The banks that helped Eva find another way to grow...

Review of operations and sustainable development report 2016
Groupe BPCE is the second largest banking group in France, one of the ten foremost European banking groups and one of the top twenty worldwide. It employs 108,000 people serving more than 30 million customers, 9 million of whom are also cooperative shareholders, and finances more than 20% of the French economy.

For the second year in succession, Groupe BPCE has been awarded the Bank of the year in France trophy by The Banker financial magazine.
Innovate, explore new paths to find another way to grow: created in 2009 from the merger between the Banque Populaire banks and the Caisses d’Epargne, Groupe BPCE is confident as it enters the final year of its 2014-2017 strategic plan. The new challenge is to imagine and develop a strategy for the digital world to guide its new plan for 2018-2020.

Specialized in real-estate financing for more than 160 years, Crédit Foncier supports its clientele of individual customers, real-estate professionals and investors in their different projects. It is one of the leading distributors of subsidized loans: interest-free loans and PAS loans for low-income families. It is also one of the leaders in real-estate appraisal in France.

Join forces, expand opportunities: the first Banque Populaire was created in 1878 to allow craftsmen, retailers and small manufacturers to finance their businesses by guaranteeing one another’s loans. Today, Banque Populaire is the no. 1 bank for small and medium-sized companies, and the no. 2 bank for craftsmen and small retailers.

Vous être utile (“To be helpful”): for almost 200 years, the Caisse d’Epargne has been supporting all categories of French people in all their different projects throughout their lives. Working closely with all players active in the economic development of the French regions, it is a key partner of companies and entrepreneurs, of social housing and the public sector, as well as the social and solidarity-based economy.

The art of being a banker has been cultivated in this financial institution since 1780 under the name of Banque Vernes, and then Banque San Paolo, and Banque Palatine since 2005. A bank dedicated to mid-sized firms and private banking, Banque Palatine achieved record-breaking commercial growth in 2016 in its two key markets.

The commercial banking institutions of BPCE International support the projects of individual and corporate customers in Africa and the Indian Ocean, in Vietnam, New Caledonia and Tahiti. Pramex International, for its part, helps French SMEs and start-ups to expand their activities in the international market. Ingépar arranges and implements asset financing operations.

At the service of the Group’s retail banking networks and its clientele of major corporations, financial institutions and institutional investors, Natixis has celebrated the 10th anniversary of its creation and is pursuing its development in asset management, insurance, corporate & investment banking, and specialized financial services.

Discover the banks playing a supporting role in The Intriguing Mr. Langley

They are all different yet they share the same values and give tangible expression to our corporate tagline: Bankers and insurers with a different perspective. Socially committed and driven by the entrepreneurial spirit, they draw on all the resources of the Group to help their customers realize their various projects.
You may have read Eva’s story in the first volume of our Review of Operations. Stories like these are an immense source of pride for our Group’s 108,000 banking and insurance specialists, helping to support the projects of business creators who drive the economy by creating new jobs and wealth.

In 2016, for the first time in their long history, our Banque Populaire and Caisse d’Epargne retail banking institutions granted new loans for an aggregate total of more than €100 billion enabling thousands of individual and corporate customers to succeed in their various projects. We also provide insurance and enjoyed double-digit growth in this area in 2016. In other sectors — and, this time, at the level of the worldwide economy — our Corporate & Investment Banking division proved to be remarkably dynamic thanks, notably, to the faster pace of our growth in the USA and Asia.

These activities were made possible thanks to the financial strength of Groupe BPCE. For a bank, a robust balance sheet and carefully managed exposure to risk are two prerequisites for growth. We currently commit €70 billion in capital to our activities in France and in more than 40 countries worldwide.

As we have already achieved the principal targets defined in our Another way to grow strategic plan, 2017 will be a pivotal year for our Group, and we have started work on our next strategic plan for 2018 to 2020.

We cannot claim to chart the future… but if we are to exceed our own expectations, we need a collective project and shared objectives to do so. Our activities as bankers, insurers, and asset managers — all our business lines —
will be radically transformed by new technologies; they will be reinvented over the next five to ten years. We want to play an active role in this transformation, to make our own contribution. This will be the ambition enshrined in our next strategic plan: to enable us to seize the extraordinary opportunities afforded by the technological revolution: the use of data, digital solutions, artificial intelligence, the Internet of things... in short, a strategy for a digital world!

This is why we launched an initiative in February 2017 to transform our retail banking activities.

We are adapting our customer relationship model with a view to becoming the top bank for customer satisfaction in 2020. We want to offer the best branch-based and online services in terms of local presence, simplicity, accessibility, customization, and good advice. We are pursuing the modernization of our network by optimizing our local banking presence and grouping together our branches in urban and peri-urban areas. 80% of our range of products and services will be accessible remotely by end-2017, and we aim to realize 40% of our sales online in 2020. At the same time, we are increasing the number of specialized advisors by 50%; we are opening new types of branch format, and using data to enhance our customer service in line with individual needs.

The second facet of this initiative is an operational excellence program. We are pooling and simplifying our structures, IT resources and processes in order to be more efficient and generate new investment capacity. We are setting up powerful regional banks in line with the new map of French administrative regions. We will be investing €790 million over a four-year period in this operational excellence program that should generate €1 billion in recurrent savings as of 2020.

The third facet is a digital action plan driven by an ambition to make things simpler everywhere and for everyone. We will devote €750 million to this plan over four years. We have already entered a new dimension with the creation of a digital factory run by 1,000 dedicated employees and strengthened our partnerships with FinTech companies, a move facilitated by our Group’s cooperative culture. We have also acquired Fidor, a 100% mobile community bank boasting a highly innovative technological platform.

We have adopted a robust and inspirational strategy for a digital world with promising projects that are already largely underway. We have given ourselves the resources we need to bring them to a successful conclusion with the active support of all our teams. Thanks to the results obtained since Groupe BPCE was created in 2009, I am fully confident in our ability to make a success of this new transformation to serve our customers’ interests and, more particularly, the interests of those who are creating today the business ventures of tomorrow.

François Pérol
Chairman of the Management Board
Groupe BPCE
> Summary income statement

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net banking income</td>
<td>24,158</td>
<td>23,868</td>
<td>23,257</td>
</tr>
<tr>
<td>Gross operating income</td>
<td>7,485</td>
<td>7,620</td>
<td>6,927</td>
</tr>
<tr>
<td>Cost/income ratio</td>
<td>69.0%</td>
<td>68.1%</td>
<td>70.2%</td>
</tr>
<tr>
<td>Cost of risk</td>
<td>1,423</td>
<td>1,832</td>
<td>1,776</td>
</tr>
<tr>
<td>Cost of risk in basis points(1)</td>
<td>22</td>
<td>29</td>
<td>29</td>
</tr>
<tr>
<td>Income before tax</td>
<td>6,370</td>
<td>6,123</td>
<td>5,279</td>
</tr>
<tr>
<td>Net income attributable to equity holders of the parent</td>
<td>3,988</td>
<td>3,242</td>
<td>2,907</td>
</tr>
<tr>
<td>ROE</td>
<td>6.9%</td>
<td>5.9%</td>
<td>5.4%</td>
</tr>
</tbody>
</table>

> Business line contribution to group NBI(2)

- Retail Banking: 71%
- Natixis core Businesses: 35%
- Commercial Banking and Insurance: 15%
- Specialized Financial Services (SFS): 6%
- Investment Solutions: 14%
- Corporate and Investment Banking (CIB): 6%

> Business line contribution to group income before tax(2)

- Retail Banking: 67%
- Natixis core Businesses: 40%
- Commercial Banking and Insurance: 60%
- Specialized Financial Services (SFS): 16%
- Investment Solutions: 17%
- Corporate and Investment Banking (CIB): 7%

(1) Cost of risk in annualized bp on gross customer loan outstandings at the start of the period.
(2) Excluding the Corporate Center.

> Activity

<table>
<thead>
<tr>
<th></th>
<th>12/31/2016</th>
<th>12/31/2015</th>
<th>12/31/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance sheet total</td>
<td>1,235.2</td>
<td>1,166.5</td>
<td>1,223.3</td>
</tr>
<tr>
<td>Customer loans (gross loan outstandings)</td>
<td>679.2</td>
<td>629.8</td>
<td>623.3</td>
</tr>
</tbody>
</table>
> Commercial Banking and Insurance activity

<table>
<thead>
<tr>
<th>Deposits &amp; savings</th>
<th>Loan outstandings</th>
<th>New loan production</th>
</tr>
</thead>
<tbody>
<tr>
<td>in billions of euros</td>
<td>in billions of euros</td>
<td>in billions of euros</td>
</tr>
<tr>
<td>627</td>
<td>483</td>
<td>78</td>
</tr>
<tr>
<td>651</td>
<td>495</td>
<td>97</td>
</tr>
<tr>
<td>663</td>
<td>514</td>
<td>101</td>
</tr>
<tr>
<td>12/31/2014</td>
<td>12/31/2014</td>
<td>2014</td>
</tr>
<tr>
<td>12/31/2015</td>
<td>12/31/2015</td>
<td>2015</td>
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<tr>
<td>12/31/2016</td>
<td>12/31/2016</td>
<td>2016</td>
</tr>
</tbody>
</table>

- Off-balance sheet deposits and savings
- On-balance sheet deposits and savings

> Financial structure and liquidity reserve

<table>
<thead>
<tr>
<th>in billions of euros</th>
<th>12/31/2016</th>
<th>12/31/2015</th>
<th>12/31/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity attributable to equity holders of the parent</td>
<td>61.5</td>
<td>57.6</td>
<td>55.3</td>
</tr>
<tr>
<td>Common Equity Tier 1 capital</td>
<td>55.3</td>
<td>50.9</td>
<td>46.6</td>
</tr>
<tr>
<td>Tier 1 capital</td>
<td>56.6</td>
<td>52.2</td>
<td>50.0</td>
</tr>
<tr>
<td>Total regulatory capital</td>
<td>72.3</td>
<td>65.8</td>
<td>60.5</td>
</tr>
<tr>
<td>Liquidity reserve</td>
<td>230</td>
<td>196</td>
<td>192</td>
</tr>
</tbody>
</table>

Under Basel III, taking into account CRR/CRD IV phase-in measures.

> Credit ratings

<table>
<thead>
<tr>
<th>Credit ratings at december 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>FitchRatings</td>
</tr>
<tr>
<td>Moody’s</td>
</tr>
<tr>
<td>R&amp;I</td>
</tr>
<tr>
<td>Standard &amp; Poor’s</td>
</tr>
</tbody>
</table>

Outlook

Under Basel III, taking into account CRR/CRD IV phase-in measures.
Chapter 1

2016 CSR figures

> Regions and society

"Responsible supplier relations"

Label awarded for 7 Group entities(1)


35% The Banque Populaire banks and Caisse d’Epargne are present in 35% of the French government’s priority neighborhoods

87% of the Group’s suppliers are SMEs

> Solidarity and socially supportive products

No.1 for microloans in France with Individual customers: market share(2) of 43.5%

Professional customers: market share(1) of 33%

(1) Market share at end-2015.

€22.8 billion of assets under SRI and solidarity-based management +9% compared with 2015

No.1 for the collection and management of solidarity-based savings

> Climate change

€203 million in new ecoloan production for individual and professional customers

€8 billion in funding outstanding devoted to the energy transition(1)

-3.6% greenhouse gas emissions since 2013 for the Group as a whole

(1) 2015 figures.
> Cooperative DNA

4.1 million Banque Populaire cooperative shareholders

34% of Banque Populaire customers are cooperative shareholders

4.8 million Caisse d’Epargne cooperative shareholders

23% of Caisse d’Epargne customers are cooperative shareholders

> Employees/HR

4,860 new hires on permanent contracts

65,626 employees received training

Breakdown of headcount

- 44% men
- 56% women
- 7% fixed-term contracts
- 93% permanent contracts
- 42% managerial staff
- 58% nonmanagerial staff
Corporate governance

Supervisory Board at January 1, 2017

The role of BPCE’s Supervisory Board is to oversee the decisions taken by the Management Board of the Group. This oversight monitors the appropriateness of actions taken. It is comprised of 19 members: seven members representing the Banque Populaire banks, seven members representing the Caisses d’Epargne, two members representing Group employees, and three independent members. The Supervisory Board also includes six censeurs (non-voting directors) acting in an advisory capacity.

Pierre Valentin(1)
Chairman
Chairman of the Steering and Supervisory Board of the Caisse d’Epargne Languedoc-Roussillon

Steve Gentili(1)
Vice-Chairman
Chairman of the Board of Directors of BRED Banque Populaire

Representatives of the Banque Populaire banks

Thierry Cahn(4)
Chairman of the Board of Directors of Banque Populaire Alsace Lorraine Champagne

Alain Condaminas(5)
CEO of Banque Populaire Occitane

Pierre Desvergnes(2)(3)
Chairman of the Board of Directors of CASDEN Banque Populaire

Yves Gevin(1)(2)(3)(4)
CEO of Banque Populaire Rives de Paris

Michel Grass(5)
Chairman of the Board of Directors of Banque Populaire Bourgogne Franche-Comté

André Joffre(2)(3)
Chairman of the Board of Directors of Banque Populaire du Sud

Representatives of the Caisses d’Epargne

Catherine Amin-Garde(2)(3)
Chairwoman of the Steering and Supervisory Board of the Caisse d’Epargne Loire Drôme Ardèche

Astrid Boos(2)(3)
Chairwoman of the Steering and Supervisory Board of the Caisse d’Epargne Alsace

Françoise Lemalle(5)
Chairwoman of the Steering and Supervisory Board of the Caisse d’Epargne Côte d’Azur

Stéphanie Paix(5)
Chairwoman of the Management Board of the Caisse d’Epargne Rhône Alpes

Didier Patault(1)(2)(3)(4)
Chairman of the Management Board of the Caisse d’Epargne Île-de-France

Nicolas Plaître(4)
Chairman of the Steering and Supervisory Board of the Caisse d’Epargne Normandie

Independent members

Maryse Aulagnon(2)(3)
Chairwoman of the Board of Directors of Affine

Marwan Lahoud(4)(5)
Chief Strategy and Marketing Officer of the Airbus Group

Marie-Christine Lombard(4)(5)
Chairwoman of the Management Board of Géodis

Employee representatives

Vincent Gontier(3)
Frédéric Hassaine

Censeurs (non-voting members)

Jean Aronde(1)(6)
Chairman of the Fédération Nationale des Caisses d’Epargne

Pierre Carli
Chairman of the Management Board of the Caisse d’Epargne de Midi-Pyrénées

Daniel Karyotis
CEO of Banque Populaire Auvergne Rhône Alpes

Alain Lacroix
Chairman of the Management Board of the Caisse d’Epargne de Provence-Alpes-Côte d’Azur

Dominique Martinie(1)(6)
Chairman of the Fédération Nationale des Banques Populaires

Gonzague de Villèle
CEO of Banque Populaire Val de France

The following also attends Board meetings

Jean-Luc Débarre
Representative of the BPCE Works Council

(1) Member of the Cooperative Committee.
(2) Member of the Appointments Committee.
(3) Member of the Remuneration Committee.
(4) Member of the Audit Committee.
(5) Member of the Risks Committee.
(6) Non-voting director as of right.
Representatives of the cooperative shareholders
The cooperative shareholders of the Banque Populaire banks and of the Caisses d’Epargne \((via\) their local savings companies for the latter) are represented by the Chairmen/women of the Banques Populaires Boards of Directors and by the Chairmen/women of the Caisses d’Epargne Steering and Supervisory Boards.

Censeurs (non-voting directors)
The National Federations of the Banque Populaire banks and Caisses d’Epargne, represented by their respective Chairmen, are censeurs as of right. The Ordinary General Shareholders’ Meeting appoints the three censeurs from the Caisses d’Epargne and the three censeurs from the Banque Populaire banks.

Employee representatives
Two representatives of Groupe BPCE are Board members as of right. One representative from the BPCE Works Council attends Board meetings in an advisory capacity.

Five specialized committees
These committees assist the Supervisory Board in its deliberations and in reaching its decisions. The Banque Populaire and Caisse d’Epargne retail banking networks are represented on these committees on a fifty-fifty basis. The Cooperative Committee is chaired by Dominique Martinie, Chairman of the FNBP. The four other committees are each chaired by an independent member.
Chapter 1

2014-2017 strategic plan
Another way to grow

We are stepping up the pace of our transformation in a digital world to provide our customers and employees with the highest standards. We are enhancing our operational excellence in a changing world to pursue our growth while controlling our risks. The results obtained after completing three-quarters of our plan demonstrate that we are well on our way to attaining our ambitions.

4 growth ambitions

➤ Interpersonal and digital banking relations
  We are creating leading banks for interpersonal and digital relations, transforming our local banking model and adapting our network to offer the highest quality service both online and in our branches. 75% of our customers had signed up for online banking services by late 2016. We are aiming at 80% in 2017 and 90% in 2020 with leadership in customer satisfaction in terms of local presence, quality of advice and simplicity of use.

➤ Major player in savings
  We are establishing the Group as a major player in savings in order to finance our customers’ projects. With the new prudential standards, our ability to lend largely depends on the savings we attract. Our aim is to boost asset management net inflows by a total of €75 billion by 2017. We reached almost €49 billion at the end of 2016(1).

➤ Becoming a bancassurance specialist
  Insurance is a major growth driver. To take full advantage of its potential, Groupe BPCE has become a fully fledged bancassurance specialist with a single insurance platform within Natixis to serve the retail banking networks. We want to provide P&C, health or provident insurance cover to one out of every three individual customers in 2017. We covered 25% at end-2016.

➤ Stepping up the pace of international expansion
  The international market is another growth driver. Natixis is speeding up the international reach of its core business lines: asset management and corporate and investment banking. In 2016, it generated 46% of its net banking income outside of France. The target is 50% in 2017. We are pursuing a targeted strategy in retail banking activities.
Gaining in collective efficiency

Our aim is to generate revenue synergies between Natixis and the retail banking networks worth a total of €870 million. At end-2016, €623 million had been achieved thanks, notably, to insurance and specialized financial services. We want to generate a total of €900 million in cost synergies by pooling our procurement and IT production activities, and by optimizing our organizations and processes. At end-2016, synergies amounted to €686 million.

Investing in talent

We want at least 60% of our managers to feel recognized and appreciated in their work. We pursue a determined gender equality policy to the effect that 41.7% of our managerial staff and 23.7% of company directors are women. We are adapting our skills to the digital revolution. 38,000 employees have been trained in virtual classrooms since the plan was first launched.

Asserting our cooperative DNA

Deeply rooted in their respective regions, our cooperative banks tailor their services as closely as possible to the needs of individuals, companies and local authorities. Our cooperative culture is an asset, enabling us to jointly build and develop partnerships. Our cooperative values are shared by society at large, eager to combine efficiency with social solidarity and responsibility.

Consolidating our key financial ratios

Our aim is to achieve 4% average annual growth in the net banking income of our core business lines, a cost/income ratio of less than 65%, and a Common Equity Tier-1 ratio of more than 12% in 2017. The average growth of our core business lines was 4.8% per year in 2014-2016, despite persistently low interest rates and a sluggish economic environment in France. Our cost/income ratio stood at 70.5% in 2016.

At the end of 2016, Groupe BPCE boasted financial ratios in excess of regulatory requirements with, in particular, a CET1 ratio (without transitional measures) of 14.2% vs. a regulatory minimum of 8.92% and a total capital ratio of 18.5% vs. the 11.15% required by the regulations. Liquidity targets have also been met with a short-term LCR higher than 110%.

(1) On a like-for-like basis.
(2) Restated to account for noneconomic and exceptional items.
FINANCIALLY ROBUST

with a total capital adequacy ratio of 18.5%, substantially higher than the 11.25% required by the ECB as of January 1, 2017. Strong commercial dynamics, tightly managed cost of risk, continuous strengthening of the financial structure: the stress test carried out by the European Banking Authority and ECB confirms the Group’s financial strength.

STRUCTURED

with the intensification of relations between the retail banking networks and Natixis, the ramp-up of insurance activities, and the creation within Natixis of a new division consolidating all our payments solutions to promote growth, new value creation and the competitiveness of the Banque Populaire banks and Caisses d’Epargne.

OLYMPIC

with the renewal of the partnership first created in 2010 with the French national Olympic and sporting committee (CNOSF). After the Rio Olympics in 2016, Groupe BPCE along with Banque Populaire, Caisse d’Epargne and Natixis will be supporting the French Olympic team at the 2018 Winter Olympics to be staged in PyeongChang, South Korea.

EGALITARIAN

with 18 Group companies earning Gender Equality certification from the AFNOR standardization body, including six Banque Populaire banks, Crédit Coopératif, eight Caisses d’Epargne, Banque Palatine and BPCE SA, 31 women’s networks within the Group and a new blog to promote gender equality. More egalitarian, too, with an agreement on the system used to classify the 39,000 employees in the Caisse d’Epargne network, enabling them to take fuller advantage of their experience acquired on the same job, and to enhance their visibility on different career paths within their companies and the Group.
RECOGNIZED

as the “Bank of the Year 2016” in France by the financial magazine The Banker, a distinction awarded for the 2nd year running and a major source of collective pride.

DIGITALLY ADEPT

with the launch of Apple Pay, the acquisition of Depopass, E-Cotiz, PayPlug and Fidor Bank, a 100% digital banking institution, the appointment of a CDO\(^{(1)}\) to the General Management Committee, and the creation of 89C3, an organization dedicated to implementing the Group’s digital transformation plan. Also more digitally adept in the way we work, train our employees, innovate, cooperate, and dialogue with our customers.

\(^{(1)}\) Chief digital officer.

ECO-FRIENDLY

with 18 Group companies powered by 100% renewable electricity. The Group is also one of the front-ranking financial backers of green growth with loan outstandings worth in excess of €8 billion. More generally, formal expression was given to a CSR approach throughout the Group during the year with a view, in particular, to setting ambitious targets for improvement.

COOPERATIVE AND COMMUNITY-ORIENTED

with 9 million cooperative shareholders, more than 40% of the inflows of solidarity-based and shared-return savings under management in France\(^{(2)}\), no. 1 ranking for microloans with more than €530 million in solidarity-based loans with support, in liaison with the principal Adie, Initiative France and France Active networks.

\(^{(2)}\) Finansol 2016.
Chapter 2

Banque Populaire banks

The Banque Populaire banks were created by and for entrepreneurs. They form the fourth-largest banking network in France\(^1\) with 13 Banque Populaire regional banks, CASDEN Banque Populaire, which serves public-sector workers, and Crédit Coopératif, a major player in the social and solidarity-based economy. As the no. 1 bank for business customers\(^2\) and franchise holders\(^3\), the no. 2 bank for craftsmen and small retailers\(^4\), and the no. 3 bank for farmers\(^1\), the Banque Populaire banks continue to “join forces, expand opportunities” alongside their customers.

<table>
<thead>
<tr>
<th>15 Banque Populaire banks</th>
<th>31,582 employees</th>
<th>€241bn in deposits and savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 million cooperative shareholders</td>
<td>3,269 branches</td>
<td>€182bn in loan outstandings</td>
</tr>
<tr>
<td>9.2 million customers</td>
<td>€6.3bn in net banking income</td>
<td></td>
</tr>
</tbody>
</table>

In 2016

> Two major regional banks were established in 2016: Banque Populaire Méditerranée, created from the merger of Banque Populaire Côte d’Azur, Banque Populaire Provençale et Corse and Banque Chaix; and Banque Populaire Auvergne Rhône Alpes, created from the merger of Banque Populaire des Alpes, Banque Populaire Loire et Lyonnais and Banque Populaire du Massif Central.

> The Banque Populaire banks consolidated their momentum with a 6% rise in loan outstandings and a 5% rise in deposits and savings.

> The Banque Populaire mobile app was expanded to include payment solutions such as Apple Pay and Touch ID technology, allowing customers to access their accounts using their fingerprint.

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\(^1\) Internal analysis.
\(^2\) TNS SOFRES survey, Les PME-ETI et les banques (SMEs/ISEs and their banks), 2015.
\(^3\) 13th annual franchise survey, CSA 2016.
\(^4\) 2013-2014 CSA Pépites survey.
Always working to expand its digital services and solutions, Banque Populaire now offers Apple Pay, a contactless payment solution launched nationwide in 2016, a new mobile banking app with an account aggregator, electronic contract signatures with document transfer by mobile and an express auto insurance simulator. For students participating in study abroad programs, Banque Populaire launched the Erasmus +x loan in partnership with the EIF(1), along with a website to help them plan their budget. The number of active and insured individual customers increased by 9.2%, while nonlife, provident and health insurance portfolios grew by over 10%.

(1) BRED Banque Populaire also operates in Guadeloupe, Martinique, the Northern Leeward Islands, French Guiana, Réunion Island, Mayotte, New Caledonia, French Polynesia, in the Fiji and Solomon islands, in Vanuatu, Djibouti, Ethiopia, Cambodia, Laos, Burma, and Switzerland. In mainland France, it is present in the Île-de-France region, the Aisne department and in Normandy.
PRIVATE BANKING

The Private Banking arm of the Banque Populaire banks has built up its teams, optimized its range of products and services, and set up a new private banking website. It has established ranges of simplified UCITS enriched with funds offered by renowned asset management firms, securing robust inflows in high-end financial products and offers qualifying the business line for a lower wealth tax(1). It has also developed a specific approach and a tailored offer for company directors with Crédit Foncier Immobilier. Assets under management are up 4%. Since it was launched at the end of 2014, high-end life insurance policy Quintessa has recorded over €2.5 billion in inflows.

351,300 private banking customers(2)

€68 bn in assets under management, +4%

(1) Impôt de solidarité sur la fortune (French wealth tax).
(2) AuM of more than €150,000.

Chapter 2

PROFESSIONAL CUSTOMERS

Banque Populaire has consolidated its position with professional customers, increasing new customer relationships by 5.1% and by 8.5% for independent professionals.

> Financing

New medium and long-term loans picked up 9.7% to €7.2 billion. €900 million are secured by Socama(1) and the EIF(2), which entered into a new €1 billion agreement for 2017-2018. Banque Populaire can issue loans without personal collateral or with reduced collateral to finance business start-ups, equipment loans and acquisitions.
CASDEN Banque Populaire

As of December 2015, CASDEN Banque Populaire, originally created by and for teachers, is the cooperative bank that serves all civil servant customers. To spread the word about its affinity model and dedicated offer, CASDEN worked with the Banque Populaire banks to organize the first Civil Servant Meet-and-Greets, modeled after the National Education Meet-and-Greets held for the past ten years. It also developed a partnership-driven strategy, entering into nationwide partnership agreements with mutual insurers and civil service organizations. Over 164,000 new cooperative shareholders joined CASDEN in 2016, including 115,000 outside the national education system.

1.5 million cooperative shareholders

> New services
The Banque Populaire professional customer app has been downloaded 100,000 times. Customers can access their accounts through digital authentication and send documents to their advisor digitally. Banque Populaire launched Apple Pay and Paiement Express with small retailers, allowing them to accept debit card payments by sending an e-mail with an embedded link to their customers. The Liberaletvous website was overhauled and expanded.

> Partnerships
Banque Populaire entered into a partnership with the CSOEC (French National Chartered Accountants Board) with the aim of helping entrepreneurs. It renewed its partnerships with the Fédération Francaise de la Franchise (French Franchise Federation) and launched a range of banking products and services for CUMAs (French farming equipment cooperatives), supported by a partnership with their national federation.

> Promotion
The Stars et Métiers Awards, celebrating talented French craftsmen, is now in its tenth year. The second annual L’xpérience event promoted the expertise of 400 craftsmen and small retailers in 29 cities.

1.1 million professional customers
411,000 craftsmen and small retailers
148,000 self-employed professionals
68,000 farmers
€48.2 bn in loan outstandings, +2.4%

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(1) Mutual Guarantee Companies for the small business sector, of which Banque Populaire is the exclusive partner.
(2) European Investment Fund.

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BUSINESS AND INSTITUTIONAL CUSTOMERS

As the leading bank for SMEs, Banque Populaire has established a network of some 1,000 specialist employees offering financing solutions to make their plans a reality. In 2016, the Banque Populaire banks strengthened their commitment to SMEs, with new medium- and long-term loans to business customers up 12%. More than 263,000 associations and organizations working in the social and solidarity-based economy do business with the Banque Populaire banks and Crédit Coopératif, representing an increase of 4%.

Financial engineering and equity investments
Established in 2016, Banque Populaire Ingénierie Financière provides support to advisors. This onboarding platform draws on specialist areas of expertise across the Banque Populaire network and its subsidiaries to assist SMEs with mergers and acquisitions, strengthening their capital and structured lending. Entities operating in the social and solidarity-based economy also need capital and quasi-equity for development, mergers and business transmission. Crédit Coopératif provides them with tailored solutions such as Esfin Gestion, Esfin Participations and investment fund Impact Coopératif.

International development
Banque Populaire and Pramex International have become the exclusive banking partners of Stratexio, an association created by MEDEF (French Business Confederation) and the International Chambers of Commerce and Industry to promote the international expansion of SMEs and ISEs. BRED Banque Populaire, which boasts a substantial international business customer base, is also driving ahead with dynamic growth outside France. In 2016, it opened a bank in Cambodia and a branch in the Solomon Islands.

Innovative companies
Rolled out in 2016, Next Innov is the no. 1 banking network for start-ups and innovative companies, made up of 50 certified business centers, 100 specially trained advisors and regional partners. Rounding out the offer is the Innov&Plus(2) loan for innovative companies at attractive conditions and Pramex International’s(3) Implant-up, designed to promote the international expansion of young innovative companies.

138,000 business customers
263,000 associations and institutional customers

No. 1 bank for SMEs, with a 38% penetration rate(1)
155 business centers
€24 bn in outstanding medium and long-term loans

(1) TNS-Sofres 2015 survey.
(2) Via a partnership entered into with the European Investment Fund: a budget of €300 million in EIF-secured loans.
(3) A subsidiary of BPCE International, Pramex International is the French leader in consultancy services for SMEs and ISEs looking to set up and conduct operations abroad, and the leading manager of SME/ISE foreign subsidiaries.
Crédit Maritime

Crédit Maritime comprises five regional banks serving the fishing and fish farming industries and yachtsmen with tailored offers, but also individual customers, professional customers and SMEs operating along the coast.

No. 1 bank in the fishing and fish farming industries

Crédit Coopératif

A different type of bank: Crédit Coopératif’s new slogan clearly reflects its commitment. The bank is determined to work together with its customers to build an economy that makes a strong contribution to society. Two products launched in 2016 reflect this objective admirably: the Agir life insurance product, with 20% of its assets invested in the open-ended mutual fund Choix Solidaire offered by Ecofi, a subsidiary of Crédit Coopératif, and the Coopération pour ma région passbook savings account aimed at funding companies operating in the social and solidarity-based economy in the region of its choice.

Nearly 100,000 cooperative shareholders

336,000 customers

Donations to 53 associations from Agir products in 2016: €3.2 m
Since 1818, the Caisses d'Epargne have represented confidence, solidarity and modernity. The Caisses d'Epargne form the second-largest retail banking network in France\(^1\), supporting individual customers and all regional economic players. As the leading bank working to fund the social and solidarity-based economy and the public sector\(^2\), and a key partner in the social housing sector, the Caisses d'Epargne constantly endeavor to earn new customers and promote innovation.

<table>
<thead>
<tr>
<th>17</th>
<th>36,102</th>
<th>€399 bn</th>
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<tbody>
<tr>
<td>Caisses d'Epargne employees</td>
<td>in deposits and savings</td>
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<td>4.8</td>
<td>4,182</td>
<td>€236 bn</td>
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<tr>
<td>million cooperative shareholders</td>
<td>in loan outstandings</td>
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<tr>
<td>20.6</td>
<td></td>
<td>€7.2 bn</td>
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<td>million customers</td>
<td>in net banking income</td>
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In 2016

- The Caisses d'Epargne ramped up their development in banking and insurance, consolidating their positions in all markets. Loan outstandings rose 5% and off-balance sheet deposits and savings 2%.
- With *Apple Pay and Banxo*, its new mobile banking app, Caisse d'Epargne is constantly innovating to meet the needs of its customers. Highly active on the social networks, it is also in daily contact with its 800,000 fans on its Facebook pages and 107,000 followers on Twitter, with 14 million videos viewed on Youtube.

\(^1\) Internal analysis.
\(^2\) Banque de France – December 31, 2015.
€329 bn in deposits and savings, +1%

€11.4 bn in life insurance inflows

€7.1 bn in new consumer loans

4.7 million nonlife, provident and healthcare insurance policies outstanding

€27.9 bn in new home loans

€137 bn in loan outstandings, +4%

INDIVIDUAL CUSTOMERS

Caisse d’Epargne has stepped up its bancassurance strategy with a new life and provident insurance range from Natixis Assurances and a new healthcare offer. It has also expanded its digital services with Apple Pay, SEPAmail payments, withdrawals by text, online simulators and Banxo, the new banking app with an account aggregator and budget management features. It launched a collateral-free student loan and broadened its range of financial investments to include OPCIs\(^1\) and SCPIs\(^2\). Home loans, consumer loans and insurance had another strong year in 2016. Inflow momentum remained strong, especially in demand deposits and life insurance products.

\(^1\) Real estate investment funds.
\(^2\) Real estate investment trusts.
Chapter 3

PROFESSIONAL CUSTOMERS

The number of active customers grew by 5% in 2016, while professional customers who also hold personal accounts picked up 9%. Payment processing flows and new loans increased by 10% and 5%, respectively. Caisse d’Epargne rolled out property and casualty insurance for professionals, launched Car Lease, an all-digital long-term vehicle lease financing offer, and DiagEntrepreneur, a quick and easy business diagnostics app. In its commitment to support entrepreneurs, Caisse d’Epargne entered into partnerships with the Les Pionnières women entrepreneur incubators and the BGE support network.

PRIVATE BANKING

Caisse d’Epargne’s private banking arm serves 410,000 customers with an approach tailored to each segment: 1,500 wealth management advisors at the branches and 670 specialized account managers backing them up locally. Relations with affluent customers are handled by 35 private bankers, 25 wealth management engineers, and 19 portfolio managers for discretionary portfolio management. As the no. 2 player in France(1), Caisse d’Epargne continuously works to expand its range and add new digital information tools.

343,000 customers, craftsmen, small retailers, self-employed professionals and small businesses

€2.6 bn in new MLT loans

€10.3 bn in loan outstandings

343,000 customers, craftsmen, small retailers, self-employed professionals and small businesses

€2.6 bn in new MLT loans

€10.3 bn in loan outstandings

35 dedicated Private Banking Areas

€112 bn in assets under management, +4.7%

(1) Xerfi/Precepta survey, June 2014.
REAL ESTATE PROFESSIONALS

The Caisses d’Epargne offer financing and signed agreements for all types of projects. They also work alongside regional real estate developers to invest capital via sociétés foncières (real estate holding companies).

MLT loan outstandings climbed 8.6%, and short-term loan outstandings 12.8%, as the market made a major comeback in 2016.

BUSINESS CUSTOMERS

The Caisses d’Epargne are funding a growing number of companies, adding 4,184 new business customers in 2016. New loans rose 40.1%. New offers were developed for the insurance (credit insurance with Coface), financing (Prêt Innovation) and customer base management (Vision Dév) ranges. Néo Business, a product for innovative start-ups and companies, is gradually being rolled out across the entire Caisse d’Epargne network with 50 Innovation account managers. 14 private equity entities are operating in the regions.

Nearly 4,200 new business customers

14 private equity entities

€2.8 bn in new short-term loans

€1.5 bn in MLT loans issued

+15.7% in loan outstandings

+10% in payment processing flows
PUBLIC SECTOR

Caisse d’Epargne is a major partner of local authorities and public healthcare institutions, accounting for nearly one-third of their outstanding loans. The network receives funds from the EIB(1) to provide subsidized loans for projects supported by Europe. It relies on Natixis and Crédit Foncier to offer payment solutions, cards, service vouchers, lease financing, financial engineering and public-private partnership solutions. In 2016, it launched a loan on Livret A passbook savings account and a new website, Développement & Collectivités. With all the changes taking place in today’s environment, this tool provides local decision-makers with a map that summarizes information on municipalities and intermunicipal organizations, along with simulators to shed light on the decision-making process.

(1) European Investment Bank.

€4 bn in new financing for local authorities, groups of local authorities and public-sector hospitals, +28.4%  

€34.1 bn in loan outstandings

SOCIAL HOUSING AND SEMI-PUBLIC ENTITIES

As long-standing partners of social housing organizations, having established relations with 87% of social housing operators, the Caisse d’Epargne are well-versed in meeting the needs of this segment: everyday banking with an extensive set of digital, financing and investment solutions. They are also private operators in social housing via Habitat en Région, which manages 244,000 homes. Caisse d’Epargne is the leading bank for local public-sector companies as well(1), investing in conjunction with local authorities in renewable energy, water and waste treatment, transportation, digital infrastructures and major tourism projects.

(1) Survey conducted by Fédération des EPL on local public-sector companies (April 2015).

€3.8 bn in new loans

€8.9 bn in loan outstandings, +5%

€8.1 bn in savings deposit outstandings, +0.4%  

€4.6 bn in Livret A passbook savings account deposits
PROTECTED PERSONS

The Caisses d’Epargne offer personalized support and assistance to protected persons and their legal representatives. 150 specialists work directly with legal representatives or assist local advisors at the branches. Their bespoke offer covers the provision of banking products and services, savings solutions, insurance and wealth management services.

No. 1 bank for protected persons(1)
€8.4 bn in assets under management for protected persons
324,000 protected persons are customers


SOCIAL AND SOLIDARITY-BASED ECONOMY

The Caisses d’Epargne support nearly 19,000 companies and institutions in the social and solidarity-based economy. New loans increased 16.1% and flows 20% in 2016. Online fundraising platform Espace Dons, launched in 2015, is already used by over 150 regional and national associations. The social and solidarity-based economy is evolving and opening up more to private-sector funding.

In an effort to encourage this trend, Caisse d’Epargne joined the Impact Invest Lab, a marketplace initiative set up to promote innovative projects with a positive social impact.

No. 1 lender in the social and solidarity-based economy, with 20% market share(1)
170 specialist account managers
€773 m in new loans, +16.1%

(1) Banque de France/ISBLM scope.
Crédit Foncier

Founded in 1852, Crédit Foncier specializes in real estate loans and services in France. Its objective: to make all real estate projects possible.

In 2016

- 2016 was the last year of Crédit Foncier’s 2012-2016 strategic plan, divided into five major pillars: developing sales, reducing the international assets portfolio, cutting down on operating expenses, diversifying refinancing solutions and building synergies within Groupe BPCE.
- Crédit Foncier forged ahead with its communication strategy, with TV commercials, large-scale institutional events in the provinces and in Paris, and publications of real estate market data and surveys.

INDIVIDUAL CUSTOMERS
Crédit Foncier is a leading player in subsidized and interest-free loans, thereby expanding access to home ownership for low-to-moderate-income families. In 2016, it set up online services to help individual customers complete the various steps in the home-buying process. Customers can save their property searches and loan simulation results in their personal space. Crédit Foncier also established the first interest-free ecoloan for commonhold properties, to fund energy efficiency renovations in common areas.

€46.4 bn in loan outstandings

PROFESSIONAL CUSTOMERS AND INVESTORS/COMMUNITY FACILITIES
Together with three Caisses d’Epargne and Banque Palatine, Crédit Foncier helped fund the acquisition of Gecina in the public health asset segment. Of the €70 million contribution, Crédit Foncier handled €19 million in direct funding. Crédit Foncier also entered into a public-private partnership for the restoration of the École Normale Supérieure de Lyon, cofunded with Caisse d’Epargne Rhône Alpes.

€46.1 bn in loan outstandings

REAL ESTATE SERVICES
Crédit Foncier Immobilier leads the market in real estate appraisals in France. In 2016, it became BPCE’s sole provider of appraisals for residential properties under litigation.

2,437 employees

246 branches

7,000 professional real estate partners

€9.6 bn in new loans

€92.5 bn in loan outstandings

€5.2 bn in covered bonds issued by Compagnie de Financement Foncier

(1) Management data adjusted for accounting purposes (IFRS 7).
(2) Excluding nonrecurring loan repurchases.
Chapter 5

Banque Palatine

Banque Palatine has supported ISEs(1) and their management for over 230 years. Through high-value-added consulting services and solutions tailored to their needs, it has forged deep-rooted partnerships and strong relations with each of its customers.

In 2016

> Banque Palatine boasted robust sales momentum in both markets and continued to modernize.
> Its mobile account-viewing app was optimized. Through a personalized browsing experience, the new institutional website launched in May highlights the tailored support and a wide range of expertise offered to its customers.
> The life insurance process and documentary credit sales were partially digitalized.
> Banque Palatine received Gender Equality in the Workplace certification from Afnor and renewed its commitment to supporting the Sciences-Po “convention d’éducation prioritaire” program aimed at increasing diversity and equal opportunity in higher education.

BUSINESS CUSTOMERS
Banque Palatine substantially developed its financing arrangement range and distribution platform in 2016. It also actively supported business lending, with increased synergies benefiting its customers. In addition, Banque Palatine launched a real estate engineering offer for ISEs. Finally, its penetration rate in the business customer segment (with customers generating revenue of more than €15 million) topped 10% in 2016, up 1 point per year over the past four years. Banque Palatine is a leading bank for property administrators, helping them navigate the new saving obligations for future commonhold construction by the established deadlines.

PRIVATE BANKING CUSTOMERS
Banque Palatine had an excellent year in terms of core private banking customer acquisition in 2016, boasting robust new loans and financial savings, and rolling out new tax optimization offers in the real estate segment.

11,600 business customers
70,000 private banking customers
1,208 employees

ASSET MANAGEMENT
Palatine Asset Management has built up over €4 billion in assets under management, offering award-winning conviction-based asset management strategies. In 2016, Uni Hoche, a French equity mutual fund launched in 1978; once again took the Excellences 10 ans award handed out by Patrimoine privé magazine for the consistency of its performance over a 10-year period.

1,208
employees

(1) Intermediate-sized enterprises.
International commercial banking is predominantly developed by BPCE International and its subsidiaries operating in Africa, the Indian Ocean, Vietnam, New Caledonia and Tahiti.

In 2016

> The digital transformation has been launched, together with inhouse Innovation Awards. Some of the first concrete achievements include BMOI’s dynamic bank statement in Madagascar, complete with a visual analysis of available transactions on all screens, and the development of the partnership with Orange Money in Madagascar, Mauritius and Cameroon.

> In Tunisia, BTK received €25 million from the IFC(1) to fund the Tunisian economy. It was also named Most Active Issuing Bank by the EBRD(2) for its remarkable contribution to the EBRD Trade Facilitation Program.

> In Cameroon, Proparco granted a €40 million credit line to BICEC to develop MLT lending to businesses.

> In New Caledonia, where Ingépar opened a branch, Banque de Nouvelle-Calédonie (BNC) entered into a micro-loan partnership with Adie (French association for the right to economic initiative).

> BNC also joined forces with BPCE International and the AFD (French development agency) to provide bank financing of €6.1 million for the construction of a €7.2 million solar power plant.

### INGÉPAR AND PRAMEX INTERNATIONAL

Ingépar arranges loans for projects in infrastructure, shipbuilding, industry, hotels and real estate. It did brisk business in the social housing and transportation assets segments.

Pramex International is the French leader in consultancy services for start-ups, SMEs and ISEs looking to set up operations and conduct acquisitions abroad. It assists some one thousand French companies each year. Pramex launched its new business plan, set up a subsidiary in Singapore and opened offices in Barcelona and San Francisco, in 2016.

### BPCE INTERNATIONAL ENTITIES

Africa, Indian Ocean: Banque des Mascareignes (Mauritius), BMOI (Madagascar), BTK (Tunisia), BICEC (Cameroon), BCI (Congo), BNDA(3) (Mali), BCP(3) (Morocco).

Asia-Pacific: Ho Chi Minh City branch (Vietnam), Banque de Nouvelle-Calédonie, Banque de Tahiti (French Polynesia).

Europe: Fransabank France(3), Proparco(3) (France), Banca Carige(3) (Italy).

Specialized subsidiaries: Ingépar (financial engineering), Pramex International (international development advisory services).

- 2,964 employees
- 159 branches
- €5.7 bn loan outstandings
- €5.3 bn deposits and savings

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(1) International Finance Corporation.
(2) European Bank for Reconstruction and Development.
(3) Minority holdings.
Natixis provides international financing, asset management, insurance and financial services to large corporates, financial institutions and institutional investors. It also shares its expertise with Groupe BPCE’s retail banking networks and develops products and solutions for their customers in line with the leading standards on the market.

In 2016

> Natixis furthered the development of its core businesses, in line with its New Frontier 2014-2017 strategic plan, centered on the implementation of value-added solutions, a less capital-intensive business model in Corporate and Investment Banking, and the expansion of asset management and insurance activities. It strengthened synergies with Groupe BPCE’s retail banking networks and stepped up the internationalization of its global businesses.

> Year three of the New Frontier plan was focused on ramping up the Investment Solutions business lines, with growth in assets under management, particularly in Europe, and fast-tracking the development of insurance business lines. Under the assurément#2016 program, Natixis successfully rolled out a new life and provident insurance range across the entire Caisse d’Epargne network.

> In 2016, the Corporate and Investment Banking division developed its international platforms, recording robust growth in Mergers & Acquisitions businesses and strong momentum in the Global Markets, Global Finance and Investment Banking business lines, confirming the validity of the new structure implemented in the first semester.

> Specialized Financial Services continued to expand its activities with the Banque Populaire banks, the Caisses d’Epargne and the other Groupe BPCE networks, with a keen focus on the digital transition.
The Investment Solutions division met its strategic development objectives in 2016. With €832 billion in assets under management at end-2016, Natixis Global Asset Management (NGAM) is one of the top asset managers in the world. The year also saw the robust development of the insurance business lines.

**No. 16 asset manager in the world**<sup>(1)</sup>

€831.5 bn in assets under management at end-2016

Mirova, no. 2 European SRI open-ended fund manager<sup>(2)</sup>

**> Private Banking**
Banque Privée 1818 and Natixis Private Banking serve the Group networks, independent advisors and their own customers. Net inflows amounted to €1.5 billion in 2016.

€29 bn in assets under management

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<sup>(1)</sup> Cerulli ranking, July 2016, based on AuM at end-December 2015.

<sup>(2)</sup> Source: Feri Lipper at December 31, 2015 (excluding money market funds).

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**Insurance**
Offered to the Group networks and their customers, Natixis Assurances rolled out its personal insurance range across the entire Caisse d'Epargne network. It is now the insurer for all of Groupe BPCE. Natixis Assurances advanced in its digital transformation, with claim submission by text message, personalized videos on life insurance, and an innovative Customer Relations Center.

Revenues, €8 bn (excluding reinsurance treaty with CNP)

Nonlife insurance, +9%

Life insurance, +42%

Personal protection insurance, +4%

Payment protection insurance, +9%
CORPORATE AND INVESTMENT BANKING

Corporate and Investment Banking ended the year on a strong note, posting robust earnings growth rooted in an intelligent asset-light development model and expanding its range of customer solutions. NBI grew 11%, drawing on the efficiency of the new structure implemented in July 2016, centered on three objectives: providing better customer service by encouraging a more extensive strategic dialogue, enhancing the Originate-to-Distribute model, and ramping up the international development of its major global businesses. This success can also be attributed to solid momentum on all three international platforms.

**Financing**

New loans totaled €34 billion in 2016. Major deals included the funding of a 22-strong fleet for aircraft leasing company Goshawk Aviation Limited in Hong Kong, the Merkur offshore wind farm in the North Sea (€1.6 billion), modernization of the Toulouse-Blagnac Airport (€102 million loan syndicated with Caisse d’Epargne de Midi-Pyrénées, Banque Populaire Occitane and insurer AGEAS). Natixis expanded its infrastructure lending platform to include non-European investors (South Korean companies KB Insurance and Samsung) and aircraft assets. It also opened a representative office in Geneva to build up its origination capacities in commodity financing. In real estate lending, Natixis carried out a $1.9 billion CMBS securitization deal in the United States. Furthermore, Natixis funded strategic deals such as FNAC’s acquisition of Darty (€1.4 billion) and ChemChina’s takeover of Syngenta (€12.7 billion).

**Capital Markets**

Named “Most Innovative Bank for Equity Derivatives” by The Banker magazine in 2016, Natixis has done extensive work developing its wealth management offer and a platform consisting of around 50 different indices. It consolidated its international development in 2016, particularly on the primary bond market in Asia, where it oversaw the coordination of its first USD bond issue ($500 million) for Chinese publicly listed company Chalco, and on the equity market in the United Kingdom as co-Lead Arranger of a £735 million capital increase for Phoenix Group aimed at funding the acquisition of Abbey Life.

**Advisory Services**

With the acquisition of a 51% stake in Peter J. Solomon Company in the United States and a very strong showing from Natixis Partners in France, Natixis consolidated its Merger & Acquisitions advisory performance.

No. 4 in Merger & Acquisitions advisory services in France (by number of deals completed in 2016)

No. 6 arranger of US CLOs\(^{(1)}\)

No. 1 bookrunner in France for capital increases, with preemptive subscription rights (in terms of amount and number)\(^{(3)}\)

No. 2 bookrunner on the Euro primary bond market (in terms of number of issues) for French corporate bond issuers in 2016\(^{(4)}\)

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\(^{(1)}\) Thomson Reuters.  
\(^{(2)}\) IJ Global.  
\(^{(3)}\) Bloomberg.  
\(^{(4)}\) Dealogic.
SPECIALIZED FINANCIAL SERVICES

Specialized Financial Services boasted another year of solid growth, driven by the roll-out of the Natixis offer across the Group’s networks and the addition of new digital services.

> Consumer Finance
Natixis Financement develops revolving loan solutions and manages consumer loans. New loans topped €10 billion, up +10% year-on-year, with expanded distance selling. Assets under management neared €20.7 billion at end-2016.

No. 3 in consumer finance in France(1)

> Lease Financing
Natixis Lease provides a full range of non-real estate and real estate leasing, long-term vehicle leasing, IT leasing and renewable energy financing through its subsidiary Natixis Energeco. Altogether, it posted €11.7 billion in lease outstandings, up 4% year-on-year with over 121,000 leases.

No. 1 in film and audiovisual financing in Europe

> Factoring
Natixis Factor provides solutions tailored to business customers of all sizes and profiles. New offers were rolled out to construction companies in the Groupe BPCE networks in 2016. Factored receivables amounted to €46.8 billion, up 35% year-on-year, with international business doubling over the year.

> Film and Audiovisual Financing
Natixis Coficiné finances the full range of audiovisual professions. New loans exceeded €560 million, predominantly in France and in several European countries.

No. 1 in employee benefits planning

> Employee Benefits Planning
Natixis Interépargne manages over 2.8 million employee savings accounts in France, totaling €24.4 billion.

No. 1 in employee savings account administration in France(2)

No. 1 issuer of prepaid cards in France

> Payments
Natixis Payment Solutions provides comprehensive payment instrument management services on the domestic, European and international markets, with 21.6 million cards managed and over 4 billion transactions processed in 2016.

> Sureties and Guarantees
Compagnie Européenne de Garanties et Cautions (CEGC) secures €127.7 billion in home loans for individuals, up 12% compared to 2015, and €2 billion for real estate managers (+11%). It also issued over 80,000 guarantees to companies in 2016.

No. 2 provider of home loan guarantees(1)

> Securities Services
EuroTitres is no. 2 in retail custody in France(1) and the leading custody subcontractor(1) for retail and private banking institutions, managing over 3.4 million securities accounts.

(1) Internal analysis.
(2) AFG (French Asset Management Association) at June 30, 2016.
Without the teams from Banque Populaire, Caisse d’Epargne, Natixis, Crédit Foncier, Banque Palatine, BPCE International, the characters in the literary short story you have just discovered would never have been able to solve the puzzles and challenges set by Charles Langley. They would never even have existed...

To be continued...
One morning, the path of Eva Brunold’s life crosses that of Charles Langley and sets off in a completely new direction.

The young woman will never be alone in her attempt to solve the series of enigmas and rise to the challenges imposed by this mysterious man. She will be able to count on the help of the teams, advice and services of all the employees of Groupe BPCE’s different banks.

Advice to set up her business, a panoply of mobile and innovative banking services, tailor-made financing solutions... Groupe BPCE will support Eva throughout the realization of her project. Discover in this book all the solutions and commitments that help the heroine of our short story to find another way to grow.

Everything is possible; life is never settled in advance. Provided you find the right partners.

groupeBPCE.fr