

REGISTRATION
DOCUMENT
2017

OVERVIEW OF COFACE

Discover the main
information about
COFACE
in just a few minutes

IMPORTANT INFORMATION - The information contained in this document is a free translation of the French registration document registered with the French Market Regulator (AMF) under the visa D.18-0267 and while efforts are made to provide an accurate translation, there may be material errors, omissions or inaccuracies in the reporting. In no way does Coface assume any responsibility for any investment or other decisions made based upon the information provided on this translation. The original language version of the document in French prevails over the translation.

A **promise**
that underpins
our new ambition

coface
FOR TRADE

TO EXPRESS Coface's new culture in the best way we can, we have changed our tag line. We are proud to assert our identity with this new tagline, which we wanted to be clearer, more committed and with a greater impact, in line with our values and our new ambition for Coface.

Coface: for trade reflects our ambition and our purpose. We are in direct contact with the economy, and our approach to trade is as a positive value that needs to be shared within a global world. Our purpose? Be committed to helping companies make the right decisions and grow. Through our business activity, we promote international trade relations. In other words, we are *for trade*, which is a powerful driver to create wealth and stability. At the heart of a human-scale multinational company such as ours, the contribution of each and every person makes the difference.

OUR VISION

Become the most agile international credit insurance partner in the sector

Each year, over six million new companies are launched, and millions of others are developing. With 4,100 experts in 100 countries serving some 50,000 ⁽¹⁾ companies, Coface guides and assists businesses to explore development opportunities as well as to export throughout the world. We assist our clients in their transformation.

(1) Including all companies with at least one active contract with Coface in our various business lines.



Our four values

1

CLIENT FOCUS

WE LISTEN TO OUR CLIENTS

The digital revolution has created a new type of relationship with our clients. In a global and connected world, we keep a close eye on economic cycles to provide our clients with the highest possible level of understanding of their risks and opportunities. And since we are partners, when we have to make difficult decisions, we make them together.

2

EXPERTISE

OUR EXPERTISE DEFINES US

The expertise of Coface is built on over 70 years of experience in credit insurance and risk management. It is an expertise driven by an active community of 4,100 specialists in 100 countries, covering the risks of some 50,000 ⁽¹⁾ companies. The Group uses its world-class expertise to continue to create the best financial solutions for its clients.

3

COLLABORATION

COLLABORATION IS AT THE HEART OF OUR ORGANISATION

More than just a method, for us collaboration is a model, a state of mind and a condition for our success. It is how we envisage the relationship with our clients: a relationship built on listening, sharing, trust and the building of veritable partnerships that enable us to come together to make the best decisions.

4

COURAGE AND ACCOUNTABILITY

OUR BUSINESS IS ONE BASED ON CONVICTION

In a constantly changing and volatile economic world, our experts are the compass that guides our clients, at all times and everywhere in the world. That is why courage and responsibility are the cornerstone of our success. You need courage to make decisions in an uncertain world, because in all situations there is an element of risk. But you also need responsibility to accept the risk of failure and to continue to learn.

(1) Including all companies with at least one active contract with Coface in our various business lines.

2018 opens a new year of **transformation**

**XAVIER DURAND,
CHIEF EXECUTIVE OFFICER**



In 2017, we continued the Group's transformation in a more favourable economic environment.

The application of the Fit to Win plan has yielded its first effects: revenue has stabilised. At the end of the year, our loss ratio dropped for the fifth quarter running, and our combined ratio improved by 14 percentage points (to 86.6%) compared with the previous year. Our net income doubled to €83.2 million.

This strong operational improvement is sustained by a strengthened balance sheet, since our solvency ratio stands at 166%.

In 2018, we will continue with our investments and the Group's transformation to bring our clients a better quality of service. That is why today we would like to express our commitment to our clients, partners and colleagues all across the world.

This transformation is on the right track and will be deepened, widened and accelerated. This transformation is underpinned by the daily implementation of our values: client focus, expertise, collaboration, and courage and accountability.

“Coface is well-positioned to continue its transition towards a **long-term value creation model**. It is investing in the acceleration of its transformation by setting itself the priority of better serving its clients.”



Fit to Win

a key word:
the client

In September 2016, **COFACE** launched a new three-year strategic plan, called Fit to Win. This ambitious plan was created through in-depth consultations that involved 31 countries in which the Group is present, as well as all its main functions.

25

new analysts specialising in corporate information

150

total risk levels for more refined management

€19m

savings made in 2017. Confirmation of the €30m target in 2018

140-160%

target solvency ratio

A

preservation of a minimum financial rating

BECOME. THE MOST AGILE GLOBAL TRADE-CREDIT PARTNER IN THE SECTOR

To achieve this goal, the Group continues to:

- strengthen risk management and the quality of its information databases on companies;
- improve its operational efficiency while strengthening the service rendered to its clients; and
- implement a selective, profitable growth strategy.

DEVELOP. ITS CAPITAL MANAGEMENT MODEL

The capital management policy addresses two key objectives:

- maintain financial soundness; and
- finance its profitable growth.

A vision based on unifying values



Client focus



Expertise



Collaboration



Courage and accountability



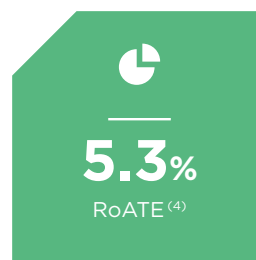
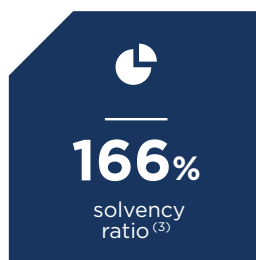
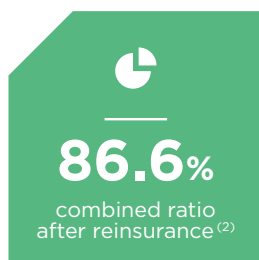
Global **expertise** at the service of all businesses

THE COFACE GROUP is a global leader in credit-insurance and a recognised expert in commercial risks. It provides businesses worldwide with solutions to protect them against the risk of debtor insolvency on their domestic and export markets.



AA- ratings,
stable outlook
by **Fitch**

A2 ratings,
stable outlook
by **Moody's**



(1) The workforce figures provided relate to employees on open-ended or fixed-term contracts, excluding those who had permanently left the company.

(2) 35.2% cost ratio; 51.4% loss ratio. The two ratios are net of reinsurance.

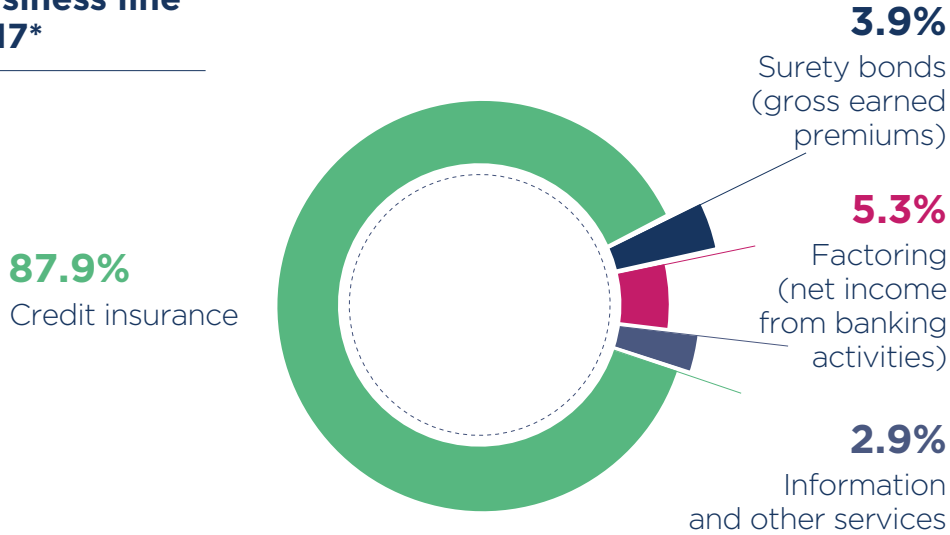
(3) This estimated solvency ratio is a preliminary calculation made according to Coface's interpretation of the Solvency II regulation. The result of the final calculation could differ from this preliminary calculation. The estimated Solvency ratio is not audited.

(4) Return on average tangible equity.

The 2017 results are commented on in Chapter 3 "Comments on the financial year".

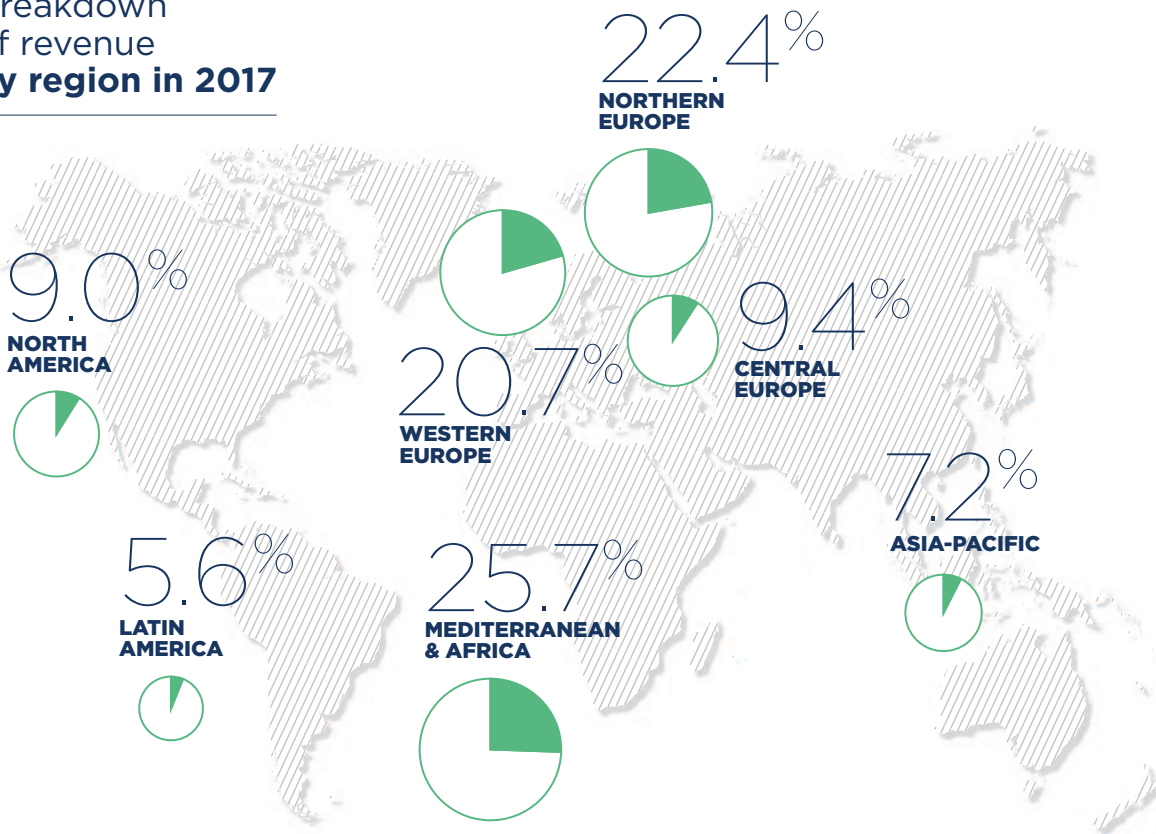


Breakdown of revenue by business line in 2017*



* To ensure greater consistency between the financial statements and the aggregates published and commented on in the financial disclosures, the Group has changed the presentation structure of the consolidated income statement. See the detailed explanation in the notes to the consolidated financial statements "Accounting principles and policies" and Note 21.

Breakdown of revenue by region in 2017



A leading international network

NORTH AMERICA

- Canada
- United States

LATIN AMERICA

- Argentina
- Brazil
- Chile
- Colombia
- Ecuador
- Mexico
- Panama
- Paraguay
- Peru
- Uruguay
- Venezuela

In most of its largest markets, the Group has a portfolio of licences that enables it to directly issue insurance contracts.

Indirectly, the Group uses:

- i) **freedom of services** within the EU, to issue contracts from another European country where it has the licence.
- ii) the occasional issue of contracts from abroad, depending on the terms of the country concerned – **off-shore**
- iii) an insurer that has the licence in the country concerned, which issues the contract and retrocedes all or part of the Group's risks, according to the principle of fronting – **Coface Partner**



WESTERN EUROPE

- Belgium
- France
- Ireland
- Luxembourg
- United Kingdom
- Switzerland

NORTHERN EUROPE

- Denmark
- Finland
- Germany
- Iceland
- Liechtenstein
- Netherlands
- Norway
- Sweden

CENTRAL EUROPE

- Austria
- Bulgaria
- Croatia
- Czech Republic
- Estonia
- Hungary
- Kazakhstan
- Latvia
- Lithuania
- Poland
- Romania
- Russia
- Serbia
- Slovakia
- Slovenia

ASIA-PACIFIC

- Australia
- Bangladesh
- Brunei
- China
- Hong Kong
- India
- Indonesia
- Japan
- Malaysia
- New Zealand
- Pakistan
- Philippines
- Singapore
- South Korea
- Taiwan
- Thailand
- Vietnam

MEDITERRANEAN AND AFRICA

- | | | | |
|----------------|---------------|--------------|------------------------|
| ▪ Albania | ▪ Gabon | ▪ Libya | ▪ Saudi Arabia |
| ▪ Algeria | ▪ Gambia | ▪ Mali | ▪ Senegal |
| ▪ Bahrain | ▪ Ghana | ▪ Malta | ▪ South Africa |
| ▪ Benin | ▪ Greece | ▪ Mauritania | ▪ Spain |
| ▪ Burkina Faso | ▪ Guinea | ▪ Mauritius | ▪ Tunisia |
| ▪ Cameroon | ▪ Israel | ▪ Morocco | ▪ Turkey |
| ▪ Chad | ▪ Italy | ▪ Niger | ▪ Uganda |
| ▪ Cyprus | ▪ Ivory Coast | ▪ Nigeria | ▪ United Arab Emirates |
| ▪ Djibouti | ▪ Jordan | ▪ Oman | ▪ Yemen |
| ▪ Egypt | ▪ Kuwait | ▪ Portugal | |
| | ▪ Lebanon | ▪ Qatar | |



Governance fuelled by a long-term vision

The increasingly uncertain **SITUATIONS** call for a more efficient method of governance that is more highly sophisticated and ever more adapted to the environment. Coface's governance enables it to define and implement Group strategy in compliance with the highest principles of ethics and compliance and in accordance with the new regulations and commitments taken with respect to social and environmental responsibility.



BOARD OF DIRECTORS

2017 Activities

- ▶ Closing of the 2016 annual financial statements (individual and consolidated)
- ▶ Review of quarterly and half-yearly financial statements
- ▶ 2017 audit plan
- ▶ Solvency II and regulatory reports (RSR and SFCR)
- ▶ Risk mapping, a system for reinforcing Level 1 controls, compliance action plan
- ▶ Partial internal model project
- ▶ Progress reviews of the Fit to Win strategic plan
- ▶ Three-yearly assessment of the work of the Board

Highlights

6 meetings

Chairman of the Board

 Chief Executive Officer

11 members

- **46%** women
- **46%** independent members ⁽¹⁾
- **9%** non-French
- **9 out of 11** are under 60 years

Audit Committee



83%
participation rate

2 out of 3 members,
including the Chairman,
are independent

6 meetings in 2017

Appointments and Compensation Committee



100%
participation rate

2 out of 3 members,
including the Chairman,
are independent

3 meetings in 2017

Corporate governance is discussed in Chapter 2 "Corporate governance".

(1) The Company is controlled by Natixis within the meaning of Article L.233-3 of the French Commercial Code; the recommendation of Article 8.3 of the AFEP-MEDEF Code which requires this committee to include at least one third independent members has therefore been met (see Section 7.3.3 "Declaration relating to the Company's control by the majority shareholder").



MEMBERS OF THE BOARD OF DIRECTORS

Chairman

Laurent Mignon
CEO ⁽²⁾ Natixis

Non-independent directors

Daniel Karyotis
Banque Populaire AURA

Jean Arondel
Caisse d'Épargne Loire - Centre

Jean-Paul Dumortier
Banque Populaire Rives de Paris

Anne Sallé-Mongauze
CEGC

Isabelle Rodney
Caisse d'Épargne Côte d'Azur

Independent directors

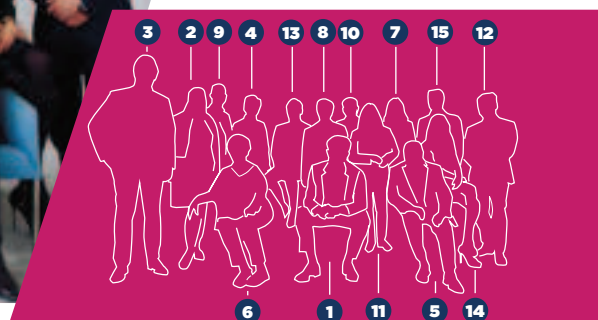
Sharon MacBeath ⁽¹⁾
Tarkett

Olivier Zarrouati ⁽¹⁾
Fondation ISAE-SUPAERO

Eric Hémar ⁽¹⁾
ID Logistics

Nathalie Lomon
Ingenico

Isabelle Laforgue
Econocom



EXECUTIVE MANAGEMENT SPECIALISED COMMITTEES

Group General Executive Committee (GEC)

- 1 Xavier Durand**
CEO ⁽²⁾
- 2 Valérie Brami**
Chief Operating Officer
- 3 Nicolas de Buttet**
Deputy Director in charge of Risk Underwriting & Information
- 4 Cyrille Charbonnel**
Underwriting and Claims Director
- 5 Nicolas Garcia**
Commercial Director
- 6 Carole Lytton**
General Secretary
- 7 Carine Pichon**
Chief Financial and Risk Officer
- 8 Thibault Surer**
Strategy and Business Development Director

Executive Committee

Members of the GEC

- 9 Declan Daly**
CEO Central & Eastern Europe region
- 10 Bhupesh Gupta**
CEO Asia-Pacific region
- 11 Katarzyna Kompowska**
CEO Northern Europe region
- 12 Antonio Marchitelli**
CEO Western Europe region
- 13 Fredrik Murer**
CEO North America region
- 14 Cécile Paillard**
CEO Mediterranean & Africa region
- 15 Bart A. Pattyn**
CEO Latin America region

Extended GEC

Members of the General Executive Committee

Heads of certain critical support functions:

- Information Systems Director
- Organisation Director
- Transformation and Process Director
- Marketing Director
- Risk Director
- Human Resources Director
- Communication Director
- Compliance Director
- Economic Research Director

(1) Renewal of mandate (Shareholders' Meeting of May 16, 2018).
(2) CEO = Chief Executive Officer.



A more dynamic and adapted risk management

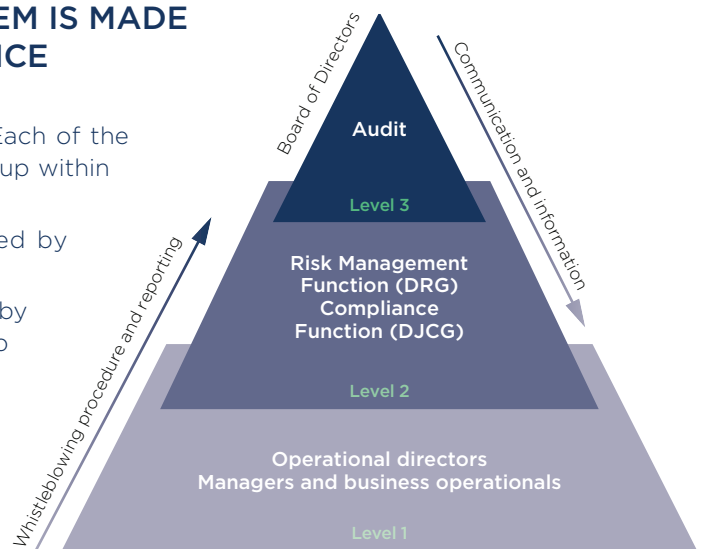
THE GROUP has established a risk management structure that aims to ensure the proper functioning of all its internal processes, in compliance with the laws and regulations in all the countries where it is present. It also controls the compliance of all operating entities with the Group rules enacted in view of better monitoring the risks related to operations and optimising efficiency.

5 five main types of risks <ul style="list-style-type: none"> STRATEGIC FINANCIAL CREDIT REINSURANCE OPERATIONAL AND NON-COMPLIANCE	4 key functions <ul style="list-style-type: none"> RISK MANAGEMENT COMPLIANCE INTERNAL AUDIT ACTUARIAL
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THE RISK MANAGEMENT SYSTEM IS MADE UP OF THREE LINES OF DEFENCE

With well-defined players for each level. Each of the lines of defence exercises the controls set up within the Group :

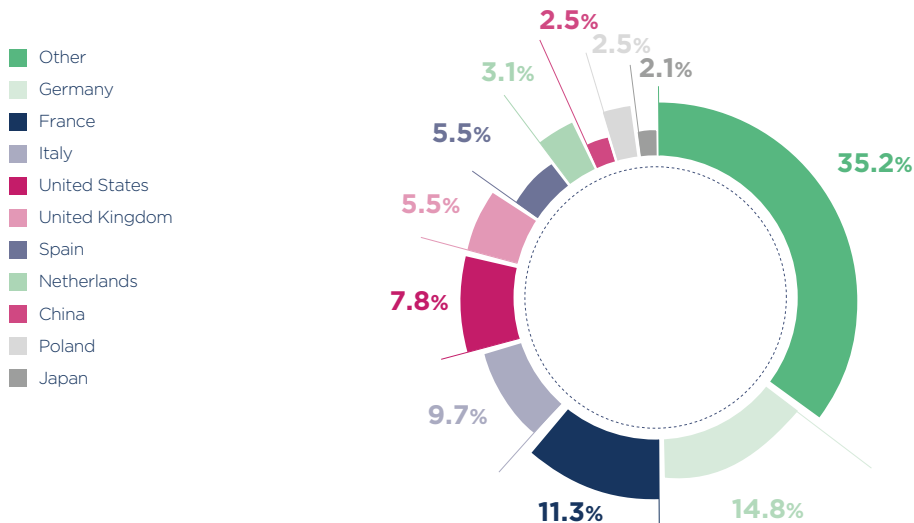
- level one operational controls managed by businesses;
- permanent level two controls managed by the Group Risk Department and Group Compliance Department; and
- periodic level three controls managed by the Group Audit Department.



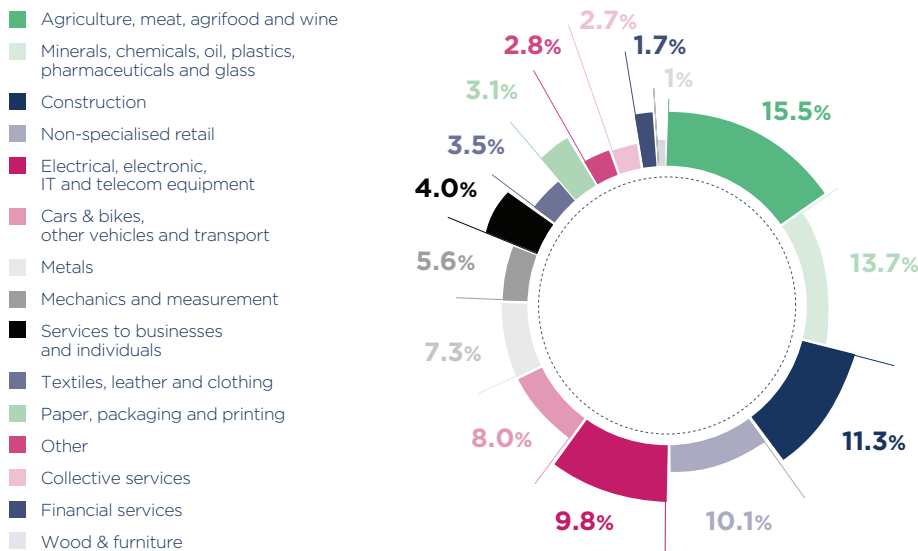
Risk management is described in Chapter 5 "Main risk factors and their management within the Group".



2017 total exposure ⁽¹⁾ the 10 most significant countries



2017 total exposure ⁽¹⁾ by debtor's business sector



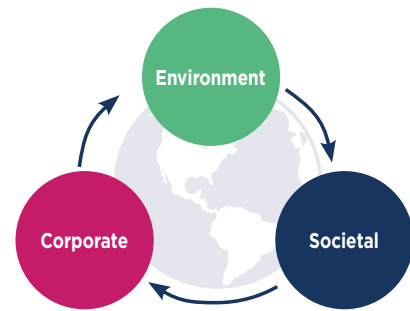
**€512.6 billion of debtor credit risk outstanding ⁽¹⁾ in 2017
(vs. €492.4 billion in 2016)**

⁽¹⁾ The exposures presented above are gross of reinsurance (direct business and accepted business) and correspond to the maximum covered amounts on debtor clients authorised by the Group for its policyholders. They do not correspond to the effective use made of these by policyholders and do not take into account the risk retention clauses provided in their contracts, such as the guarantee quota or a possible deductible.



A constantly evolving corporate **social responsibility (CSR)** strategy

OVER AND ABOVE regulatory and ethical reasons, for Coface, CSR is a veritable opportunity for value creation. Having supported the United Nations Global Compact since 2003, in 2017 Coface again illustrated its ability to respond to corporate, societal and environmental challenges.



Our medium-term objectives

Raise the awareness of policyholders and prospects to environmental, social and governance (ESG) issues through sector studies published on the website www.coface.com.

Improve employee commitment and talent retention as well as our gender diversity policy.

Continue our support to associations through Coface Trade Aid.

Improve monitoring of the ESG rating of our investment portfolio. Monitoring of carbon emissions.

Extend our reporting scope each year by integrating one new country per year.

2017 INDICATORS ⁽⁵⁾

Diversity



53%
women



77
nationalities



12 hours
per employee
training



~35%
- than 40 years



Women to Win Initiative

Environment



HQE

French and German head offices certified



8,289 Mwh
Energy used



2,467 T.eq. CO₂
Air + Train + Fuel



36.9 t
Paper used
Coface encourages the purchase of PEFC or FSC certified paper



27,081 m³
Water used



INTEGRATION OF ESG ISSUES

Compliance

- Fight against money laundering, corruption and financial crime
 - reinforcement of IT tools and controls
 - e-learning training for employees
 - establishment of a Code of Conduct and an Anti-corruption Code
- Conflicts of interest
 - update of the Coface Code of Conduct
- Strengthening of KYC procedures


Risks related to climate change

- In 2017, there was no environmental litigation and no indemnity was paid in application of a legal decision
- Initiatives to reduce greenhouse gas emissions: travel and car policy
- Contribution to the protection of biodiversity: a garden of plants from five continents at the head office
- Implementation of a socially responsible investment policy for the portfolio

Data security and confidentiality

- Launch of audits for the implementation of the GDPR ⁽¹⁾
- Insourcing of certain IT activities to ensure secure control of IT systems
- Choice of suppliers and data storage
- Implementation of IT security procedures, firewalls, passwords, business continuity plan (BCP ⁽²⁾), etc.

AN SRI INVESTMENT PORTFOLIO ⁽⁵⁾



ESG factors

▼

Target #1 : risk management


- preservation of the value of assets in the long term
- exclusion of controversial companies, lists of international economic and financial sanctions (FATF, EU/US embargo, etc.), APM or CB ⁽³⁾

Target #2: support our reputation

- nine out of ten managers have signed the PRIs⁽⁴⁾
- dialogue between Coface and its managers

80.4% of the monitored portfolio is rated

An ESG rating is given by Amundi every quarter




Voting rights and commitments

▼

Monitoring of the voting right policy of Amundi, the dedicated global manager

- dialogue with Amundi, beforehand, and if necessary dialogue with shareholders
- participation in Shareholders' Meetings
- annual reporting on votes

Monitoring of the voting rights policies of all equity UCITS



Carbon footprint

▼

Monitor the carbon risk

Contribute actively to sustainable development

Quarterly reporting (via Amundi)

- presentation of carbon emissions and reserves
- sector and geographical contributions
- analysis by millions of euros invested
- analysis by millions of euros of revenue
- three scope levels

(1) General Data Protection Regulation (European Union regulation No. 2016/679).

(2) Business continuity plan - see Section 1.8. "Information Systems".

(3) APM = Anti-personnel mines; CB = cluster bombs.

(4) PRI = Principles for Responsible Investment.

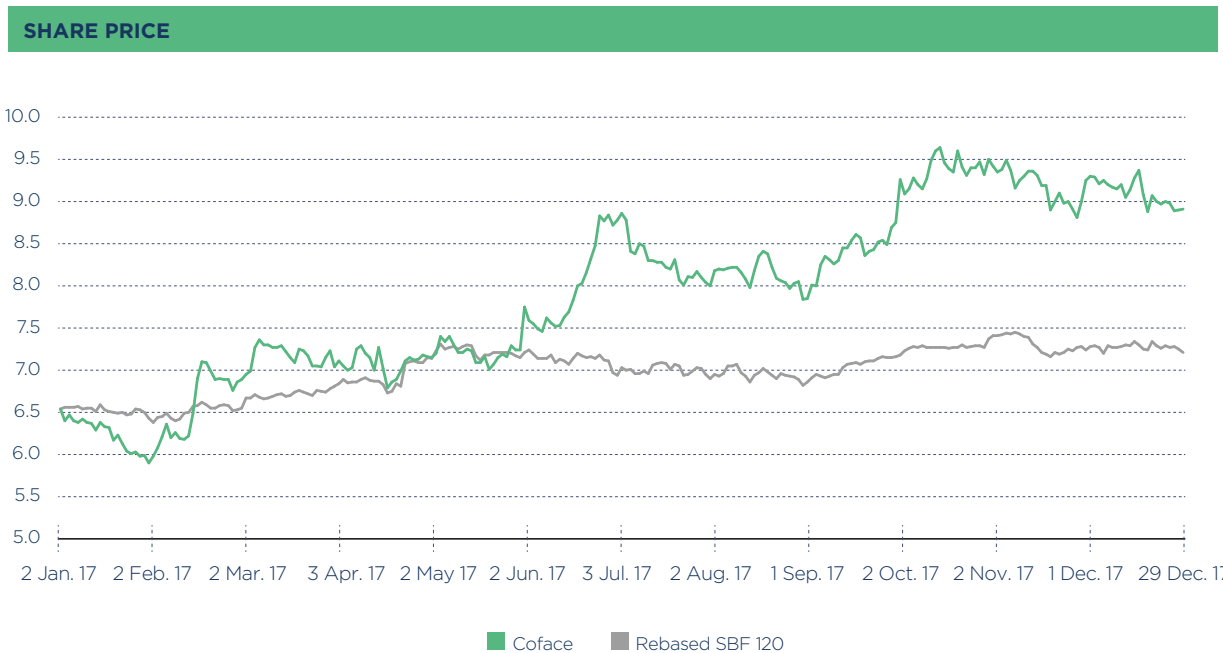
(5) Comments on CSR as well as the reporting methodology are presented in Chapter 6 "Corporate, Environmental and Societal Information".



The **Coface** share

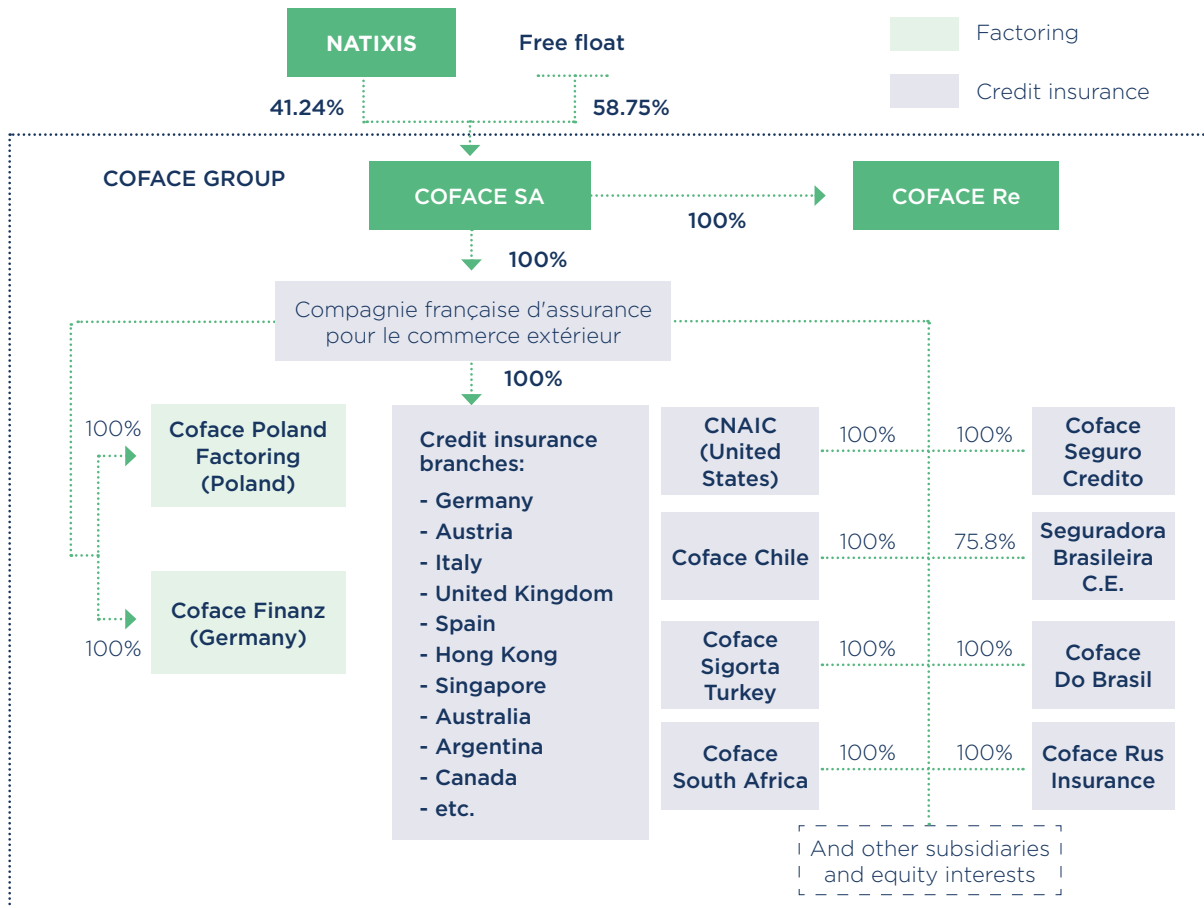
STOCK MARKET PROFILE		2017
Negotiation	Euronext Paris (compartment A), eligible for deferred settlement service (SRD)	
ISIN Code	FR0010667147	
Reuters code	COFA.PA	
Bloomberg code	COFA FP	
Stock Market Indexes	CAC Mid and Small, CAC All-tradable, CAC Small, CAC All shares, Euronext 150, Euronext CAC Financial	
Capital	€314,496,464	
Number of shares	157,248,232	
Market capitalisation (price used on December 29, 2017: €8.914)	€1,401,710,740.05	
Earnings per share	€0.53	
Dividend per share ⁽¹⁾	€0.34	
Highest price (2017)	€9.64 (Oct. 11, 2017)	
Lowest price (2017)	€5.90 (Jan. 30, 2017)	

(1) The proposal to distribute €0.34 per share is subject to the approval of the Annual Shareholders' Meeting of May 16, 2018 (see Section 7.7).



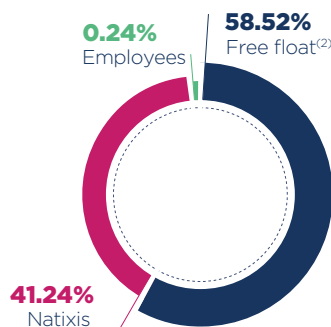


Simplified organisational chart ⁽¹⁾



(1) COFACE SA is also called the "Company" in this Registration Document. Unless otherwise stated, references in this document to the "Group" or the "COFACE Group" are references to the Company and its subsidiaries, branches and holdings. COFACE SA is the holding company of the COFACE Group. As a decision-making and management body, the Company is a non-operational holding company and plays a vital financial role in the COFACE Group, performing management, financing and advisory activities for its subsidiaries; it also manages operating activities. The chief operating subsidiary of the COFACE Group is Compagnie française d'assurance pour le commerce extérieur, with a net income of €45.6 million for the year ended December 31, 2017. This subsidiary, which is wholly owned by the Company, is a French société anonyme, with share capital of €137,052,417.05, and registered with the Nanterre Trade and Companies Register under company number 552 069 791. Compagnie française d'assurance pour le commerce extérieur is therefore the principal operating company and the principal insurance company of the COFACE Group. It also owns the two Group companies authorised to engage in the factoring business: Coface Finanz in Germany and Coface Factoring Poland in Poland (see the list of entities in the "Scope of consolidation" of the Group's consolidated financial statements - Chapter 4. The relationship between the parent company and subsidiaries is presented in detail in Note 38).

Shareholding structure as at December 31, 2017



(2) Including 522,829 treasury shares under the share buyback programme, i.e. 0.33% (of which 126,429 shares of the Liquidity Agreement (0.08%) and 396,400 shares from transactions on treasury shares - LTIP (0.25%) - see Section 7.2.3 "Independent control, holding and acquisition of treasury shares by the Company".



Financial

press releases published in 2017

DATE OF PUBLICATION	PURPOSE
January 2, 2017	Coface has transferred French State export guarantees activity to Bpifrance
February 3, 2017	Appointments to the COFACE Group Executive Committee
February 8, 2017	Coface results at 31 December 2016: Operating performance and progression of Fit to Win in line with plan, confirming our ambition to become the most agile global credit insurer in the industry
April 12, 2017	COFACE SA: Combined Shareholders' Meeting on May 17, 2017 at 9am (CET)
April 13, 2017	COFACE SA: Disclosure of total number of voting rights and number of shares in the capital as at April 12 th , 2017
April 13, 2017	Coface announces the publication of its 2016 Registration Document
April 26, 2017	Coface results for Q1-2017: Net income at €7.3m driven by an improvement in net loss ratio Fit to Win progressing as planned
May 15, 2017	COFACE SA: Disclosure of total number of voting rights and number of shares in the capital as at May 12 th , 2017
May 17, 2017	COFACE SA: Combined Shareholders' Meeting of May 17 th 2017 adopted all the proposed resolutions
May 19, 2017	COFACE SA: Publication of SFCR Group and Standalone as at 31 st December 2016
July 5, 2017	COFACE SA: Half-year statement of the liquidity contract between COFACE SA and Natixis
July 28, 2017	Communication setting out the arrangements for the supplying of the Interim Financial Report for the first half of 2017
July 28, 2017	Coface H1-2017 Results: Operating income up 17.5% and net income at €20.2m Improving guidance for 2017: net loss ratio 3pts better, at below 58%
July 28, 2017	Isabelle Laforgue and Nathalie Lomon join COFACE SA's Board of Directors
August 4, 2017	COFACE SA signs €700m syndicated loan agreement
September 8, 2017	Fitch affirms Coface AA- rating, with an outlook "stable"
September 28, 2017	Coface improves its full-year guidance: loss ratio net of reinsurance now seen below 54%, a 4ppts improvement
September 29, 2017	Coface appoints two new regional CEOs to lead Central & Eastern Europe and Northern Europe, effective November 1 st 2017
October 25, 2017	Coface 9M-2017 Results: Net income at €55.0m driven by loss ratio improvement, in line with new guidance
November 6, 2017	Evolution on the resources allocated to the liquidity agreement

The full regulated financial information can be found on the Group website at <http://www.coface.com/Investors>

2018 FINANCIAL CALENDAR (SUBJECT TO MODIFICATION)

- ▶ 2017 results: February 12, 2018, after market close
- ▶ Q1-2018 results: April 24, 2018, after market close
- ▶ Publication of 2017 SFCR (Group and Standalone): May 4, 2018
- ▶ 2017 Shareholders' Meeting: May 16, 2018
- ▶ Ex-dividend date: May 24, 2018
- ▶ Payment of dividend: May 28, 2018
- ▶ H1-2018 results: July 26, 2018, before the market opens
- ▶ 9M-2018 results: October 24, 2018, after market close