

2.2.3 Other committees chaired by General Management

In addition to the Group General Executive Committee, Xavier Durand also chairs two other committees:

Executive Committee

This is composed of the GEC and the regional directors (see also Section 1.7 "Group organisation").

The Executive Committee does not have formal decision-making power. It helps to prepare the Group's strategy and study of key operational subjects or strategic initiatives.

Like the GEC, the Executive Committee pays particular attention to monitoring the efficiency of internal control, internal audit and risk management systems that are considered essential to the Group's smooth internal governance.

They meet each month to review the progress of the Group's cross-disciplinary projects and the implementation of the Fit to Win strategic plan.

Furthermore, the Executive Committee members contribute, as a team, to setting up and disseminating Coface's managerial culture.

Moreover, once a month, the Chief Executive Officer (CEO) calls the main managers of the various head office functions for a "HQ Leaders Committee" meeting. This committee focuses on information and discussions relating to the main areas of reflection and action.

2.3 COMPENSATION AND BENEFITS PAID TO MANAGERS AND CORPORATE OFFICERS

The Company refers to the AFEP-MEDEF Code to prepare the report required by Article L.225-37 of the French Commercial Code.

The tables inserted in the sections below present a summary of compensation and benefits of any kind that are paid to corporate officers of the Company, and to members of the Company's Board of Directors by (i) the Company, (ii) controlled companies, pursuant to Article L.233-16 of the French Commercial Code, by the company in which the mandate is performed, (iii) controlled companies, pursuant to Article L.233-16 of the French Commercial Code, by the Company or companies that control the company in which the mandate is performed and (iv) the Company or companies that, pursuant to the same article, control the company in which the mandate is exercised. Since the Company belongs to a group at the date of this registration document, the information concerns the amounts owed by all companies in the chain of control.

The Company is a limited corporation (*société anonyme*) with a Board of Directors. The duties of Board Chairman, performed by Mr Laurent Mignon until June 15, 2018 and then by Mr François Riahi, and Chief Executive Officer (CEO), performed by Mr Xavier Durand, have been separated.

No form of compensation or benefit has been paid to the Chairman of the Board of Directors by the Company. The compensation paid by Natixis to Mr Laurent Mignon and to Mr François Riahi for their term as Chief Executive Officer (CEO) of Natixis is described below (Sections 2.3.2 and 2.3.3).

Mr Xavier Durand was compensated by the Company for his term as Chief Executive Officer as described in Sections 2.3.2 and 2.3.3 below.

2.3.1 Compensation policy

Regulatory framework

The Company's compensation policy falls under the provisions of the Solvency II Directive and of the 2015/35 delegated regulation (Article 258 Section 1, Point 1 and Article 275).

Generally, compensation practices should contribute to the effective risk management in the Company, and in particular:

- ◆ ensure strict compliance with the legal and regulatory provisions applicable to insurance companies;
- ◆ prevent conflicts of interest and not encourage risk taking beyond the limits of the Company's risk tolerance;
- ◆ be consistent with the Company's strategy, interests and long-term results;
- ◆ guarantee the Company's capacity to keep appropriate equity.

In this context, Coface's compensation policy specifies general provisions applicable to all employees according to certain criteria and provisions specific to the population identified as regulated.

General principles

The compensation policy is a key instrument in implementing Coface's strategy. It seeks to attract, motivate and retain the best talent. It encourages individual and collective performance and seeks to be competitive in the market while respecting the Group's financial balance. It complies with the regulations in force, guarantees internal equity and professional equality, particularly between men and women. It is defined by General Management based on proposals by the Group's HR Department and passed along in Coface regions and countries.

Structured in a clear and transparent manner, compensation is intended to be adapted to the Group's objectives and to assist it in its long-term development strategy:

- ◆ **fixed compensation:** this is the principal component of individual compensation and depends on the abilities and expertise expected for a given position. It is fixed at the time of hiring and reviewed annually with regard to market practices, individual contribution and internal equity in strict compliance with the constraints of the budgets allocated for the financial year;
- ◆ **annual individual variable compensation ("bonus"):** the Group's variable policy takes individual and collective performance into account over a given year and is assessed on the basis of financial and non-financial criteria. The eligibility rules and variable compensation level are set by function, responsibility level and market under consideration. For the Group's key managers, the target variable compensation is set as a percentage of base salary;
- ◆ **long-term individual variable compensation (Long-Term Incentive Plan):** since 2014, the year of its stock market listing, the Group has set up an annual plan for the allocation of free performance shares to its Executive Committee and aimed at ensuring that the interests of beneficiaries are aligned with those of shareholders over the long term. In 2016, the Group extended the allocation of free performance shares to certain target populations in order to meet the regulation requirements of Solvency II, but also for purposes of retaining key employees;
- ◆ **collective variable compensation (employee savings):** in France, the Group negotiated a three-year profit-sharing agreement in 2018. This agreement benefits all employees working under a fixed or open-ended employment contract, who provide proof of more than three months' seniority within the companies forming part of the economic and corporate unit Compagnie française d'assurance pour le commerce extérieur – Fimipar (a wholly-owned subsidiary of the Group). Participation is handled according to the legal formula. Similar collective schemes exist in other Group entities depending on their legal obligations and seek to associate employees with the Company's performance;
- ◆ **corporate benefits:** corporate benefits are determined by each of the Group's entities in an effort to closely address local concerns. The Group ensures practices are consistent, and guarantees a competitive level of social protection on the market, which is respectful of its employees worldwide.

The compensation of employees is wholly or partly comprised of these components, depending on the position held, the level of responsibility and the reference market.

Special provisions applicable to the regulated population

Scope of the regulated population

Pursuant to the provisions of Article 275, Section 1, Point (c) of Regulation 2015/35, the Company has identified the following persons as falling within the scope of the regulated population:

- ◆ members of the Executive Committee who cover general management, finance, strategy, operations (business technology), legal, commercial, risk underwriting, information, litigation and recovery functions and regional managers;
- ◆ persons holding the key functions described in Articles 269 to 272 of Regulation 2015/35: audit, risk, compliance and actuarial;
- ◆ persons whose professional activity has a material impact on the Company's risk profile: investment, reinsurance, human resources, IT, economic research, financial communications, country managers whose revenue exceeds a threshold determined each year with respect to the Company's overall revenue.

For 2018, 27 functions fell within the regulated population scope. The Nominations and Compensation Committee identifies these functions, then presents them to the Board of Directors for approval. This list is reviewed each year in order to guarantee a perfect match between the evolution of the Company's risk profile and that of its employees.

Specific provisions regarding compensation

The Group endeavours to ensure that the proportion and structure of variable compensation are balanced and that the goals set are in accordance with the Company's strategy and risk profile.

- ◆ In addition to rules common to all managers, the Group sets specific compensation rules intended for the population identified as regulated:
 - the variable compensation package therefore includes the annual variable compensation ("bonus") and the long-term variable compensation (Long-Term Incentive Plan) in the form of the Company's free shares;
 - free shares represent the deferred portion of the variable compensation and represent at least 30% of overall variable compensation. They are contingent upon presence and performance conditions and have a vesting period of three years.
- ◆ The following specific provisions have been defined for the Company's corporate executive officers:
 - the variable compensation package includes the annual variable compensation ("bonus") and the long-term variable compensation (Long-Term Incentive Plan) in the form of the Company's free shares;
 - the deferred variable compensation comprises two components:
 - free shares which represent at least 30% of the variable compensation package. They are contingent on presence and performance conditions and have a vesting period of three years; the corporate executive officer is further required to hold 30% of the awarded shares until expiry of his term of office,
 - the payment of 30% of the annual variable compensation ("bonus") is deferred and paid as follows: 15% in N+2 and 15% in N+3. A penalty system is introduced in case of observed losses or dismissal for gross negligence or serious misconduct before the payment date.

The overall rate for deferred compensation thus represents more than 50% of the variable compensation package.

Under the 2018 LTIP, free shares will be definitively vested on February 15, 2021, subject to presence and performance conditions measured over the term of the plan as follows:

- ◆ 50% of shares allocated are vested subject to the condition of achieving COFACE SA's RoATE (return on average tangible equity) level for the financial year ending December 31, 2020;
- ◆ 50% of shares allocated are vested under the performance condition relating to the COFACE SA share, measured by the growth of COFACE SA's total shareholder return (TSR) compared to the TSR growth of the companies comprising the Euro Stoxx Assurance index over the same period.

Any individual coverage or insurance strategy is forbidden.

All specific provisions applicable to the regulated population and to the Company's corporate executive officer are validated by the Nominations and Compensation Committee, then presented to the Board of Directors for approval.

2.3.2 Rules for determining the compensation of corporate officers

The compensation policy for the Company's corporate officers complies with standard practices in the market.

Members of the Board of Directors

The amount allocated to the Board of Directors is €450,000 for 2018.

The rules on distribution of directors' fees are as follows:

- ◆ for members of the Board of Directors:
 - fixed portion: €8,000 per year (*prorata temporis* of the term of mandate),
 - variable portion: €2,000 per meeting until the Board meeting of April 23, 2018, then €3,000 per meeting, capped at six meetings.

Members of the Audit and Accounts Committee

- ◆ Chairman:
 - fixed portion: €17,000 per year (*prorata temporis* of the term of mandate),
 - variable portion: €2,000 per meeting until the Board meeting of April 23, 2018, then €3,000 per meeting, capped at six meetings.
- ◆ Members of the Audit and Accounts Committee:
 - fixed portion: €2,500 per year (*prorata temporis* of the term of mandate),
 - variable portion: €1,000 per meeting until the Board meeting of April 23, 2018, then €2,000 per meeting, capped at six meetings.

Members of the Risk Committee

- ◆ Chairman:
 - fixed portion: €8,500 per year (*prorata temporis* of the term of mandate),
 - variable portion: €3,000 per meeting, capped at five meetings.
- ◆ Members of the Risk Committee:
 - fixed portion: €2,500 per year (*prorata temporis* of the term of mandate),
 - variable portion: €2,000 per meeting, capped at five meetings.

Members of the Nominations and Compensation Committee

- ◆ Chairman:
 - fixed portion: €8,000 per year (*prorata temporis* of the term of mandate),
 - variable portion: €2,000 per meeting until the Board meeting of February 6, 2018, then €3,000 per meeting, capped at five meetings.
- ◆ Members of the Nominations and Compensation Committee:
 - fixed portion: €3,000 per year (*prorata temporis* of the term of mandate),
 - variable portion: €1,000 per meeting until the Board meeting of February 6, 2018, then €2,000 per meeting, capped at five meetings.

On an annual basis of six Board meetings; five Audit and Accounts Committee meetings, three Risk Committee meetings, three Nominations and Compensation Committee meetings	Financial year 2018 - maximum gross amounts of directors' fees		
	Amount of directors' fees	Fixed portion (in %)	Variable portion (in %)
Member of the Board of Directors	€24,000	33	67
Member of the Board of Directors + Chairman of the Audit and Accounts Committee	€54,000	46	54
Member of the Board of Directors + member of the Audit and Accounts Committee	€34,500	31	69
Member of the Board of Directors + Chairman of the Risk Committee	€41,500	40	60
Member of the Board of Directors + member of the Risk Committee	€32,500	33	67
Member of the Board of Directors + Chairman of the Nominations and Compensation Committee	€40,000	40	60
Member of the Board of Directors + member of the Nominations and Compensation Committee	€32,000	34	66

Chief Executive Officer (CEO)

At the start of each financial year, the Board of Directors, at the proposal of the Nominations and Compensation Committee, sets the various components of the Chief Executive Officer's (CEO)

compensation. This includes a fixed portion, an annual variable portion (bonus) and a long-term variable portion (free performance shares). The annual variable compensation includes a deferred compensation component, according to the terms set by the Board of Directors (see Section 2.3.3).

2.3.3 Summary of compensation of each executive corporate officer for financial years 2017 and 2018

In order to comply with regulations, the tables below present a summary of compensation and stock options and shares allocated during the financial years ended December 31, 2017 and 2018 to Mr Laurent Mignon, Chairman of the Board of Directors until June 15, 2018, and to Mr Xavier Durand, Chief Executive Officer; as well as during the financial year ended December 31, 2018 to Mr François Riahi, Chairman of the Board of Directors since June 15, 2018.

No form of compensation or benefit was paid to Mr Laurent Mignon or has been paid to Mr François Riahi by the Company. The compensation paid by Natixis to Mr Laurent Mignon and to Mr François Riahi for their term as Chief Executive Officer (CEO) of Natixis is described below.

► AMF nomenclature - Table 1 - Table summarising the compensation and stock options and shares allocated to each executive corporate officer

	Financial year 2018 ⁽¹⁾	Financial year 2017 ⁽¹⁾
Laurent Mignon, Chairman of the COFACE SA Board and Natixis CEO ⁽²⁾ until June 15, 2018		
Compensation due for the financial year ⁽³⁾	1,028,552	2,623,242
Value of the multi-year variable compensation allocated during the financial year	-	-
Value of options allocated during the financial year	-	-
Value of performance shares allocated during the financial year ⁽⁴⁾	80,000	192,000
TOTAL	1,108,552	2,815,242
François Riahi, Chairman of the COFACE SA Board and Natixis CEO ⁽²⁾ since June 15, 2018		
Compensation due for the financial year ⁽⁵⁾	996,245	-
Value of the multi-year variable compensation allocated during the financial year	-	-
Value of options allocated during the financial year	-	-
Value of performance shares allocated during the financial year ⁽⁴⁾	93,333	-
TOTAL	1,089,577	-
Xavier Durand, Chief Executive Officer		
Compensation due for the financial year ⁽⁶⁾ (presented in detail in Section 2.3.4 below)	1,497,179	1,463,606
Value of the multi-year variable compensation allocated during the financial year	-	-
Value of options allocated during the financial year	-	-
Value of performance shares allocated during the financial year (presented in detail in Section 2.3.8 below)	594,198	370,080
TOTAL	2,091,377	1,833,686

(1) In euros.

(2) This amount includes €175,000 in compensation awarded to Laurent Mignon with respect of his duties as Chairman of the Board of Directors of Natixis as of June 1, 2018. The details of the compensation for Laurent Mignon, Chairman of the COFACE SA Board of Directors and Chief Executive Officer (CEO) of Natixis, are available in Section 2.4.3.3, of Chapter 2.4 of the 2018 Natixis registration document registered with the *Autorité des marchés financiers* (French Financial Markets Authority) on March 15, 2019 and are available on the website: www.natixis.com.

(3) Including €2,379 of family supplement for 2017 and €818 of family supplement for 2018.

(4) Corresponding to their value on the date they were awarded, for a fair value of €47,460 for Laurent Mignon and of €55,372 for François Riahi in 2018.

(5) Including €1,388 of family supplement for 2018.

(6) Before social contributions and income tax.

2.3.4 Compensation of executive corporate officer for financial years 2017 and 2018

In order to comply with regulations, the tables below present a breakdown of the fixed and variable compensation along with other benefits awarded during the financial years ended December 31, 2017 and 2018 to Mr Laurent Mignon, Chairman of the Board of Directors, and to Mr Xavier Durand, Chief Executive Officer; as well as during the financial year ended December 31, 2018 to Mr François Riahi, Chairman of the Board of Directors since June 15, 2018.

No form of compensation or benefit was paid to Mr Laurent Mignon or has been paid to Mr François Riahi by the Company. The compensation paid by Natixis to Mr Laurent Mignon and then to Mr François Riahi for their term as Chief Executive Officer (CEO) of Natixis is described below.

Compensation due or allocated for the financial year ended December 31, 2018, to Mr Laurent Mignon, Chairman of the COFACE SA Board of Directors until June 15, 2018

► AMF nomenclature – Table 2 – Summary of compensation of each executive corporate officer

	2018 ⁽¹⁾		2017 ⁽¹⁾	
	Amounts due ⁽²⁾	Amounts paid	Amounts due ⁽²⁾	Amounts paid
Laurent Mignon, Chairman of the COFACE SA Board and Natixis CEO ⁽³⁾				
Fixed compensation for corporate office ⁽⁴⁾	575,000	575,000	960,000	960,000
Annual variable compensation	452,734	1,263,517 ⁽⁵⁾	1,660,863	1,125,926 ⁽⁵⁾
Extraordinary compensation	-	-	-	-
Directors' fees	-	-	-	-
Benefits in kind	818	818	2,379	2,379
TOTAL	1,028,552	1,839,335	2,623,242	2,088,305

(1) In euros.

(2) Laurent Mignon also benefited at the Board meeting of May 23, 2018 from a free share allocation of 11,661 performance shares on a prorata temporis basis corresponding to an allocated amount of €80,000, and at the Board meeting of May 23, 2017 from a free share allocation of 29,911 performance shares valued at €192,000 at their allocation date.

(3) This amount includes the compensation of €175,000 received by Laurent Mignon in respect of his duties as Chairman of the Board of Directors of Natixis as of June 1, 2018. The details of the compensation for Laurent Mignon, Chairman of the COFACE SA Board of Directors and Chief Executive Officer (CEO) of Natixis, are available in Section 2.4.3.3 of Chapter 2.4 of the 2018 Natixis registration document registered with the Autorité des marchés financiers (French Financial Markets Authority) on March 15, 2019 and are available on the website: www.natixis.com.

(4) On a gross basis before social contributions and income tax.

(5) This amount includes payment and delivery of securities relating to the variable remuneration deferred from previous years. The delivery of securities relating to long-term compensation plans is presented in Section 2.4.3.3 in AMF table n°7.

(6) The deferred amount corresponds to the family supplement.

Compensation due or allocated for the financial year ended December 31, 2018, to Mr François Riahi, Chairman of the COFACE SA Board of Directors since June 15, 2018

► AMF nomenclature - Table 2 - Summary of compensation of each executive corporate officer

	2018 ⁽¹⁾	
	Amounts due ⁽²⁾	Amounts paid
François Riahi, Chairman of the COFACE SA Board and Natixis CEO ⁽³⁾		
Fixed compensation for corporate office ⁽⁴⁾	466,667	466,667
Annual variable compensation	528,190	827,706 ⁽⁵⁾
Extraordinary compensation	-	-
Directors' fees	-	-
Benefits in kind	1,388	1,388
TOTAL	996,245	1,295,791

(1) In euros.

(2) François Riahi also benefited at the Board meeting of August 2, 2018 from a free share allocation of 13,605 performance shares on a prorata temporis basis valued at €93,333 at their allocation date.

(3) The details of the compensation for François Riahi, Chairman of the COFACE SA Board of Directors and Chief Executive Officer (CEO) of Natixis, are available in Section 2.4.3.3 of Chapter 2.4 of the 2018 Natixis registration document registered with the Autorité des marchés financiers (French Financial Markets Authority) on March 15, 2019 and are available on the website: www.natixis.com.

(4) On a gross basis before social contributions and income tax.

(5) This amount includes payment and delivery of securities relating to the variable remuneration deferred from previous years. Excluding collective variable compensation (employee profit-sharing) paid to François Riahi for the 2017 financial year for his role as Co-Head of Natixis Corporate & Investment banking. The delivery of securities relating to long-term compensation plans is presented in Section 2.4.3.3 in AMF table n°7.

(6) The deferred amount corresponds to the family supplement.

Compensation due or allocated for the financial year ended December 31, 2018, to Mr Xavier Durand, Chief Executive Officer (CEO) of COFACE SA

► AMF nomenclature - Table 2 - Summary of compensation of each executive corporate officer

	2018 ⁽¹⁾		2017 ⁽¹⁾	
	Amounts due ⁽²⁾	Amounts paid ⁽³⁾	Amounts due ⁽²⁾	Amounts paid ⁽³⁾
Xavier Durand, Chief Executive Officer				
Fixed compensation	575,000	575,000	575,000	575,000
Annual variable compensation	907,532 ⁽⁵⁾	611,840 ⁽⁴⁾	874,058 ⁽⁵⁾	322,000 ⁽⁴⁾
Multi-year variable compensation	-	-	-	-
Deferred variable compensation ⁽⁶⁾	-	69,000	-	-
Extraordinary compensation	-	-	-	-
Directors' fees	-	-	-	-
Benefits in kind ⁽⁷⁾	14,647	14,647	14,548	14,548
TOTAL ⁽⁸⁾	1,497,179	1,270,487	1,463,606	911,548

(1) Amount in euros, on a gross basis before social contributions and income tax.

(2) The amounts due correspond to the sums allocated for the financial year excluding long-term variable compensation and deferred variable compensation.

(3) The amounts paid correspond to the sums effectively paid during the financial year and include the amounts that were due for the previous financial year.

(4) Variable compensation paid in performance year N (portion due for N-1).

(5) Variable compensation for performance year N.

(6) Deferred variable compensation paid in year N for performance year N-2.

(7) Mr Xavier Durand benefits from the payment by the Company of 62.5% of contributions due for the business managers and corporate officers social guarantee scheme (GSC) and a company car.

(8) For the history of allocation of bonus shares, see Section 2.3.12.

Breakdown of the components of the compensation of Mr Xavier Durand, Chief Executive Officer (CEO) of COFACE SA for the financial year ended December 31, 2018 (see also Section 7.6.3 on the principles and components of the Chief Executive Officer's compensation)

Compensation components	Amount	Comments																																																				
Fixed compensation	€575,000	Gross annual compensation set at €575,000 since the start of his term on February 9, 2016.																																																				
Annual variable compensation ("bonus")	€907,532	<p>Variable compensation is set at €575,000. It comprises 60% financial objectives and 40% strategic and managerial objectives.</p> <p>The maximum achievement rate for variable compensation is 200% (150% for financial objectives and 50% for strategic and managerial objectives). The achievement rate of 2018 objectives proposed by the Nominations and Compensation Committee meeting of January 16, 2019, approved by the Board of Directors at the meeting of February 11, 2019 and submitted for the approval of the Shareholders' Meeting that closed the 2018 accounts was 157.83%, broken down as follows:</p> <table border="1"> <thead> <tr> <th>Financial objectives</th> <th>Allocation key</th> <th>Achievement rate</th> <th>Amount of variable compensation</th> </tr> </thead> <tbody> <tr> <td>Turnover</td> <td>20%</td> <td>134%</td> <td>153,852</td> </tr> <tr> <td>Net income</td> <td>20%</td> <td>250%</td> <td>287,500</td> </tr> <tr> <td>Internal general overheads excluding exceptional items</td> <td>10%</td> <td>178%</td> <td>102,206</td> </tr> <tr> <td>Gross loss ratio excluding claims handling expenses</td> <td>10%</td> <td>208%</td> <td>119,600</td> </tr> <tr> <td>TOTAL (A)</td> <td></td> <td>115.33%</td> <td>663,157</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Strategic and managerial objectives</th> <th>Allocation key</th> <th>Achievement rate</th> <th>Amount of variable compensation</th> </tr> </thead> <tbody> <tr> <td><i>Fit to Win strategic plan</i></td> <td>15%</td> <td>125%</td> <td>107,813</td> </tr> <tr> <td><i>Reinforcement of employee commitment</i></td> <td>5%</td> <td>75%</td> <td>21,563</td> </tr> <tr> <td><i>Development of the internal model</i></td> <td>5%</td> <td>100%</td> <td>28,750</td> </tr> <tr> <td><i>Reinforcement of sales dynamic</i></td> <td>15%</td> <td>100%</td> <td>86,250</td> </tr> <tr> <td>TOTAL (B)</td> <td></td> <td>42.50%</td> <td>244,375</td> </tr> <tr> <td>TOTAL (A + B)</td> <td></td> <td>157.83%</td> <td>907,532</td> </tr> </tbody> </table>	Financial objectives	Allocation key	Achievement rate	Amount of variable compensation	Turnover	20%	134%	153,852	Net income	20%	250%	287,500	Internal general overheads excluding exceptional items	10%	178%	102,206	Gross loss ratio excluding claims handling expenses	10%	208%	119,600	TOTAL (A)		115.33%	663,157	Strategic and managerial objectives	Allocation key	Achievement rate	Amount of variable compensation	<i>Fit to Win strategic plan</i>	15%	125%	107,813	<i>Reinforcement of employee commitment</i>	5%	75%	21,563	<i>Development of the internal model</i>	5%	100%	28,750	<i>Reinforcement of sales dynamic</i>	15%	100%	86,250	TOTAL (B)		42.50%	244,375	TOTAL (A + B)		157.83%	907,532
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The bonus due for financial year 2018 is therefore €907,532 and will be paid as follows:

- ◆ **70% of the total amount paid in 2019, i.e. €635,272**
- ◆ 15% of the total amount deferred to 2020, i.e. €136,130
- ◆ 15% of the total amount deferred to 2021, i.e. €136,130

Note that the payment of the 2018 bonus is conditional on the approval of the Ordinary Shareholders' Meeting that follows the closing of financial year 2018.

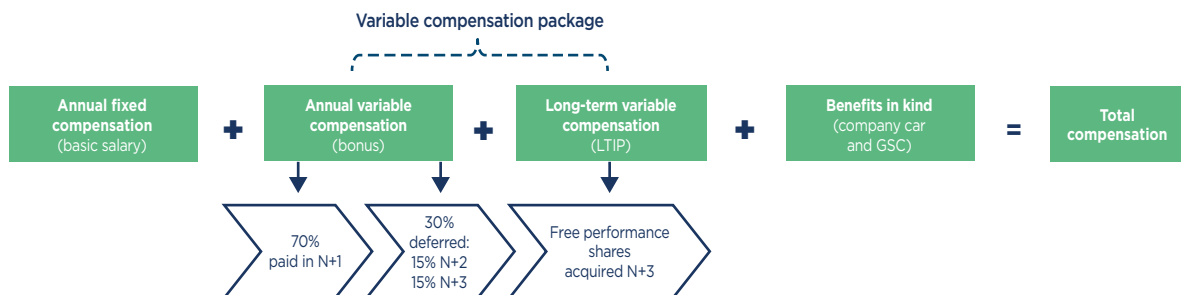
A penalty scheme has also been introduced: therefore, in case of losses observed prior to the payment dates of the deferrals or dismissal for gross negligence or serious misconduct before the payment date, no payment will be made for these deferrals.

Compensation components	Amount	Comments
Multi-year variable compensation	€0.00	N/A
Extraordinary compensation	€0.00	N/A
Long-term variable compensation (Allocation of stock options/ performance shares and any other component of long-term compensation)	(see Section 2.3.8)	<p>65,000 shares are allocated under the Long-Term Incentive Plan 2018 (LTIP 2018), representing a value of €594,198 for the allocation, based on the average of the opening price for the last 20 stock market trading sessions preceding the date of the Board meeting.</p> <p>Bonus shares will be definitively vested on February 15, 2021, subject to presence and performance conditions measured over the term of the plan until December 31, 2020, as follows:</p> <ul style="list-style-type: none"> ◆ 50% of shares allocated are vested subject to the condition of achieving COFACE SA's RoATE (return on average tangible equity) level for the financial year ending December 31, 2020; ◆ 50% of shares allocated are vested under the performance condition relating to the COFACE SA share, measured by the growth of COFACE SA's total shareholder return (TSR) compared to the TSR growth of the companies comprising the Euro Stoxx Assurance index over the same period. <p>The share vesting period is set at three years starting from February 12, 2018. The plan does not include a retention period.</p> <p>The Board decided that 30% of the CEO's shares vested under the LTIP 2018 should be retained until the end of his corporate term or of any other function that he might hold within Coface.</p>
No hedging	€0.00	To the Company's knowledge, no hedge instrument has been set up.
Supplementary retirement scheme	€0.00	Mr Xavier Durand does not benefit from any supplementary retirement scheme.
Directors' fees	€0.00	Mr Xavier Durand did not receive any directors' fee for financial year 2018 in connection with his duties within the Company.
Benefits in kind	€14,647	Xavier Durand benefits from a company vehicle and the payment of 62.5% of contributions due to the business managers and corporate officers social guarantee scheme (GSC).
TOTAL AMOUNTS DUE*	€1,497,179	

* The amounts due correspond to the sums allocated for the financial year excluding long-term variable compensation.

The compensation for the current CEO, Mr Xavier Durand, for 2018 can be summarised as follows:

► Variable compensation package



2.3.5 Directors' fees and other compensation collected by the members of the Board of Directors during financial years 2017 and 2018

The table below shows the directors' fees and other types of compensation collected by members of the Company's Board of Directors in 2017 and 2018.

► **Table 3 – Table regarding the directors' fees and other compensation collected by non-corporate officers (AMF nomenclature) ⁽¹⁾**

Non-corporate officers	First appointment	Expiry of the term of office	Amounts paid in financial year 2018 ⁽²⁾	Amounts paid in financial year 2017 ⁽²⁾
Jean Arondel				
Directors' fees COFACE SA	Nov. 21, 2012	SM Dec. 31, 2020 ⁽³⁾	24,000	20,000
Other compensation			-	-
Jean-Paul Dumortier				
Directors' fees COFACE SA	Jul. 26, 2013	SM Dec. 31, 2020 ⁽³⁾	32,500	20,000
Other compensation			-	-
Éric Hémar				
Directors' fees COFACE SA	Jul. 1, 2014	SM Dec. 31, 2021 ⁽³⁾	51,000	43,000
Other compensation			-	-
Daniel Karyotis				
Directors' fees COFACE SA	Feb. 8, 2017	SM Dec. 31, 2020 ⁽³⁾	22,000	17,333
Other compensation			-	-
Isabelle Laforgue				
Directors' fees COFACE SA	Jul. 27, 2017	SM Dec. 31, 2020 ⁽³⁾	32,500	11,667
Other compensation			-	-
Nathalie Lomon				
Directors' fees COFACE SA	Jul. 27, 2017	SM Dec. 31, 2020 ⁽³⁾	43,000	15,958
Other compensation			-	-
Sharon MacBeath				
Directors' fees COFACE SA	Jul. 1, 2014	SM Dec. 31, 2021 ⁽³⁾	29,000	24,000
Other compensation			-	-
Isabelle Rodney				
Directors' fees COFACE SA	Nov. 3, 2016	SM Dec. 31, 2020 ⁽³⁾	30,500	16,000
Other compensation			-	-
Anne Sallé-Mongauze				
Directors' fees COFACE SA	Nov. 3, 2016	SM Dec. 31, 2020 ⁽³⁾	- ⁽⁴⁾	- ⁽⁴⁾
Other compensation			-	-
Olivier Zarrouati				
Directors' fees COFACE SA	Jul. 1, 2014	SM Dec. 31, 2021 ⁽³⁾	40,000	34,000
Other compensation			-	-

(1) The dates of appointments and end of terms for the Board of Directors are available in Section 2.1.1 "Mapping of the characteristics of the members of the Board of Directors for financial year 2018".

(2) In euros, on a gross basis (before social contributions and tax).

(3) Shareholders' Meeting held to approve the financial statements for the previous financial year.

(4) Ms Anne Sallé-Mongauze, Chief Executive Officer of a subsidiary wholly owned by Natixis, waives her attendance fees pursuant to the policy of Natixis.

2.3.6 Stock options or warrants allocated in financial year 2018 to each executive corporate officer or by the Company or any company in the Group

No stock options or warrants were allocated for corporate officers during the financial year ended December 31, 2018.

2.3.7 Stock options or warrants exercised in financial year 2018 by each executive corporate officer

No stock options or warrants were exercised by a corporate executive officer during the financial year ended December 31, 2018.

2.3.8 Free shares allocated during financial year 2018 to each executive corporate officer

The conditions for bonus share allocation are described in Section 2.3.4. The table below restates the description of the free shares allocated to Mr Xavier Durand under the 2018 Long-Term Incentive Plan.

► Table 6 – Shares allocated to each corporate officer (AMF nomenclature)

	Plan date	Number of shares allocated during the financial year	Valuation of shares in euros according to the method used for the consolidated financial statements ⁽¹⁾	Vesting date	Availability date	Performance conditions
Xavier Durand Chief Executive Officer (CEO)	2018 Long-Term Incentive Plan Feb. 12, 2018	65,000	€463,300	Feb. 15, 2021	Feb. 15, 2021	See table in Section 2.3.4
TOTAL		65,000	€463,300			

(1) The value on the allocation date corresponds to €594,198.

2.3.9 Shares which have become available in financial year 2018 for each executive corporate officer

No share allocations became available in financial year 2018.

2.3.10 History of allocation of stock options or warrants

No stock options or warrants were allocated during the financial years ended December 31, 2018, 2017 and 2016.

No plan to allocate stock options or warrants is pending at the date of this registration document.

2.3.11 Stock options or warrants granted to the top ten employees who are not corporate officers

No stock options or warrants were allocated during the financial years ended December 31, 2018, 2017 and 2016 to the top ten non-corporate officer employees.

No plan to allocate stock options or warrants is pending at the date of this registration document.

2.3.12 History of bonus share allocation

298,997 performance shares were allocated under the LTIP 2016, out of the 399,932 available shares representing the total package allocated to this plan by the Board of Directors. 50,000 performance shares were allocated to the Chief Executive Officer for a value on the allocation date of €312,553 during the financial year ended December 31, 2016. The remainder of the 248,997 performance shares were allocated to members of the Executive Committee, to the “regulated” population and to a specific number of other employees, with a view to retaining such employees. In addition, in certain countries where the allocation of bonus was too complicated or impossible, a “phantom shares” solution was implemented for some beneficiaries (31,594 phantom shares). As the performance condition was fully met, all of the shares attributed under this plan will be delivered on the final vesting date, *i.e.* November 4, 2019.

366,146 performance shares were allocated under the LTIP 2017, out of the 405,318 available shares representing the total package allocated to this plan by the Board of Directors. 60,000 performance shares were allocated to the Chief Executive Officer for a value on the allocation date of €370,080 during the financial year ended December 31, 2017. The remainder of the 306,146 performance

shares were allocated to members of the Executive Committee, to the “regulated” population and to a specific number of other employees, with a view to retaining such employees. In addition, in certain countries where the allocation of bonus was too complicated or impossible, a “phantom shares” solution was implemented for some beneficiaries (34,400 phantom shares).

298,132 performance shares were allocated under the LTIP 2018, out of the 382,869 available shares representing the total package allocated to this plan by the Board of Directors. 65,000 performance shares were allocated to the Chief Executive Officer for a value on the allocation date of €594,198 during the financial year ended December 31, 2018. The remainder of the 233,132 performance shares were allocated to members of the Executive Committee, to the “regulated” population and to a specific number of other employees, with a view to retaining such employees. In addition, in certain countries where the allocation of bonus shares was too complicated or impossible, a “phantom shares” solution was implemented for some beneficiaries (29,000 phantom shares) – see Section 7.2.3 “Independent control, holding and acquisition of treasury shares by the Company”.

► **Table 10 – History of bonus share allocations**

	Long-Term Incentive Plan ⁽¹⁾		Exceptional allocation of bonus shares	
	2018	2017	2018	2017
Meeting date	May 19, 2016	May 19, 2016	-	-
Date of the Board of Directors' meeting	Feb. 12, 2018	Feb. 8, 2017	-	-
Total number of bonus shares allocated	298,132	366,146	-	-
of which allocated to Xavier Durand	65,000	60,000	-	-
Share vesting date	Feb. 15, 2021	Feb. 9, 2020	-	-
End-date of the retention period	N/A	N/A	-	-
Number of subscribed shares	-	-	-	-
Cumulative number of cancelled or lapsed shares	-	-	-	-
Remaining bonus shares allocated at financial year-end	298,132	366,146	-	-

(1) The performance conditions are described in Section 2.3.4 above.

2.3.13 Employment contracts, retirement indemnities and indemnities in the event of termination of the duties of the executive corporate officers

► Table 11 - Employment contracts, retirement indemnities and indemnities in the event of termination of the duties of the executive corporate officers (AMF nomenclature)

Executive corporate officers	Employment contract		Supplementary retirement scheme		Compensation or benefits due or which could be due as a result of a termination or change of duties		Indemnities related to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
François RIAHI Chairman of the Board of Directors From June 15, 2018 until the Ordinary Shareholders' Meeting called to approve the financial statements for the financial year ending December 31, 2020		X		X ⁽¹⁾	✓ ⁽³⁾		✓ ⁽³⁾	
Xavier DURAND Chief Executive Officer (CEO) From February 9, 2016 until the Ordinary Shareholders' Meeting called to approve the financial statements for the financial year ending December 31, 2019		X		X ⁽²⁾	✓			X

(1) François Riahi benefits from mandatory pension schemes as all other Natixis employees do, and does not benefit from any complementary pension scheme under Articles 39 or 83 of the French General Tax Code. Moreover, the Chief Executive Officer (CEO) of Natixis makes contributions to the life insurance policy under Article 82 of the French General Tax Code set up by the BPCE group. Contributions under this scheme are funded by the Chief Executive Officer and not by Natixis. Pursuant to this scheme, in 2018, in his role as Chief Executive Officer of Natixis, François Riahi made a payment of €68,445.

(2) The Chief Executive Officer benefits from all health, retirement and social security plans under the prevailing conditions of the Company.

(3) No compensation for severance or a change in position, or under a non-compete clause, was paid in 2018. No form of compensation or benefit has been paid to François Riahi by the Company.

Severance pay granted to Mr Xavier Durand

Mr Xavier Durand benefits, in the event that his corporate term ends, from severance pay in an amount equal to two years' salary (fixed and variable). The reference used for the fixed portion shall be the salary for the current financial year at the date he stops his duties. The reference amount for the variable portion will be the average of the variable portions received for the three financial years preceding the termination date of his duties.

This severance pay shall be due if the following performance criteria have been met:

- ◆ achievement of at least 75% of the average annual objectives during the three financial years preceding the departure date; and
- ◆ the Company's combined ratio after reinsurance is at most 95% on average for the three financial years preceding the departure date.

If just one of the two conditions above has been fulfilled, 50% of the indemnity shall be due. If none of the conditions above has been met, no indemnity shall be due. No indemnity shall be paid by the Company if the corporate term is ended at Mr Xavier Durand's initiative or in the event of termination for serious misconduct or gross negligence. The compensation components and corporate benefits governed by the regulated agreements procedure in accordance with the provisions of the French Commercial Code are subject to the approval of the Company's Shareholders' Meeting.

Xavier Durand does not have an employment contract and does not benefit from any indemnity relating to a non-compete clause.

2.3.14 Amounts placed in reserve or otherwise recorded by the Company or its subsidiaries for the purposes of paying pensions, retirement or other benefits

As Mr Xavier Durand benefits from the collective scheme within the Company, no particular amount was reserved or recorded by the Company or its subsidiaries for the purposes of paying pensions, retirement or other benefits to its corporate officers.