

In 2022, Assurances du Crédit Mutuel posted solid results¹ with record revenues.

In 2022, Groupe des Assurances du Crédit Mutuel once again enjoyed very dynamic activity. Insurance written premiums reached €13.3 billion, the highest in its history (+9.7% compared to 2021). In France, the insurance policy portfolios of all business lines grew sharply. Net income remained at a high level, at €843 million (-5.8%), down due in particular to unprecedented climate-related claims. At the end of 2022, Assurances du Crédit Mutuel covered a community of more than 13.2 million policyholders, holding 36.6 million policies.

The vast majority were taken out in France, and for the first time, insurance written premiums reached €13.3 billion, up 9.7% compared to 2021. This increase was mainly driven by the life insurance business, which performed well in 2022. Gross premiums reached €7.0 billion, up 12.5%. In France, the share of unit-linked accounts (UC) represented 37.3% of total premiums, a high level. Net inflows, at €1.6 billion, were largely positive. In detail, they amounted to €1.5 billion in unit-linked accounts and were very slightly positive on euro-denominated funds, unlike the market, which recorded net outflows on euro-denominated funds.

In order to protect the best interests of savers, Assurances du Crédit Mutuel increased the rates paid to its policyholders on euro funds significantly in France in 2022 (+1 point), bringing the average rate paid to 2.30%, among the best on the market. This increase was made possible by the financial strength of the mutual benefit society banking and insurance group and its insurance subsidiary. The profit-sharing reserves built up over the years by Groupe des Assurances du Crédit Mutuel thus amount to 7.8% of life insurance reserves², one of the highest levels on the market, and the financial assets comprising the general funds remain in an overall position of unrealized gains.

P&C and protection insurance written premiums amounted to €6.3 billion. Property & casualty insurance grew by 2.9% (of which +1.4% in motor insurance and +5.2% in Property damage & liability insurance) and health, protection & creditor insurance by 4.7% (of which +1.6% in health, +4.1% in protection and +6.6% in creditor insurance), driven by the growth of the policy portfolios.

Written premiums generated by the international subsidiaries amounted to €607 million, of which €192 million in Belgium and €403 million in Spain. At the end of 2022, GACM and Axa Spain³ signed an agreement for the disposal by GACM SA of 100% of the share capital of GACM España to Axa Spain, for a sale price of €311.7 million⁴. This disposal project should be finalized in mid-2023,⁵ subject to obtaining the required regulatory approvals.

At €843 million, Groupe des Assurances du Crédit Mutuel's net profit at the end of 2022 was down by 5.8% compared to 2021. This change was mainly due to the decline in financial markets in 2022, after a sharp increase in 2021, which led, in particular through the revaluation of assets classified at fair value through profit or loss, to a decline in IFRS financial income.

In addition, the Group, like the market, recorded a very high level of climate claims in 2022 (hailstorms and drought), which represented an unprecedented expense of €469 million, compared to €162 million in 2021. The reinsurance program that covered the Group for the year 2022 made it possible to cede a claims expense of €164 million, i.e. 35% of the gross expense recorded.

In addition, the rise in inflation in France is making motor and property insurance repair costs more expensive. To preserve the purchasing power of its policyholders, Assurances du Crédit Mutuel have committed to keeping average premium increases below inflation for the years 2022 and 2023.

Conversely, the increase in the technical rates used in the calculation of technical reserves, as a result of the sharp hike in interest rates over the period, had a positive impact on profit (loss). However,

¹ Annual review by the Statutory Auditors in progress

² Provision ratio for profit sharing / mathematical reserves on euro funds at the end of 2022

³ Axa Seguros Generales, S.A. de Seguros y Reaseguros

⁴ an earn-out amount of a maximum of €20 million may be paid, payable in the amount of €2 million per year, for each year during which GACM España continues to benefit from the existing distribution agreement with Targobank.

⁵ Creditor insurance contracts marketed by Cofidis Spain (€47 million in written premiums at the end of 2022) are excluded from this transaction and will be subject to prior transfer to ACM IARD SA and ACM Vie SA.

this increase in rates contributed to a sharp decline in the value of bonds, having a downward impact on GACM's IFRS own funds at the end of 2022. With €9.1 billion in own funds, GACM has a strong balance sheet structure that continues to enable it to approach this new economic environment with confidence.

From January 1, 2023, Groupe des Assurances du Crédit Mutuel will apply IFRS 17 (insurance contracts) and IFRS 9 (financial instruments) in its financial statements, replacing IFRS 4 and IAS 39. Their application leads to a new presentation of the income statement and the balance sheet, with no impact on the business model and the solvency of GACM. Thus, at January 1, 2022, the transition date, total own funds amounted to €11.5 billion, an increase of €0.4 billion, compared to IFRS 4 total own funds at the same date.⁶

In accordance with their strategic development ambitions in the professional and corporate market, Assurances du Crédit Mutuel rolled out a new group health offer in the first quarter of 2022. At the same time, a partnership strategy is being developed to send more tailored offers to professionals and companies in the Crédit Mutuel and CIC networks. Groupe des Assurances du Crédit Mutuel also continued to expand its range of digital services with, among other things, the addition of new functionalities to the e-declaration. With nearly 50% of motor and property claims reported online in the second half of 2022, the e-declaration reflects the Group's ability to simplify procedures for policyholders and improve service quality.

Thanks to this constant commitment, Crédit Mutuel finished first in the overall ranking of insurers in the 2022 edition of the Opinion Way / Argus industry benchmark survey on the image, attractiveness and reputation of insurance companies. A result obtained thanks to the strong relationship of trust created with our policyholders as well as the relevance of the mutual benefit society bancassurance model.

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About Assurances du Crédit Mutuel

Since 1971, Assurances du Crédit Mutuel has imagined, designed and guided the offers and services that contribute to the development of the insurance business of Crédit Mutuel Alliance Fédérale, the inventor of the concept of bancassurance.

Active in the property and casualty insurance, health, protection and creditor insurance, and life insurance markets, Assurances du Crédit Mutuel offers innovative solutions to more than 13 million policyholders (individuals, professionals, companies and associations) throughout France, through the Crédit Mutuel* and CIC networks.

Further information is available at acm.fr

About Crédit Mutuel Alliance Fédérale

A leading bancassuror in France, with more than 75,000 employees serving more than 29 million customers, Crédit Mutuel Alliance Fédérale provides a multi-service offering to individual customers, local professionals and businesses of all sizes, via its 4,500 points of sale. As one of the strongest European banking groups, its shareholders' equity amounted to €53.2 billion and its CET1 ratio was 18.8% at December 31, 2021.

Crédit Mutuel Alliance Fédérale groups together the Crédit Mutuel banks in the federations of Centre Est Europe (Strasbourg), Sud-Est (Lyon), Ile-de-France (Paris), Savoie-Mont Blanc (Annecy), Midi-Atlantique (Toulouse), Loire-Atlantique and Centre Ouest (Nantes), Centre (Orléans), Normandie (Caen), Dauphiné-Vivarais (Valence), Méditerranéen (Marseille), Anjou (Angers), Massif Central (Clermont-Ferrand), Antilles-Guyane (Fort-de-France) and Nord Europe (Lille).

Crédit Mutuel Alliance Fédérale also includes Caisse Fédérale de Crédit Mutuel, Banque Fédérative du Crédit Mutuel (BFCM) and all its subsidiaries, including CIC, Euro-Information, les Assurances du Crédit Mutuel (ACM), TARGOBANK in Germany, Cofidis, Beobank in Belgium, Banque Européenne du Crédit Mutuel (BECM), Banque de Luxembourg, Banque Transatlantique and Homiris.

More information on creditmutuelalliancefederale.fr

⁶ The transition balance sheet at January 1, 2022 is being audited by the Statutory Auditors at the date of publication of this press release.