participants, corporates and issuers. With local expertise in 36 countries and a global reach covering 90+ markets, our network is one of the most extensive in the industry, enabling clients to maximise their investment opportunities worldwide.

About KPMG Luxembourg

KPMG in Luxembourg provides a full range of audit, tax and advisory services to major national and international clients active in the financial, insurance, commercial and industrial sectors.

With more than 1,500 people, KPMG in Luxembourg is one of the country's leading audit, tax and advisory firms. Our approach to relationships and service delivery is designed to help clients exploit new opportunities, improve performance and manage risk.



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About Fundsquare

Fundsquare was constituted in June 2013 and was set up by the Luxembourg Stock Exchange in order to create a unique international market infrastructure that provides services to substantially support and standardise cross-border distribution of investment funds. The main objective of this utility is to facilitate the relationships between professional investors and funds and to allow them to meet current and future challenges of cross-border distribution. It provides a flexible and responsive infrastructure to enable operational effectiveness across the entire distribution chain. Fundsquare offers unique solutions for order routing management, information and regulatory compliance.

More information at: www.fundsquare.net

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About InTech

InTech is an IT company providing consulting and expertise in information technology. With more than 100 engineers, InTech helps their customers to create innovative services thru the use of emerging technologies and works on blockchain since 2013. InTech is a POST Luxembourg Group subsidiary. More info at: <http://www.intech.lu/>