

Assurances du Crédit Mutuel records dynamic activity and increased profits in 2023.

Groupe des Assurances du Crédit Mutuel (GACM) written premiums increased by 5.2% compared to the end of 2022 to reach €13.9 billion, thanks in particular to strong performance in the savings and retirement insurance business. Annual net profit, measured in accordance with IFRS 9 and IFRS 17, amounted to €831 million, up by 0.9% compared to the 2022 *pro forma* net profit.

Up 5.2% compared to 2022, **GACM written premiums amounted to €13.9 billion**. On a like-for-like basis, excluding GACM España, which was sold on July 12, 2023¹, GACM written premiums even increased by 6.6%. At the end of 2023, **the portfolios totaled 37 million contracts**, an increase of 3.2% over the year.

In France, **savings & retirement premiums amounted to €7.4 billion**, up 6.2% compared to 2022, **driven by strong growth in euro funds premiums (+20.4%)**. The share of premiums invested in unit-linked products decreased but remained at a high level (29% compared to 37% in 2022). In a context of rising rates of return on regulated savings, **net inflows were positive at €1.6 billion** (stable compared to 2022) for both euro funds (+€0.8 billion) and unit-linked funds (+€0.8 billion). **Thanks to its financial strength and significant reserves, GACM increased the average yield on the euro funds of its life insurance and individual pension contracts by 0.50 percentage point in 2023, to 2.80%, including payment bonuses**. The ratio of profit-sharing reserves (PPE) to the mathematical provisions in euros was 6.9% (compared to 7.8% in 2022), following a release of 0.9 percentage point to improve returns for our policyholders.

P&C and protection insurance written premiums amounted to €6.4 billion. In detail, in France, health, protection & creditor insurance increased by 5.1% (of which +5.7% in health, +5.1% in protection and +4.8% in creditor insurance²), and property & casualty insurance by 5.6% (of which +4.9% in motor insurance and +6.3% in property damage & liability insurance), driven by the sustained growth of the policy portfolios.

Written premiums generated by **GACM's subsidiaries in Belgium** amounted to €201 million, up 4.6% compared to 2022.

Commissions increased by 2.6% to €2.0 billion, of which €1.7 billion to the Crédit Mutuel Alliance Fédérale networks.

At €847 million, the **“operating profit”** (excl. financial result)³ was down by €89 million compared to 2022. In property & casualty insurance, high inflation in the sector in recent years has significantly increased repair and rebuilding costs. **Moreover, 2023 is GACM's second highest year, behind 2022, in terms of expenses for natural events**, with claims expenses amounting to €338 million (€469 million in 2022), generated mainly by the Ciaran storm, floods in northern France and drought events. As at December 31, 2023, the combined ratio of GACM's property & casualty insurance⁴ stood at 102.1%, compared to 95.2% at the end of 2022. The impact on profit of the decline in property & casualty insurance was mitigated by the **increase in profit from health, protection & creditor insurance and savings and retirement insurance**.

¹ On July 12, 2023, GACM sold the entire share capital of GACM España to Axa Seguros Generales, S.A. de Seguros y Reaseguros. The revenues generated by GACM España in the first half of the year, of €193 million, remain acquired by GACM.

² *Proforma* of the transfer of the Cofidis Spain portfolios from GACM España to ACM VIE SA and ACM IARD SA in connection with the sale

³ Insurance service result excluding GACM España, and excluding experience adjustments on commissions on life insurance reserves/retrocessions, plus non-attributable management expenses related to insurance business and a portion of other operating income and expenses.

⁴ Under IFRS 17, net of reinsurance.

The financial result⁵, up by €74 million, totaled €291 million in a generally more favorable financial environment than in 2022, with the recovery of equity markets and the slight easing of interest rates.

As a result, GACM's **net profit** for 2023 amounted to €831 million, up slightly by 0.9% compared to the 2022 restated net profit under IFRS 17 / IFRS 9 (€823 million). The latter is close to 2022 net profit as published under IFRS 4 / IAS 39 (€843 million).

The **contractual service margin (CSM)**, which represents the reserve of future profit from multi-year insurance contracts (savings and retirement, creditor, funeral and long-term care insurance) **amounted to €6.7 billion, an increase of 18.3% over the year**. This change is mainly driven by savings and retirement insurance due to the rise in financial markets. At December 31, 2023, €613 million in CSM was recognized in profit, compared to €600 million in 2022.

At the end of 2023, **equity amounted to €11.1 billion**, an increase of €0.3 billion compared to the end of 2022. In addition to the €498 million in dividends distributed in respect of 2022, GACM paid an exceptional dividend of €620 million to its shareholders on December 20, 2023.

2024 marks the beginning of the **new strategic plan, “Ensemble Performant Solidaire” (Togetherness Performance Solidarity)**, in which Crédit Mutuel Alliance Fédérale's strong ambitions for its insurance business are reaffirmed.

The objectives, common and shared with the distribution networks, are on the one hand, to pursue and **accelerate the momentum of acquiring and equipping banking customers in the individual customer market**, particularly in property damage & liability insurance and protection insurance, and on the other hand, to develop the position of GACM through an **innovative bancassurance approach in the following markets**:

- **Insurance for professionals, companies and farmers;**
- **Health** and in particular the health of non-salaried workers and seniors, as well as the services that support **aging well and access to healthcare;**
- **International**, with the start of the **GACM insurance subsidiaries' activity in Germany**, with the **TARGOBANK** banking network.

Faced with the many current and future challenges, GACM will continue to offer insurance solutions to as many people as possible while facilitating procedures for its policyholders, thanks to digital functionalities and innovative services.

All of the figures provided above are currently being audited.

Press contacts

Assurances du Crédit Mutuel: Mathieu Girème - +33 (0)3 88 13 23 23 - mathieu.gireme@acm.fr

Crédit Mutuel Alliance Fédérale: Aziz Ridouan - +33 (0)6 01 10 31 69 - aziz.ridouan@creditmutuel.fr

Corporate Communication Department: +33 (0)3 88 14 84 00 - com-alliancefederale@creditmutuel.fr

Investor contact

Assurances du Crédit Mutuel: investorrelations@acm.fr

⁵Net financial result excluding GACM España and excluding experience adjustments on commissions on reserves/retrocessions.

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 participating Crédit Mutuel and CIC networks.

Further information is available at acm.fr

About Crédit Mutuel Alliance Fédérale

A leading bancassurer in France, with 77,000 employees serving nearly 31 million customers, Crédit Mutuel Alliance Fédérale provides a multi-service offering to individual customers, local professionals and businesses of all sizes, via almost 4,500 points of sale.

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, Assurances du Crédit Mutuel (ACM), TARGOBANK in Germany, Cofidis, Beobank in Belgium, Banque Européenne du Crédit Mutuel (BECM), Banque Transatlantique, Banque de Luxembourg and Homiris.

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