Assurances Crédit Mutuel

2023

CONSOLIDATED FINANCIAL STATEMENTS

→ GROUPE DES ASSURANCES DU CRÉDIT MUTUEL SA

CONSOLIDATED FINANCIAL STATEMENTS

1. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are presented in euros, the functional currency of Groupe des Assurances du Crédit Mutuel (GACM). All amounts have been rounded to the nearest million, unless otherwise indicated.

GACM applies IFRS 9 – Financial Instruments – and IFRS 17 – Insurance Contracts – for the first time in its annual financial statements for the period ended on December 31, 2023. In addition, at the time of the transition to these standards, GACM chose not to consolidate anymore some entities over which it holds control, given the non-materiality of their assets, their financial position and their profit (loss) in the overall consolidation, in accordance with IAS 1 and IAS 8. Thus, the following comparative data are presented *proforma* (restated jointly for the change in standards and the reduction in the scope of consolidation).

1.1 Consolidated balance sheet - Assets

(in € million)	Notes	12/31/2023	12/31/2022 Restated	01/01/2022 Restated
Goodwill	Note 2.8.1	65	65	123
Other intangible assets	Note 2.8.2	-	-	10
Intangible assets		**65**	**65**	**133**
Investment property	Note 2.8.3	2,942	3,397	3,466
Financial investments	Note 2.8.4	137,947	127,028	142,561
- at amortized cost	Note 2.8.5	22	*23*	*57*
- at fair value through other comprehensive income	Note 2.8.6	84,793	*78,948*	*90,781*
- at fair value through profit or loss	Note 2.8.6	53,132	*48,058*	*51,723*
Investments from insurance activities		**140,889**	**130,426**	**146,027**
Investments in equity-accounted companies		**-**	**-**	**-**
Assets arising from direct insurance contracts	Note 2.8.20	15	18	26
Assets arising from reinsurance contracts	Note 2.8.20	312	328	277
Assets arising from insurance contracts	**Note 2.8.20**	**327**	**347**	**303**
Operating property and other property, plant and equipment	Note 2.8.11	219	247	290
Deferred tax assets	Note 2.8.13	58	122	9
Current tax receivables	Note 2.8.13	52	43	2
Other receivables	Note 2.8.14	744	1,586	678
Other assets		**1,072**	**1,997**	**980**
Assets held for sale and discontinued operations		**-**	**983**	**-**
Cash and cash equivalents		**251**	**124**	**542**
Total assets		**142,605**	**133,941**	**147,985**

1.2 Consolidated balance sheet - Liabilities

(in € million)	Notes	12/31/2023	12/31/2022 Restated	01/01/2022 Restated
Share capital	Note 2.8.15	1,241	1,241	1,241
Issue, merger and contribution premiums		1,038	1,154	1,154
Gains and losses recognized in other comprehensive income		594	32	1,190
Retained earnings		7,197	7,369	7,777
Consolidated net profit (loss) for the financial year		828	817	-
Shareholders' equity – Group share		**10,897**	**10,614**	**11,363**
Non-controlling interests in gains and losses recognized in other comprehensive income		9	1	14
Non-controlling interests in retained earnings		155	101	107
Non-controlling interests in net profit (loss)		3	7	-
Non-controlling interests		**167**	**108**	**121**
Total equity		**11,064**	**10,722**	**11,484**
Provisions for contingencies and expenses		**60**	**48**	**58**
Subordinated debt	Note 2.8.19	1,561	1,561	1,553
Debt securities	Note 2.8.19	-	-	-
Financing debt to banking sector companies	Note 2.8.19	35	162	209
Other financing debt	Note 2.8.19	30	31	53
Financing debt	**Note 2.8.19**	**1,627**	**1,754**	**1,815**
Liabilities arising from direct insurance contracts	Note 2.8.20	119,682	110,416	124,794
Liabilities arising from reinsurance contracts	Note 2.8.20	-	-	-
Liabilities arising from insurance contracts	**Note 2.8.20**	**119,682**	**110,416**	**124,794**
Derivative liabilities (1)		70	141	109
Deferred tax liabilities	Note 2.8.13	-	-	347
Current tax payables	Note 2.8.13	6	5	17
Operating debt to banking sector companies (2)		9,230	9,935	9,046
Other debt	Note 2.8.29	498	315	312
Current accounts payable		369	7	2
Other liabilities		**10,172**	**10,402**	**9,833**
Liabilities held for sale and discontinued operations		**-**	**600**	**-**
Total liabilities		**142,605**	**133,941**	**147,985**

(1) This item presents the valuation of cross currency swaps contracts.
(2) This item presents debts relative to securities delivered undeer repurchase agreements and reverse repo transactions.

1.3 Consolidated statement of profit and loss

(in € million)	Notes	12/31/2023	12/31/2022 Restated
Insurance revenue	Note 2.9.1	7,298	7,086
Insurance expenses		-6,339	-6,156
Net profit (loss) arising from reinsurance contracts		-34	88
Insurance service result		**925**	**1,017**
Interest income calculated using the effective interest rate method	Note 2.9.3	1,413	1,277
Other investment income	Note 2.9.4	4,570	-3,783
Credit-related loss of value	Note 2.9.2	-2	3
Insurance finance income or expenses from direct insurance contracts issued	Note 2.9.2	-5,736	2,680
Insurance finance income or expenses from reinsurance contracts held	Note 2.9.2	3	1
Net financial result	**Note 2.9.2**	**249**	**178**
Income from other activities		7	15
Other operating revenue		62	78
Other operating expenses		-136	-144
Profit (loss) from current operating activities		**1,107**	**1,145**
Other income		1	1
Other expenses		-7	-18
Profit (loss) from operating activities		**1,101**	**1,127**
Financing expenses	Note 2.9.6	-38	-38
Share of the net income of associates in net profit (loss)		-	-
Income tax	Note 2.9.7	-232	-265
Profit (loss) of discontinued operations		-	-
Net profit (loss)		**831**	**823**
Of which Group share		*828*	*817*
Of which non-controlling interests		*3*	*7*

1.4 Consolidated statement of profit and loss and other comprehensive income

(in € million)	12/31/2023	12/31/2022 Restated
Net profit (loss)	**831**	**823**
Items that can be reclassified to the statement of profit and loss	**130**	**-1,243**
Currency translation adjustment	-	-
Foreign currency translation adjustments	-	-
Net amount reclassified to the statement of profit and loss	-	-
Revaluation of debt instruments at fair value through other comprehensive income	3,444	-13,481
Net change in fair value	*3,523*	*-13,620*
Net amount reclassified to the statement of profit and loss	*-79*	*139*
Insurance finance income or expenses from insurance contracts issued	-3,284	11,876
Insurance finance income or expenses from reinsurance contracts held	15	-70
Revaluation of hedging derivatives	-	-
Net change in fair value	-	-
Net amount reclassified to the statement of profit and loss	-	-
Related deferred taxes	-45	432
Items that cannot be reclassified to the statement of profit and loss	**410**	**72**
Revaluation of equity instruments at fair value through other comprehensive income	425	32
Gains and losses on disposal of financial instruments at fair value through other comprehensive income	22	5
Actuarial gains and losses on defined benefit plans	-6	12
Related deferred taxes	-31	23
Total gains and losses recognized in other comprehensive income	**541**	**-1,171**
Net profit (loss) and gains and losses recognized in other comprehensive income	**1,371**	**-347**
Of which Group share	*1,361*	*-341*
Of which non-controlling interests	*11*	*-6*

1.5 Consolidated statement of changes in equity

(in € million)	Share capital	Premiums related to share capital	Gains and losses recognized in other comprehensive income		Retained earnings	Net profit (loss)	Shareholders' equity – Group share	Non-controlling interests	Total equity
			Qualifying for reclassification	Not qualifying for reclassification					
Equity 12/31/2021	**1,241**	**1,154**	**1,803**	**-8**	**5,948**	**885**	**11,023**	**103**	**11,126**
Appropriation of profit (loss)	-	-	-	-	885	-885	-	-	-
Impact of change in accounting methods on non-significant subsidiaries	-	-	83	-	-112	-	-30	1	-28
Impact of change in accounting method relating to IAS 40 and IAS 16	-	-	-	-	769	-	769	2	772
Impact of the application of IFRS 9	-	-	-5,669	1,075	5,073	-	480	1	481
Impact of the application of IFRS 17	-	-	3,906	-	-4,787	-	-882	14	-868
Other changes	-	-	-	-1	2	-	1	-	1
Equity 01/01/2022 restated	**1,241**	**1,154**	**123**	**1,067**	**7,777**	**-**	**11,363**	**121**	**11,484**
Appropriation of profit (loss)	-	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-400	-	-400	-	-400
Change in share capital	-	-	-	-	-	-	-	-	-
Change in equity interests without loss of control	-	-	1	-	-	-	-	-7	-6
Restructuring	-	-	-	-	-	-	-	-	-
Change in scope of consolidation	-	-	-	-	-	-	-	-	-
Total movements related to relations with shareholders	**-**	**-**	**1**	**-**	**-401**	**-**	**-400**	**-7**	**-407**
Net profit (loss) for the period	-	-	-	-	-	817	817	7	823
Changes in other comprehensive income	-	-	-1,233	76	-	-	-1,158	-13	-1,171
Total comprehensive income for the period	**-**	**-**	**-1,233**	**76**	**-**	**817**	**-341**	**-6**	**-347**
Other changes	-	-	-	-	-8	-	-8	-	-8
Equity 12/31/2022 restated	**1,241**	**1,154**	**-1,110**	**1,143**	**7,369**	**817**	**10,614**	**108**	**10,722**
Appropriation of profit (loss)	-	-	-	-	817	-817	-	-	-
Dividend distribution	-	-117	-	-	-997	-	-1,114	-4	-1,118
Change in share capital	-	-	-	-	-	-	-	-	-
Change in equity interests without loss of control	-	-	-	-	-	-	-	60	60
Restructuring	-	-	-	-	-	-	-	-	-
Change in scope of consolidation	-	-	-	29	7	-	36	-7	28
Total movements related to relations with shareholders	**-**	**-117**	**-**	**29**	**-173**	**-817**	**-1,078**	**48**	**-1,030**
Net profit (loss) for the period	-	-	-	-	-	828	828	3	831
Changes in other comprehensive income	-	-	127	406	-	-	533	8	541
Total comprehensive income for the period	**-**	**-**	**127**	**406**	**-**	**828**	**1,361**	**11**	**1,371**
Other changes	-	-	-	-	1	-	1	-	1
Equity 12/31/2023	**1,241**	**1,038**	**-984**	**1,577**	**7,197**	**828**	**10,897**	**167**	**11,064**

1.6 Consolidated statement of cash flows

(in € million)	12/31/2023	12/31/2022 Restated
Net profit (loss)	**831**	**823**
Taxes	**232**	**265**
Net amortization expense	6	-10
Change in impairments	-	-17
Net additions to other provisions	13	-10
Changes in value of investments recognized at fair value through profit or loss	-2,899	5,361
Change in assets and liabilities related to insurance and reinsurance contracts	6,017	-2,616
Other non-cash items included in operating result	-	-
Adjustments to items included in net profit (loss) that do not correspond to cash flows	**3,137**	**2,708**
Gains and losses from disposal of financial investments	288	297
Gains and losses from disposal of property investments	-	1
Gains and losses from disposal of intangible assets and property, plant and equipment	-	-
Gains and losses from disposal of investments	**288**	**298**
Change in operating receivables and debts	-23	3
Change in securities sold and delivered under repurchase agreements	13	39
Cash flows from other assets and liabilities	117	-21
Net taxes paid	-345	-329
Net cash flows from operating activities	**4,249**	**3,786**
Acquisitions of subsidiaries and joint ventures, net of cash acquired	-	-
Disposals of subsidiaries and joint ventures, net of cash sold	314	-
Equity stakes in equity-accounted companies	-	-
Disposals of stakes in equity-accounted companies	-	-
Cash flows related to changes in scope of consolidation	**314**	**-**
Acquisitions and disposals of financial investments and derivatives	-3,674	-3,531
Acquisitions and disposals of property investments	6	53
Cash flows related to disposals and acquisitions of investments	**-3,668**	**-3,478**
Acquisitions and disposals of property, plant and equipment and intangible assets	-5	120
Cash flows related to acquisitions and disposals of property, plant and equipment and intangible assets	**-5**	**120**
Net cash flows from investing activities	**-3,359**	**-3,357**
Membership fees	-	-
Issuance of equity instruments	-	-
Repayment of equity instruments	-	-
Treasury share transactions	-	-
Dividends paid	-1,118	-400
Amounts received on a change in ownership interest without loss of control	60	-7
Amounts paid on a change in ownership interest without loss of control	-	-
Cash flows related to shareholders and members	-	-
Cash flows related to transactions with shareholders and members	**-1,058**	**-407**
Cash generated by issuances of debt financing	-	-
Other cash impacts related to financing activities	-127	-62
Cash flows related to Group financing	**-127**	**-62**
Net cash flows from financing activities	**-1,185**	**-468**
Cash flows from sold or discontinued operations	62	-383
Cash and cash equivalents at January 1	**117**	**540**
Net cash flows from operating activities	**4,249**	**3,786**
Net cash flows from investing activities	**-3,359**	**-3,357**
Net cash flows from financing activities	**-1,185**	**-468**
Effect of exchange rates movements on cash and cash equivalents	-	-
Cash flows from sold or discontinued operations	62	-383
Cash and cash equivalents at December 31	**-117**	**117**

The line item of cash and cash equivalents includes cash and bank balances net of current accounts payable. GACM also has €5,005 million in cash invested UCITS.

2. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Detailed summary of the notes

2.1 Main structural operations and significant events of the financial year

First-time application of IFRS 9/17 and change in scope of consolidation

2023 was marked, for insurance groups that publish under IFRS, by the first-time application on January 1 of two IFRS standards: on the one hand, IFRS 17, relating to insurance contracts, replacing IFRS 4, and on the other hand, IFRS 9, relating to financial instruments, replacing IAS 39. For the application of IFRS 9, insurance groups had benefited from a temporary exemption option until the date of application of IFRS 17.

IFRS 9 defines new principles for the classification and measurement of financial instruments, including the notion of business model for debt instruments, impairment of debt instruments, and hedge accounting. It distinguishes between financial assets to be recognized at amortized cost, at fair value through profit or loss or at fair value through other comprehensive income.

IFRS 17 aims to harmonize the accounting of the different types of insurance contracts, and to base their valuation on a forward-looking measurement of insurers' commitments. For long-term contracts, such as savings & retirement insurance or creditor insurance, the standard provides for the inclusion on the balance sheet of the insurer's expected margin over the entire term of the contract (contractual service margin or CSM), which is then recognized in the income statement as the service is provided to policyholders. This margin is a key indicator, which will be analyzed at each closing. Written premiums are now a "Non-GAAP" indicator but will continue to be reported.

At December 31, 2022, the restated IFRS 17/9 profit amounted to €823 million, very close to the €843 million reported under IFRS 4 / IAS 39. IFRS 9 and 17 allow a better alignment between assets and liabilities, and therefore a greater resilience of own funds to changes in financial markets. Accordingly, restated IFRS 17/9 total equity at January 1, 2023 amounted to €10.7 billion, *i.e.* €1.6 billion more than IFRS 4 total equity, which was strongly impacted by the rise in interest rates in 2022.

In parallel with this change in standards, the scope of consolidation of GACM changed on January 1, 2023, with the exit of non-material entities within the meaning of IAS 1 and IAS 8. It comprises 18 companies on January 1, 2023, compared to 35 as of December 31, 2022 published under IFRS 4/IAS 39.

An economic environment that remains marked by high interest rates and inflation

The economic context of 2023 was characterized by persistently high inflation but nevertheless lower than in 2022 (+4.1% in France year-on-year, +2.9% in the euro zone[(1)]), due to the slowdown in the increase in food and energy prices in the second half of the year. Faced with the persistence of the inflationary tensions in the euro zone, in 2023 the European Central Bank continued to increase its key rates (+200 bps over the year) and to reduce its asset purchase program. The benchmark deposit rate has stood at 4% since September 14, 2023, a level never seen since the launch of the single currency in 1999.

This new environment of high interest rates has resulted in a contraction in the home loan business in France, which impacts the production of certain insurance products such as creditor insurance and property damage & liability insurance.

In addition, the combination of high inflation and the increase in short-term interest rates has led to an increase in the interest paid on regulated savings accounts. The transition to an interest rate of 3.0% on the *Livret A* savings account in February 2023, and the announcement by the French government in July that this rate was to be maintained until January 31, 2025, contributed to the strong outflows recorded by the market on life insurance in euros (-€27.6 billion). In this context, GACM in France stood out with positive net premiums in the euro-denominated fund (+€0.8 billion at the end of December). The gross inflows amounted to €7.4 billion, up by 6.2% compared to the end of 2022. After having paid an average return of 2.30% on euro-denominated funds of its life insurance and individual pension contracts in 2022, GACM again raised the rates paid by 0.5 point in 2023 on its funds in euros, bringing their average return to 2.80%.

At the end of 2023, however, long-term rates were down by 0.56% compared to the end of 2022 (the 10-year OAT closed at 2.56% at the end of 2023 compared to 3.12% at the end of 2022), contributing to improve IFRS financial result and other comprehensive income.

Another consequence of inflation and the corresponding rise in interest rates, property prices in France declined in 2023 after several years of continuous increases. This deterioration affects both residential real estate and commercial real estate market, for which 2023 was characterized by a wait-and-see attitude among buyers and a significant drop in transaction volumes. Although the GACM real estate portfolio is mainly composed of good quality real estate and well located (core), the Group remains exposed to the downward trend in real estate values, in particular those of the portfolio held directly by the Group through its property companies. The impact on GACM's consolidated profit is limited to the portion of the direct

[(1)] Source: Eurostat, Change in the HICP.

portfolio representing own funds and non-life business and amounted to -€41 million.

Lastly, the equity markets, which were down in 2022, ended the year sharply higher (+16.5% for the CAC 40 index at the end of 2023 compared to -9% in 2022) with a positive effect on the IFRS result associated with the appreciation of securities at fair value through profit or loss on GACM's equity portfolios.

Large-scale natural events for the second consecutive year

After an exceptional year in 2022, 2023 was marked by several large-scale natural events that resulted, for GACM, in gross claims expenses of €338 million (€469 million in 2022). The cost of the Ciaran storm, which occurred in early November, is estimated at €60 million. In addition, significant flooding, particularly in the Nord and Pas de Calais regions, totaled €45 million in damage. The drought also caused claims in property damage & liability insurance related to the shrinkage and/or swelling of clays. This event is estimated for GACM at €53 million, and for the French market at between €750 million and €1 billion, according to the CCR. Since 2017, with the exception of 2021, droughts have generated a significant loss ratio every year.

Most of the drought and flooding costs benefit from the natural disasters regime, with 50% being transferred to CCR, thus limiting its effect on GACM's profit. Nevertheless, in the face of this high drought loss ratio, which is now recurring, and in order to guarantee the quality and speed of the processing of files, GACM has forged partnerships with drought expert offices and geotechnical design offices. GACM also participates in projects on new repair measures with the aim of controlling costs and finding long-term solutions.

Development in the Professional, Commercial and Agricultural markets

To support Crédit Mutuel Alliance Fédérale's development ambitions in the Professional, Corporate and Agricultural segments, GACM has completely renewed its offer over the last three years and has implemented partnerships to meet the specific needs of these markets. In this context, a co-insurance and reinsurance partnership was signed on January 30, 2023 with Allianz IARD SA, with the aim of distributing multi-risk corporate insurance offers to the customers of the Crédit Mutuel and CIC banking networks, and products dedicated to farmers, including crop insurance. In addition, a technical and commercial team has been set up to support the networks in their ramp-up of these products.

Consequences of the Lemoine law on Creditor Insurance

In force since June 1, 2022 for new home loans, the Lemoine law has been applicable from September 1, 2022 to all contracts in effect at that date. This legislative provision allows creditors to cancel and change insurance at any time, without incurring any fee. In addition, this law reduces the right oblivion to five years for certain pathologies and eliminates the health questionnaire for loans of less than €200,000 (per insured) and for which repayment would be made before the creditor's 60th birthday.

This law has led to an increase in the number of terminations. At the level of GACM's real estate creditor insurance portfolio, the rate of terminations in order to switch to competitors nevertheless remained limited in 2023.

Distribution of an exceptional dividend

Following the General Meeting of GACM held on December 18, 2023, GACM SA paid an exceptional dividend in the amount of €620 million.

Confirmation of Moody's rating

In December 2023, the rating agency Moody's confirmed the financial strength rating of ACM VIE SA and ACM IARD SA (A1, with a stable outlook) and the rating of the subordinated securities issued by GACM in 2021 (Baa1).

Societal dividend

Faced with the scale of the climate crisis and growing inequalities, in early 2023 Crédit Mutuel Alliance Fédérale created the societal dividend to which it will allocate 15% of its profits every year (*i.e.* around €500 million per year) to help build a more sustainable and more supportive world. As part of this societal dividend, Crédit Mutuel Alliance Fédérale launched the Environmental and Solidarity Revolution Fund (*Fonds de Révolution Environnementale et Solidaire* - RES Fund), to which it committed as of 2023 €363 million to support structuring projects with a high environmental impact. GACM contributed €181 million to this fund, which aims to support the change of production models, support carbon sinks, improve infrastructure and respond to market failures to ensure a long-term vision.

In addition to its participation in the RES Fund, in 2023 GACM paid a contribution of €9.3 million to Fondation Crédit Mutuel Alliance Fédérale, which provides significant support to major local, regional and national causes.

Disposal of GACM España

To support Crédit Mutuel Alliance Fédérale's strategy, on July 12, 2023, GACM sold the entire share capital of GACM España to Axa Seguros Generales, S.A. de Seguros y Reaseguros. The sale price amounted to €311.7 million, plus an earn-out subject to the continuation of the distribution agreement between GACM España and TARGOBANK.

In accordance with IFRS 5, GACM reclassified, starting from December 31, 2022, all assets and liabilities of the Spanish entities as activities held for sale.

In the consolidated financial statements at December 31, 2023, the contribution of GACM España to the net profit of GACM was -€11 million. It notably includes the reclassification to profit or loss of GACM España's OCI reserves qualifying for reclassification to profit and loss, in accordance with IFRS 10, for an amount of -€8.3 million net of tax. The impact of the disposal in GACM's own funds at the end of December 2023 was zero, as the impairment recorded at December 31, 2022 aligned the opening own funds with the disposal price.

NELB SA changes its corporate name and brand

As of June 14, 2023, the Belgian subsidiary NELB SA changed its corporate name to become ACM Belgium Life SA. Since this date, it has distributed its products under a new brand and logo, "ACM Insurance".

The new brand is also supported by the non-life insurance subsidiary of GACM in Belgium, Partners Assurances SA, which became ACM Belgium SA in June 2023. Following the change in scope of consolidation on January 1, 2023, this company is no longer consolidated by GACM.

Business development in Germany

In accordance with Crédit Mutuel Alliance Fédérale's strategy, the implementation of GACM's insurance business in Germany reached new milestones in 2023.

ACM Deutschland AG, whose registered office is based in Düsseldorf, was formed in the first half of 2023. It is the holding company for the future life and non-life insurance companies ACM Deutschland Life AG and ACM Deutschland Non-Life AG. The latter were registered in July 2023 and are under insurance approval processes before the German Prudential Authority (BaFin) with the aim of starting the insurance business in 2025. The share capital of ACM Deutschland AG is held at 85% by GACM SA and at 15% by TARGOBANK in Germany, which will be the distributor of the insurance contracts of the two subsidiaries.

2.2 Consolidation principles and methods

The consolidated financial statements include the financial statements of the parent company and the entities it controls, hereinafter referred to as Groupe des Assurances du Crédit Mutuel (or GACM).

2.2.1 Presentation

GACM acquires and manages equity interests in insurance and reinsurance companies in France and abroad.

GACM is subject to supervision by the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR - French Prudential Supervision and Resolution Authority).

GACM SA is a *société anonyme* (French Limited Company) with a Management Board and a Supervisory Board with share capital of €1,241,034,904.00.

Its registered office is located at 4 rue Frédéric-Guillaume Raiffeisen – 67000 Strasbourg, France.

Shareholding structure

The share capital of GACM SA is comprised of 80,066,768 shares of €15.50 each, held by the following shareholders:

(in €)

	SHAREHOLDERS	SHARE CAPITAL HELD	
1	Banque Fédérative du Crédit Mutuel	621,003,982	50.0%
2	CIC	199,363,666	16.1%
3	Caisse Fédérale du Crédit Mutuel Nord Europe	126,812,553	10.2%
4	Caisse Fédérale du Crédit Mutuel de Maine-Anjou et Basse-Normandie	91,767,735	7.4%
5	Caisse Régionale du Crédit Mutuel de Loire-Atlantique et du Centre-Ouest	67,127,571	5.4%
6	Caisse Fédérale du Crédit Mutuel Océan	35,764,886	2.9%
7	Caisse Régionale du Crédit Mutuel d’Anjou	23,236,779	1.9%
8	Caisse Régionale du Crédit Mutuel du Centre	18,353,442	1.5%
9	Caisse Régionale du Crédit Mutuel Midi-Atlantique	14,374,297	1.2%
10	Caisse Régionale du Crédit Mutuel Ile-de-France	8,654,983	0.7%
11	Caisse Régionale du Crédit Mutuel de Normandie	8,481,647	0.7%
12	Caisse Régionale du Crédit Mutuel Savoie-Mont Blanc	7,748,357	0.6%
13	Caisse de Crédit Mutuel du Sud-Est	6,898,446	0.6%
14	Caisse Régionale du Crédit Mutuel Méditerranéen	6,743,027	0.5%
15	Caisse Régionale du Crédit Mutuel Dauphiné-Vivarais	4,703,506	0.4%
16	Caisse Fédérale de Crédit Mutuel	16	0.0%
17	Fédération du Crédit Mutuel Centre Est Europe	16	0.0%
		1,241,034,904	**100.0%**

GACM organizational chart

GACM SA

Insurance companies (and parent companies)	**Other activities**
ACM VIE SA	GIE ACM
ACM VIE SAM	FONCIÈRE MASSÉNA
ACM IARD SA	SCI ACM
ACM BELGIUM LIFE SA	SCI ACM SAINT AUGUSTIN
ACM DEUTSCHLAND AG	SCI ACM PROVENCE LA FAYETTE
ACM DEUTSCHLAND NON-LIFE AG	SCI ACM 14 RUE DE LONDRES
ACM DEUTSCHLAND LIFE AG	ACM CAPITAL

2.2.2 Information on related parties

Relations with Crédit Mutuel Alliance Fédérale

In 2019, ACM VIE SA issued €500 million of subordinated debt to Banque Fédérative du Crédit Mutuel, maturing in December 2029.

In its investment portfolio, the GACM Group holds €5,498 million in securities issued by Crédit Mutuel Alliance Fédérale, of which €4,870 million in assets representing VFA contracts.

Insurance contracts are marketed within the Crédit Mutuel and CIC banking networks.

Crédit Mutuel Alliance Fédérale's pension commitments are partly covered by collective insurance agreements with GACM life insurance companies.

These agreements provide for the creation of collective funds intended to cover end-of-career benefits or the coverage of the various pension plans, in return for contributions from the employer, the management of these funds by the insurance company, and the payment to the beneficiaries of the premiums and pension benefits pursuant to the various plans.

Relationships between the Group's consolidated companies

The list of the GACM group's consolidated companies is presented in Note 2.11.1 "Scope of consolidation".

Transactions between fully consolidated companies are entirely eliminated.

Relations with key executives

There are no significant transactions between GACM and its key executives, their families or the companies they control that are not included in the Group's scope of consolidation.

2.2.3 Consolidation methods

The consolidation methods used by GACM result from the application of IFRS 10 and IAS 28 and apply to the companies within the scope of consolidation.

Full consolidation

The financial statements of companies over which the Group directly or indirectly exercises control are fully consolidated.

IFRS 10 defines the concept of control on the basis of the following three criteria:

- the decision-making power over the entity in question;
- whether any benefits are obtained by the Group in its relationship with the entity;
- the link between decision-making power and the benefits obtained from the entity in question.

Control is deemed to exist where the Group directly or indirectly holds more than 50% of the voting rights of the subsidiary; it is also deemed to exist where the Group directly or indirectly holds at least 40% of the voting rights, provided that no other shareholder holds more than 40% of the voting rights.

In 2016, GACM signed an affiliation agreement with ACM VIE SAM, the Group's long-standing mutual life insurance company governed by the *Code des assurances* (French Insurance Code). This agreement formalizes the contractual arrangements for the strong and lasting financial relationship with the GACM insurance group to which it is attached and which determines the control with regard to the criteria detailed above. ACM VIE SAM is therefore fully consolidated.

Equity-accounted

Companies in which the Group holds between 20% and 50% of the voting rights (or 40%, as the case may be, under the conditions indicated above), and companies over which the Group exercises significant influence, are consolidated using the equity method.

Non-controlling interests

Non-controlling interests are initially valued at their proportionate share in the identifiable net assets of the acquired company, at the acquisition date and revalued each financial year.

Loss of control

When the Group loses control of a subsidiary, it derecognizes the assets and liabilities of the subsidiary, as well as any related non-controlling interests. Other components of equity are also derecognized. Any resulting gain or loss is recognized in profit or loss. Any stake retained in the former subsidiary is measured at fair value at the date of loss of control.

2.2.4 Reporting date

The consolidated financial statements were closed on December 31, 2023 and were prepared under the responsibility of the Management Board on February 5, 2024.

The financial statements and balance sheets used to prepare the consolidated financial statements are those presented for the approval of the General Meetings, except for certain companies which publish their final financial statements after the preparation of the consolidated balance sheet.

Any discrepancies between the statements used and the final statements will be assessed in the statement of profit and loss for the following financial year.

2.2.5 Intercompany transactions within the scope of consolidation

Significant transactions between fully consolidated companies have been eliminated, including:

- reciprocal receivables and payables as well as reciprocal income and expenses;
- the capital gains and losses on intra-group disposals;
- the gains and losses on mergers of consolidated companies;
- dividends received intra-group;
- transactions impacting commitments received and given.

2.2.6 Translation of financial statements denominated in foreign currencies

All consolidated entities use the euro as the functional currency and as the presentation currency of their statutory accounts.

Where applicable, the financial statements are converted into euros, the currency of the consolidating company, using the closing rate method for the balance sheet and the average rate for the statement of profit and loss. The currency translation adjustments are recorded in equity under “Gains and losses recognized directly in other comprehensive income”.

2.3 Subsequent events

None.

2.4 Applicable standards

2.4.1 Applicable standards and comparability: focus on IFRS 17 and IFRS 9

These are the first annual GACM financial statements to which IFRS 17 – Insurance Contracts – and IFRS 9 – Financial Instruments – have been applied. The quantitative impacts of the significant changes related to these new standards are described in Note 2.5 “First-time application of IFRS 9 and IFRS 17”.

IFRS 17 – Insurance Contracts –

IFRS 17 – Insurance Contracts –, published in May 2017 and amended in June 2020, replaces IFRS 4 – Insurance Contracts –. The standard was endorsed by the European Union in November 2021, together with an optional exemption from the requirement of forming annual cohorts of contracts with participation features that are based on an intergenerational pooling of the returns on the assets underlying the technical commitments.

It entered into force on January 1, 2023. The presentation of a comparative exercise (2022) is mandatory. The date of transition to IFRS 17 is therefore January 1, 2022 for the purposes of the opening balance sheet.

The amendment to IFRS 17 relating to the presentation of comparative IFRS 9 and IFRS 17 data, published by the IASB in December 2021 and adopted by the European Union on September 8, 2022, is applied by GACM.

IFRS 9 – Financial Instruments –

In July 2014, the IASB published the complete and final version of IFRS 9 – Financial Instruments –, which is intended to replace IAS 39 – Financial Instruments: Recognition and Measurement –. On June 25, 2020, the IASB published an amendment to IFRS 4 – Insurance Contracts –, which extended the temporary exemption from applying IFRS 9 – Financial Instruments by two years, *i.e.* until January 1, 2023. It allows insurers eligible for this temporary exemption to align the effective dates of IFRS 9 – Financial Instruments – and IFRS 17 – Insurance Contracts –. In application of this amendment, GACM has deferred the first-time application of IFRS 9 to January 1, 2023.

IFRS 9 defines new principles for the classification and measurement of financial instruments, impairment of financial assets and hedge accounting. This standard introduces a single approach to the classification and measurement of financial assets to determine whether a financial asset should be recognized at amortized cost, fair value through profit or loss or fair value through other comprehensive income.

2.4.2 Other amendments to IFRS

The entry into force of IFRS 17 – Insurance Contracts – also had an impact on IAS 40 – Investment Property – and IAS 16 – Property, Plant and Equipment –, which were amended, providing clarifications on the accounting rules applicable to real estate assets (owner-occupied or not) held in an investment fund or corresponding to the underlying items of contracts with direct participating features.

2.4.3 Accounting standards issued by the IASB but not yet effective

Amendments applicable in 2023

Since January 1, 2023, the Group applies the amendments adopted by the EU as presented below:

- Amendment to IAS 1 – Disclosures on Accounting Policies –. It clarifies the information to be provided on “significant” accounting methods. Methods are considered “significant” when, taken in conjunction with other information in the financial statements, they could reasonably be expected to affect the decisions of the primary users of the financial statements.
- Amendment to IAS 8 – Definition of an Accounting Estimate –. It aims to facilitate the distinction between changes in accounting methods and accounting estimates, by introducing an explicit definition of the concept of accounting estimates. These represent amounts in the financial statements that are subject to uncertainty as to their measurement.
- Amendment to IAS 12 – Deferred Taxes Relating to Assets and Liabilities Arising from the Same Transaction –.
- Amendment to IAS 12 – International Tax Reform Pillar 2 Model Rules –. The OECD Pillar 2 rules, adopted by Directive 2022/2523 and transposed into the 2024 Finance Act, aim to establish a minimum level of global taxation for multinational and large-scale national groups in the European Union. According to these rules, an additional tax would be payable if the effective tax rate according to the OECD’s Global Anti-Base Erosion (GLoBe) rules by jurisdiction is below 15%. The amendment to IAS 12 provides for a mandatory temporary exemption from the recognition of deferred taxes related to Pillar 2. A project was launched in 2023 in order to identify the list of jurisdictions and to be able to estimate the current tax expense related to Pillar 2 from 2024. To date, the Group does not anticipate any significant impact from this tax reform.

Accounting standards issued by the IASB but not yet effective

The main changes to the standards that took place in 2023 that have not yet come into force are:

- Amendments to IAS 7 and IFRS 7 dated May 25, 2023. These concern supplier financing agreements (reverse factoring) and aim to improve the financial information relating to these transactions. They are scheduled to come into force on January 1, 2024. The text has not yet been adopted at European level.
- Amendment to IAS 21 – No Convertibility –. The amendment now states that when a currency is not convertible into another currency on the valuation date, the entity must estimate the spot exchange rate at that date. The entity thus aims to reflect the price that would have been applied if a normal foreign exchange transaction had taken place on the valuation date between market participants in the current economic environment.

The main texts published previously but not yet in force are:

- Amendments to IFRS 16, published in September 2022, which provide clarifications on the treatment of the lease liability relating to a variable lease sale leaseback transaction. They specify that the seller-lessee must value the lease liability in such a way as to recognize no gain or loss in respect of the right of use retained. An illustrative example has also been added. These amendments were adopted at European level in November 2023, and will enter into force on January 1, 2024;
- Amendments to IAS 1 published in October 2022 relating to non-current liabilities with covenants. These new amendments now specify that the classification of debts with covenants at closing date is not impacted if they are contractually measured after the closing date. Additional information will also be provided in the appendices. The date of entry into force of these amendments, not yet adopted at the European level, is scheduled for January 1, 2024.
- Amendments to IAS 1 – Presentation of Financial Statements –, published in 2020, not yet adopted by the European Union. They concern the classification of current and non-current liabilities. The date of entry into force of these amendments, not yet adopted at the European level, is scheduled for January 1, 2024.

2.5 First-time application of IFRS 9 and IFRS 17

2.5.1 Background

GACM applied IFRS 17 – Insurance Contracts – and IFRS 9 – Financial Instruments – for the first time in its annual financial statements for the period ended on December 31, 2023, replacing IFRS 4 and IAS 39. The provisions of these two standards were not applied in advance in previous periods. The effective date for these two standards corresponds to January 1, 2023.

The application of these standards has significant accounting effects, as well as a new presentation of the statement of profit and loss and balance sheet.

IFRS 17 imposes a transition date corresponding to the beginning of the annual reporting period immediately preceding the date of first-time application. This is January 1, 2022. For the sake of consistency and clarity of its financial statements, GACM has chosen to apply the option of presenting IFRS 9 comparative information for assets derecognized over the 2022 period, according to the so-called overlay approach as provided for in the amendment to IFRS 17 for comparative information relating to the first-time application of IFRS 17 and IFRS 9. Transposed operationally, this aims to aligning the IFRS 9 and IFRS 17 transition dates at the same date, *i.e.* January 1, 2022.

Main impacts at January 1, 2022, the transition date, are detailed in the following paragraphs. In particular, the effects on equity are presented in the section "Impact of the transition on equity" (2.5.5). The opening balance sheet is presented in the financial statements (1.1 "Consolidated balance sheet - Assets" and 1.2 "Consolidated balance sheet - Liabilities").

In addition, at the time of the transition to these standards, GACM chose not to consolidate anymore certain entities over which it holds control, given the non-materiality of their assets, their financial position and their profit (loss) in the overall consolidation, in accordance with IAS 1 and IAS 8. This has been carried out by applying the materiality criterion both at the individual and cumulative level. This change in the scope of consolidation is also applied to the 2022 comparative period, and is detailed in the section "Companies leaving the scope of consolidation at the transition date" (2.5.4).

2.5.2 Main impacts of the transition to IFRS 9

IFRS 9 replaces IAS 39 – Financial Instruments: Recognition and Measurement –. The significant changes in accounting principles and methods introduced by the new IFRS 9 are presented in the section "Financial instruments under IFRS 9" (2.6.4).

IFRS 9 defines new rules for:

- classification and measurement of financial instruments;
- impairment for credit risk on simple debt instruments;
- hedge accounting, excluding macro-hedging transactions.

As GACM deferred the application of IFRS 9 until the date of application of IFRS 17, the date of first-time application of IFRS 9 is January 1, 2023. Classification and measurement as well as the new IFRS 9 impairment model are applied retrospectively.

GACM has opted for the restatement under IFRS 9 for the 2022 comparative financial year. The date of transition to IFRS 9 is therefore January 1, 2022, for the purposes of the opening balance sheet of the comparative period required by IFRS 17.

The difference between the IFRS 9 carrying amount as of January 1, 2022 and the IAS 39 carrying amount as of December 31, 2021 impacts retained earnings or, where appropriate, gains and losses recognized in other comprehensive income as of January 1, 2022.

With regard to the mapping of the classification of financial assets under IFRS 9, the analysis of eligibility for the simple debt criterion for bonds and similar securities was carried out on a security-by-security basis. Business models applicable to simple debt instruments (complying with the criterion of SPPI, solely payment of principal and interest) have been defined. With regard to the methods for implementing the various provisions for default, the tools for monitoring securities have been adapted and the scope of securities impaired according to the various levels has been established.

The financial assets and liabilities of insurance companies are managed by portfolios corresponding to the insurance liabilities to which they are matched or to own funds. The business models were therefore determined according to the respective financial asset portfolios:

- simple debt instruments are (almost) exclusively classified at fair value through other comprehensive income, with the exception of those representing unit-linked contracts, which are classified at fair value through profit or loss;

- equity instruments held for contracts with direct participating features are mainly measured at fair value through profit or loss;
- equity instruments held in own-fund asset portfolios and contracts without participation features are measured at fair value through other comprehensive income;
- (non-consolidated) funds remain classified at fair value through profit or loss, as under IAS 39.

The treatment of derivatives remains unchanged, including for hedge accounting, for which the rules of IAS 39 have been maintained by GACM.

GACM uses the optional overlay approach introduced by the amendment to IFRS 17 relating to the presentation of the IFRS 9 – IFRS 17 comparative data, published by the IASB in December 2021 and adopted by the EU on September 8, 2022, to present financial assets in the 2022 comparative as if IFRS 9 had been applicable at that date. This choice applies to assets derecognized in 2022, which are therefore no longer present in the inventory at the date of first-time application of IFRS 9 as of January 1, 2023, and for which IFRS 9 requires recognition in accordance with IAS 39.

This overlay approach makes it possible to standardize the impact of the transition on consolidated own funds under IFRS 9 and IFRS 17 as of January 1, 2022.

At the same time, GACM applies the amendments to IAS 40 and IAS 16, consequential to IFRS 17, resulting in the valuation at fair value through profit or loss of the properties held as underlying items of direct participating contracts.

The corresponding revaluations impact consolidated reserves at the transition date of January 1, 2022. It should be noted that, from a strictly normative point of view, disclosure of information detailing the impact of the transition to IFRS 9 as of the date of first-time application, *i.e.* January 1, 2023, is required. Nevertheless, for the sake of clarity and consistency of the financial information provided to the reader, GACM has chosen to also publish the impact of the transition to IFRS 9 at the transition date, *i.e.* January 1, 2022.

The overall impact on equity of the transition to IFRS 9 (and the revaluations under IAS 40 and IAS 16) amounted to €1,253 million as of January 1, 2022, details of which are presented below.

Reconciliation of financial assets and liabilities between IAS 39 and IFRS 9

The following table reconciles total financial investments as of December 31, 2021, presented in accordance with the provisions of IAS 39 (in row), and total financial investments as of January 1, 2022, presented in accordance with the provisions of IFRS 9 (in column).

	Impairment amount under IAS 39 and IAS 40			Reclassifications under IFRS 9 and IAS 40					
				01/01/2022					
				Financial assets at fair value through profit or loss			Financial assets at fair value through other comprehensive income		Financial assets at amortized cost
(in € million)	12/31/2021	Impact of change in accounting methods on non-significant subsidiaries	01/01/2022	Equity instruments	Debt instruments	Property	Equity instruments	Debt instruments	
Investment property	2,727	-228	2,500			2,500			
Assets held until maturity	6,994	-502	6,492		20			6,472	
Assets available for sale	94,396	-131	94,265	14,156	5,904		2,778	71,426	
Financial assets at fair value through profit or loss	31,645	-288	31,357	763	30,543		-	51	
Loans and receivables	8,502	607	9,109		284			8,772	54
Other investments	589	159	747		94		641	10	3
Total investments according to the IAS 39 and IAS 40 valuation criteria	**144,852**	**-382**	**144,470**	**14,919**	**36,844**	**2,500**	**3,419**	**86,732**	**57**
Reclassification to another balance sheet item					-43				
Reclassification to investments									
Impact of valuation changes under IFRS 9 and IAS 40					2	967	-	631	-
Total investments according to the IFRS 9 and IAS 40 valuation criteria				**14,919**	**36,804**	**3,466**	**3,419**	**87,362**	**57**

At the transition date of January 1, 2022, the impact of the transition to IFRS 9 is a change in equity related to the revaluation at fair value of securities previously recognized at amortized cost (held to maturity), which are reclassified at fair value through other comprehensive income.

In addition, IFRS 9 does not result in any reclassification of financial liabilities.

The following table reconciles the total financial investments as of December 31, 2022, presented in accordance with the provisions of IAS 39 (in row), with the total financial investments as of January 1, 2023, presented in accordance with the provisions of IFRS 9 (in column).

	Impairment amount under IAS 39 and IAS 40			Reclassifications under IFRS 9 and IAS 40					
				01/01/2023					
				Financial assets at fair value through profit or loss			Financial assets at fair value through other comprehensive income		Financial assets at amortized cost
(in € million)	12/31/2022	Impact of change in accounting methods on non-significant subsidiaries	01/01/2023	Equity instruments	Debt instruments	Property	Equity instruments	Debt instruments	
Investment property	2,662	-227	2,435	-	-	2,435	-	-	-
Assets held until maturity	5,969	-490	5,479	-	-	-	-	5,479	-
Assets available for sale	81,910	-124	81,785	12,874	6,159	-	2,932	59,821	-
Financial assets at fair value through profit or loss	28,807	-255	28,552	672	27,836	-	-	44	-
Loans and receivables	10,143	585	10,728	-	374	-	-	10,334	19
Other investments	944	144	1,088	3	464	-	608	10	4
Total investments according to the IAS 39 and IAS 40 valuation criteria	**130,435**	**-368**	**130,067**	**13,549**	**34,833**	**2,435**	**3,540**	**75,688**	**23**
Reclassification to another balance sheet item	-	-	-	-	-171	-	-	-	-
Reclassification to investments	-	-	-	-	-	-	-	-	-
Impact of valuation changes under IFRS 9 and IAS 40	-	-	-	-	-153	962	-	-280	-
Total investments according to the IFRS 9 and IAS 40 valuation criteria	-	-	-	**13,549**	**34,509**	**3,397**	**3,540**	**75,408**	**23**

Reconciliation of impairments between IAS 39 and IFRS 9

The following table reconciles the impairments as of December 31, 2021, recognized in accordance with the provisions of IAS 39 (in row), with the provisions for credit risks as of January 1, 2022, recognized in accordance with the provisions of IFRS 9 (in column).

	Impairment amount under IAS 39 and IAS 40			Reclassifications under IFRS 9 and IAS 40					
				01/01/2022					
				Financial assets at fair value through profit or loss			Financial assets at fair value through other comprehensive income		Financial assets at amortized cost
(in € million)	12/31/2021	Impact of change in accounting methods on non-significant subsidiaries	01/01/2022	Equity instruments	Debt instruments	Property	Equity instruments	Debt instruments	
Investment property	-21	-	-21			-21			
Assets available for sale	-1,010	-	-1,010	-902	-19	-	-67	-21	-
Loans and receivables	-	-	-						
Investments in other activities	-	-	-						
Total impairment according to IAS 39 and IAS 40 valuation criteria	**-1,031**	**-**	**-1,031**	**-902**	**-19**	**-21**	**-67**	**-21**	**-**
Revaluation of impairment following change in valuation class				902	19	21	67		
Revaluation of impairment following change of method								-23	
Total impairment according to IFRS 9 and IAS 40 valuation criteria				**-**	**-**	**-**	**-**	**-44**	**-**

The following table reconciles the impairments as of December 31, 2022, recognized in accordance with the provisions of IAS 39 (in row), with the provisions for credit risks as of January 1, 2023, recognized in accordance with the provisions of IFRS 9 (in column).

	Impairment amount under IAS 39 and IAS 40			Reclassifications under IFRS 9 and IAS 40					
				01/01/2023					
				Financial assets at fair value through profit or loss			Financial assets at fair value through other comprehensive income		Financial assets at amortized cost
(in € million)	12/31/2022	Impact of change in accounting methods on non-significant subsidiaries	01/01/2023	Equity instruments	Debt instruments	Property	Equity instruments	Debt instruments	
Investment property	-44		-44			-44			
Assets available for sale	-996	1	-995	-880	-27		-66	-21	
Loans and receivables									
Investments in other activities									
Total impairment according to IAS 39 and IAS 40 valuation criteria	**-1,040**	**1**	**-1,039**	**-880**	**-27**	**-44**	**-66**	**-21**	
Revaluation of impairment following change in valuation class				880	27	44	66		
Revaluation of impairment following change of method								-22	
Total impairment according to IFRS 9 and IAS 40 valuation criteria								**-43**	

Financial assets subject to reclassification

Under IFRS 9, paragraph 42M-N, the amount of assets reclassified out of assets at fair value through profit or loss shall be disclosed. However, given the lack of materiality for GACM, the table presenting financial assets that have been reclassified is not detailed.

2.5.3 Main impacts of the transition to IFRS 17

In addition to the new accounting principles and methods specific to IFRS 17, which are presented in the section "Liabilities and assets arising from insurance and reinsurance contracts under IFRS 17" (2.6.5), the methodology specific to the transition is detailed below.

Transition method

The new standard must be applied retrospectively, *i.e.* using the Full retrospective approach, or FRA, except when this proves impracticable, in which case two alternative methods are proposed by the standard:

- either the Modified Retrospective Approach, or MRA: on the basis of reasonable and justified information available without undue cost or effort for the entity, certain simplifications may be applied, subject to achieving a result as close as possible to that which would be obtained with full retrospective application; or
- the Fair Value Approach, or FVA: the contractual service margin is then determined as the positive difference between:
  - the fair value of the contracts established in accordance with IFRS 13 – Fair Value Measurement –, corresponding to the price that an external buyer would have charged to accept the contracts;
  - fulfilment cash flows.

The majority of GACM insurance entities applied:

- the Modified Retrospective Approach; and
- more marginally, the Fair Value Approach for certain non-material portfolios, or for the oldest cohorts of portfolios to which GACM has applied the Modified Retrospective Approach.

Impracticability of the Full Retrospective Approach

In practice, not all the information necessary for the application of the Full Retrospective Approach (FRA) was available or was available at sufficient granularity, in particular due to IT system migrations and / or data retention requirements. This was the case for changes in assumptions and estimates that occurred during the period preceding the transition. In addition, changes occurred in the forecasting models during this period. The Full Retrospective Approach would also have required reconstructing management assumptions or intentions as they would have been in prior periods.

For these reasons, the Full Retrospective Approach was not applied for the calculation of the Contractual Service Margin, or CSM, for the transition of different groups of contracts modeled according to the General Measurement Model, or GMM, or the Variable Fee Approach, or VFA.

Procedures for applying the Modified Retrospective Approach

The objective of the Modified Retrospective Approach is to arrive at a result that is as close as possible to the result that would have been obtained by applying the Full Retrospective Approach, based on reasonable and justifiable information that can be obtained without incurring excessive costs or efforts.

Thus, the entities concerned have applied the Modified Retrospective Approach to the majority of the portfolios of existing contracts, whether in personal insurance (in particular, creditor insurance) or savings & retirement insurance.

The simplifications used were based on the availability of the necessary information according to the portfolios considered.

For the calculation of the CSM at initial recognition, GACM has chosen to favor the Modified retrospective approach over the Fair Value Approach, provided, however, that the Modified Retrospective Approach is not impracticable. The Modified Retrospective Approach is considered feasible from financial year 2012.

Portfolios modeled according to the general model

In the case of contracts valued according to the general model, the principle of the Modified Retrospective Approach consists in reconstituting the liabilities at the date of initial recognition based on their measurement at the date of transition, by retroactively reconstructing the movements between the two dates, with certain simplifications:

- the initial cash flows are estimated by adding to the amount at the transition date the actual cash flows recorded between the two dates;
- the discount rate at inception can be determined using yield curves simulating those at the date of initial recognition;
- the changes in the risk adjustment for non-financial risk between the initial date and the transition date can be estimated based on historical data observed on similar contracts.

For the liabilities for remaining coverage thus reconstituted at the inception date, the initial contractual service margin (if any) is amortized on the basis of the services provided over the period prior to the transition in order to determine the amount of contractual service margin remaining at that date.

When the contracts are combined into a single group at the transition date, the discount rate at that date may be used. This option was used by GACM for groups of contracts to which the Fair Value Approach was applied.

When the option of disaggregating insurance finance income or expenses between profit or loss and other comprehensive income is chosen, it requires to reconsitute the amount recognized in equity at the transition date using the rate at inception in the case of the liability for remaining coverage and the rate at the date of the claim for the liability for incurred claims.

When such reconstitution is not possible, the amount recognized in equity is zero.

GACM has chosen to retain only certain simplifications proposed by the MRA, in particular the approximation of cash flows by actual past flows and the approximation of the risk adjustment. Annual groups of contracts from 2012 to 2021 were reconstituted and the calculation of the revaluation through other comprehensive income qualifying for reclassification to profit and loss in respect of changes in discount rates was carried out retrospectively, without simplification.

<u>Portfolios modeled according to the simplified model</u>

In the case of contracts measured according to the simplified model (Premium Allocation Approach, or PAA), the provisions for the remaining coverage were determined at the transition date using previous provisions for unearned premiums, gross of acquisition costs, because GACM opted to recognize acquisition costs as expenses.

The reserves for claims made corresponding to these contracts consist of the expected cash flows and the risk adjustment for non-financial risk at the transition date. The amount recognized in other comprehensive income qualifying for reclassification to profit and loss at the transition date in respect of changes in discount rates has been reconstituted based on historical rates.

<u>Portfolios modeled according to the VFA model</u>

For savings & retirement insurance contracts measured using the Variable Fee Approach, the Modified Retrospective Approach also consists of reconstituting the liability at the original date based on the liability at the transition date. However, in respect of liabilities for remaining coverage, the standard provides that the contractual service margin at the transition date shall be determined according to the following approach:

- fulfilment cash flows (discounted cash flows and risk adjustment) at the transition date are first deducted from the realizable value of the underlying items at that same date;
- the income received from policyholders and the changes in risk adjustment are added to this amount, and the acquisition costs paid during the interim period are deducted;
- the contractual service margin net of acquisition costs thus reconstituted at inception is then amortized until the date of transition to reflect the services provided at that date, as well as acquisition costs yet to be amortized.

For the implementation of this approach, the main simplifications were as follows:

- existing contracts were grouped according to the segmentation planned post-transition, without breaking down by annual cohorts, in line with the option of the exception provided for by the European regulation;
- the contractual service margin at the transition date was thus reconstituted:
  - based on the market value of the underlying items (see above) less fulfilment cash flows at the transition date;
  - by adding past margins from historical data (accounting or management), which were re-allocated over the period until the transition date (using the same approach, taking into account “excess returns” on assets, as that which will be used after the transition);
  - net of acquisition costs to be amortized;
  - the amount recognized in other comprehensive income qualifying for reclassification to profit and loss at the transition date in respect of the adjustment for accounting mismatch was determined using the fair value of the underlying assets recognized in other comprehensive income qualifying for reclassification to profit and loss at the transition date, as stipulated by the standard.

Procedures for applying the Fair Value Approach

Finally, according to the market value method, the contractual service margin at the transition date is determined as the difference at the transition date between the realizable value and the contractual fulfilment cash flows.

This approach was used for certain non-material portfolios when the Modified Retrospective Approach could not be implemented.

For portfolios modelled according to the general model, mainly creditor contracts, generations of subscriptions prior to 2012 have been placed into a single group. The fair value of these contracts at the transition date was estimated using an approach that makes it possible to maintain a level of CSM consistent with that resulting from the Modified Retrospective Approach for the 2012 cohorts and subsequent years of the portfolios in question (for which reasonable and justifiable data was available).

Impact of the application of IFRS 17

The impact on equity of the transition to IFRS 17 amounted to -€868 million as of January 1, 2022.

The amount of the risk adjustment for non-financial risk determined on the transition date amounted to €1,484 million.

GACM has applied the provisions set out in paragraph C3a of IFRS 17 and does not present the impacts of the application of the standard on each financial statement line. The two tables below present the contractual service margin (CSM) amounts determined at the transition date, according to the transition method applied. The first table details the CSM relating to insurance contracts issued, while the second table deals with the CSM ceded, for the scope of reinsurance contracts.

(in € million)	Full Retrospective Approach	Modified Rretrospective Approach	Fair value	Total
Property & casualty insurance	-	-	1	1
Health, protection & creditor insurance	-	1,013	336	1,349
Savings & retirement insurance	-	2,834	231	3,065
Stock of CSM at the transition date 01/01/2022	**-**	**3,846**	**569**	**4,415**

(in € million)	Full Retrospective Approach	Modified Retrospective Approach	Fair value	Total
Property & casualty insurance	-	-	-	-
Health, protection & creditor insurance	-	-	60	60
Savings & retirement insurance	-	-	-	-
Stock of CSM ceded at the transition date 01/01/2022	**-**	**-**	**60**	**60**

The following table details the projected recognition of the stock of CSM at the transition date of the Savings & retirement insurance segment, whose contracts are valued according to the VFA model, and distinguished by transition method:

(in € million)	Less than 2 years	Between 2 and 5 years	Between 5 and 10 years	More than 10 years	Total
Modified retrospective approach	744	965	1,118	7	2,834
Fair value	31	55	76	70	231
Stock of CSM of the Savings & retirement insurance segment at the transition date 01/01/2022	**774**	**1,020**	**1,194**	**77**	**3,065**

Cumulative difference in insurance financial expenses in net profit or loss and other comprehensive income – paragraph 116

The table reconciling opening and closing balances with the cumulative amounts presented in other comprehensive income for financial assets measured at fair value through other comprehensive income related to groups of contracts for which the calculation of the amount of CSM recognized at the transition date is based on the methods described in paragraphs C5(a) and C5(b) of IFRS 17 is not detailed.

Indeed, it appears that the monitoring over time of changes in IFRS 9 OCI by generation of contracts is not available for the portfolios of assets matching said contracts. This grid of financial assets by group of contracts was not already available at the transition date, as the IFRS 9 transition OCI was calculated by portfolios of assets and not by groups of contracts matched to these portfolios.

Post-transition, the Group is therefore no longer able to appropriately allocate subsequent changes in financial assets recognized in OCI between the portion allocated to the groups of contracts present at the date of transition, on the one hand, to the new groups of contracts (post transition), on the other.

As a qualitative analysis, the Group ensured that the classification of SPPI debt instruments is at fair value by OCI, and associated with the OCI option to recognize changes in the value of the contracts matching the portfolios of assets in question, ensuring that the accretion expense on the contracts is consistent with the IFRS 9 financial income of the fixed-income assets representing the contracts.

2.5.4 Companies leaving the scope of consolidation at the transition date

Concurrently with the first-time application of IFRS 9 and IFRS 17, the companies listed in the table below have been removed from the scope of consolidation, mainly to simplify the operational process of preparing the financial statements, insofar as they are not significant in terms of impact on equity, financial position and results. The 16 companies concerned include insurance companies, real estate companies and common law companies.

Company	Historical consolidation method
SÉRÉNIS ASSURANCES SA	Fully-consolidated (FC)
ACM SERVICES SA	Fully-consolidated (FC)
ASTREE SA	Equity-accounted (EM)
TARGOPENSIONES, ENTIDAD GESTORA DE FONDOS DE PENSIONES, SA	Fully-consolidated (FC)
AGRUPACIÓ SERVEIS ADMINISTRATIUS AIE	Fully-consolidated (FC)
ASISTENCIA AVANÇADA BCN, SL	Fully-consolidated (FC)
AMDIF, SL	Fully-consolidated (FC)
ATLANTIS ASESORES, SL	Fully-consolidated (FC)
ATLANTIS CORREDURÍA DE SEGUROS Y CONSULTORÍA ACTUARIAL, SA	Fully-consolidated (FC)
ASESORAMIENTO EN SEGUROS Y PREVISIÓN ATLANTIS, SL	Fully-consolidated (FC)
ICM LIFE SA	Fully-consolidated (FC)
MTRL	Fully-consolidated (FC)
ACM BELGIUM SA	Fully-consolidated (FC)
ACM COURTAGE SAS	Fully-consolidated (FC)
SCI ACM COTENTIN	Fully-consolidated (FC)
SCI ACM TOMBE ISSOIRE	Fully-consolidated (FC)

The impact on equity of this reduction of the scope of consolidation amounted to -€28 million as of January 1, 2022.

2.5.5 Impact of the transition to IFRS 9 and 17 on equity

The retrospective application of IFRS as of January 1, 2022 resulted in a revaluation of equity, which breaks down as follows:

	Share capital	Premiums related to share capital	Gains and losses recognized in other comprehensive income		Retained earnings	Net profit (loss)	Shareholders' equity – Group share	Non-controlling interests	Total equity
(in € million)			Qualifying for reclassification	Not qualifying for reclassification					
Equity 12/31/2021	**1,241**	**1,154**	**1,803**	**-8**	**5,948**	**885**	**11,023**	**103**	**11,126**
Appropriation of profit (loss)					885	-885	-		-
Impact of change in accounting methods on non-significant subsidiaries	-	-	83	-	-112	-	-30	1	-28
Impact of change in accounting method relating to IAS 40 and IAS 16					769		769	2	772
Impact of the application of IFRS 9			-5,669	1,075	5,073		480	1	481
Impact of the application of IFRS 17			3,906	-	-4,787		-882	14	-868
Other changes			-	-1	2		1	-	1
Equity 01/01/2022	**1,241**	**1,154**	**123**	**1,067**	**7,777**	**-**	**11,363**	**121**	**11,484**

2.6 Accounting principles and methods

2.6.1 Summary of valuation methods

The table below summarizes the valuation methods used in GACM's consolidated financial statements.

	Applicable standards	Valuation method
Investment property	IAS 40	Fair value through profit or loss
Financial investments	IFRS 9	Fair value through other comprehensive income Fair value through profit or loss Amortized cost
Operating property	IAS 16	Fair value through profit or loss
Liabilities (and assets) arising from insurance (and reinsurance) contracts	IFRS 17	Fulfilment cash flows and contractual service margin
Derivative liabilities	IFRS 9	Fair value through profit or loss
Financing debt	IFRS 9 and IFRS 16	Amortized cost

2.6.2 Presentation of financial statements under IAS 1

Historically, GACM has presented its financial statements in accordance with ANC recommendation no. 2013-05 of November 7, 2013. This recommendation has not been updated following the entry into force of IFRS 17 and application of the provisions of IFRS 9. As a result, the presentation of the financial statements has been adapted to the provisions of these two standards and in accordance with IAS 1 – Presentation of Financial Statements -.

2.6.3 Segment information under IFRS 8

In order to meet the requirements of IFRS 17 and IFRS 8, segment information, broken down by type of insurance contract, is now presented through the following operating segments:

- Property & casualty insurance;
- Health, protection & creditor insurance;
- Savings & retirement insurance;
- Other, including non-insurance activities as well as items that cannot be allocated to the above segments.

2.6.4 Financial instruments under IFRS 9

Classification and measurement of financial assets

Financial assets and liabilities are recognized in the financial statements in accordance with the provisions of IFRS 9, as adopted by the European Union. The criteria for classifying and measuring financial assets depend on the nature of the financial asset, whether it is classified as a debt instrument or an equity instrument.

Assets that cannot be classified as simple debt instruments or equity instruments, in particular derivatives, must be classified at fair value through profit or loss.

Debt instruments

Under IFRS 9, the classification and measurement of a debt instrument is based on the analysis of two criteria, the business model and the contractual cash flow characteristics of the instrument.

The asset is classified:

- at amortized cost, if it is held with the objective to collect the contractual cash flows (hold to collect), and if its characteristics are similar to those of a so-called basic contract, as described in the paragraph below "Characteristics of cash flows";
- at fair value through other comprehensive income, if the instrument is held with the objective to collect the contractual cash flows and sell it as opportunities arise, without however being considered a trading activity (hold to collect and sell), and if its characteristics are similar to those of a so-called basic contract;
- at fair value through profit or loss, if:
    - it is not eligible for the two previous categories (because it does not meet the "basic" criterion and/or is managed according to the "other" business model), or
    - GACM chooses to designate it as such, optionally, at inception and irrevocably. The implementation of this option aims to remedy an inconsistency in accounting treatment.

IFRS 13 defines fair value as the price that would be received for the sale of an asset or paid for the transfer of a liability in an arm's length transaction between market participants in the principal or most advantageous market at the valuation date. The principles of IFRS 13 are detailed in the section "Fair value determination of financial instruments".

Characteristics of cash flows

The performance of an SPPI ("solely payments of principal and interest") test makes it possible to verify whether the contractual cash flows are similar with a so-called basic contract.

This test is met if the contractual cash flows represent only payments of principal and interest on the principal amount outstanding. Interest is therefore mainly the counterparty of the time value of money (including in the event of negative interest) and credit risk. Interest may also include liquidity risk, administrative management fees for the asset, and a commercial margin.

All contractual clauses must be analyzed for the performance of the SPPI test, in particular those that could change the schedule or amount of contractual cash flows.

The contractual option for the borrower or lender to repay the financial instrument early remains compatible with the SPPI test provided that the amount repaid essentially represents the outstanding principal and accrued interest, as well as, where applicable, a reasonable compensatory allowance.

Derivatives embedded in financial assets are not recognized separately, which means that the entire hybrid instrument is considered non-basic and recognized at fair value through profit or loss.

Units of UCITS and OPCIs (French collective real estate investment undertakings) are not considered basic instruments and are also classified at fair value through profit or loss.

Business models

The business model represents the way in which instruments are managed to generate cash flows and revenues.

It is based on facts that can be observed, and is not based on a simple management intention.

It is not assessed at entity level, or instrument by instrument, but is based on a higher level of aggregation, which reflects the way in which groups of financial assets are managed collectively.

It is determined at initiation and may be called into question in the event of a change of model (exceptional cases).

There are three business models:

- the "hold to collect" model, in which the objective is to collect contractual cash flows over the lifetime of the assets. This model does not systematically involve holding all assets until their contractual maturity; however, asset sales are strictly regulated. GACM has not identified any significant "hold to collect" business models within the scope of consolidation;
- the "hold to collect and sell" model, in which the objective is to collect cash flows over the lifetime and to sell the assets. In this model, both the sale of financial assets and the collection of cash flows are essential;
- when the strategy followed by management for the management of financial assets does neither correspond to the "hold to collect" model nor the "hold to collect and sell" model, these financial assets are classified in a portfolio whose business model is "other / held for sale". This is notably the case for unit-linked portfolios.

In the context of the "hold to collect" model, certain examples of authorized disposals are explicitly indicated in the standard:

- in connection with an increase in credit risk;
- close to maturity and for which the proceeds of these sales correspond approximately to the contractual cash flows yet to be received;
- exceptional (*e.g.* due to liquidity stress).

Frequent disposals (of an insignificant unit value) or infrequent disposals (even of a significant unit value) are compatible with the hold to collect model.

These "authorized" disposals are not taken into account in the analysis of the significant and frequent nature of sales made on a portfolio. Disposals related to changes in the regulatory or tax framework will be documented on a case-by-case basis in order to demonstrate the "infrequent" nature of such disposals.

Financial assets at amortized cost

Securities classified in this category are initially recognized at their fair value, which is generally the net amount disbursed. At subsequent reporting dates, assets or liabilities are valued using the effective interest rate method. This method is used to calculate the amortized cost of the financial asset or financial liability and to allocate interest income or interest expense to be recognized in net profit or loss in the relevant period. The amortized cost includes the amortization of premiums and discounts, as well as acquisition costs, if they are significant. Accrued interest as well as foreign exchange gains and losses are recognized in the statement of profit and loss.

Financial assets at fair value through other comprehensive income

Securities classified in this category are recognized in the balance sheet at their fair value at the time of their acquisition, and at subsequent reporting dates, until their disposal.

Changes in fair value are recorded under the line item "Gains and losses recognized directly in other comprehensive income" within equity, excluding accrued interest. These unrealized gains or losses recognized in other comprehensive income are only recognized in the statement of profit and loss in the event of disposal or impairment (as described in the paragraphs below "Derecognition of financial assets and liabilities" and "Credit risk assessment").

Accrued revenue, as well as foreign exchange gains and losses, are recognized in the statement of profit and loss.

Financial assets at fair value through profit or loss

These are recognized at fair value when they are recognized in the balance sheet, and at subsequent reporting dates until their disposal (as described in the paragraph "Derecognition of financial assets and liabilities" below).

Changes in fair value are recognized in the statement of profit and loss. Gains and losses are recognized in the statement of profit and loss.

Securities sold and delivered under repurchase agreements

Securities sold under repurchase agreements do not meet the derecognition requirements of IFRS 9 and are considered as secured financing. For the transferor, securities sold under repurchase agreements remain on the assets side of the balance sheet and, where applicable, the amount collected, representing the guarantee received from the transferee, is recorded as a liability on the balance sheet.

For the transferee, securities delivered in repurchase agreements are not recorded in the balance sheet. However, in the event of a subsequent resale, the transferee records as a liability the amount representing its debt to the transferor.

GACM remains exposed to changes in the fair value of the securities sold under repurchase agreements and is not subject to any significant counterparty risk, given the margin calls made with the transferee to guarantee the value of the securities sold.

Equity instruments

Equity instruments acquired (notably shares) are classified:

- at fair value through profit or loss, or
- optionally, line by line at fair value through other comprehensive income not qualifying for reclassification to profit and loss, on initial recognition, irrevocably, provided that they are not held for trading purposes.

Financial assets at fair value through profit or loss

Equity instruments are recognized in the same way as debt instruments at fair value through profit or loss.

For GACM, this concerns equity instruments held in portfolios matching portfolios of liabilities recognized according to the VFA model.

Financial assets at fair value through other comprehensive income

Shares and other equity instruments are recognized in the balance sheet at their fair value at the time of their acquisition and at subsequent reporting dates, until their disposal. Changes in fair value are recorded under the line item "Gains and losses recognized directly in other comprehensive income" within equity. These unrealized gains or losses recognized in other comprehensive income are never reclassified to profit and loss in the statement of profit and loss, including in the event of disposal (as described in the paragraph "Derecognition of financial assets and liabilities" below).

Only dividends received on variable-income securities are recorded in the statement of profit and loss.

GACM has chosen this option for:

- its equity instruments held in portfolios that do not match portfolios of liabilities recognized under the VFA model (savings & retirement insurance), which are recognized at fair value through profit or loss;
- certain equity investments.

Reclassification of financial assets

In the event of a significant change in the business model for the management of financial assets (new activity, acquisition of entities, disposal or discontinuation of a significant activity), a reclassification of these financial assets is necessary. The reclassification applies to all financial assets in the portfolio from the date of reclassification. In other cases, the business model remains unchanged for existing financial assets.

If a new business model is identified, it is applied prospectively to new financial assets grouped into a new management portfolio.

Classification and measurement of financial liabilities

Distinction between debt and equity instruments

An equity instrument is defined by IAS 32 as a contract that offers discretionary remuneration and gives rise to a residual interest in the net assets of the company invested in. The classification as an equity or debt instrument, particularly with regard to the classification of perpetual subordinated debt

(TSDIs), is based on an analysis of the various contractual clauses.

Securities where there is no contractual obligation to repay the principal amount are classified as equity.

An instrument with a contractual obligation to deliver cash or another financial asset, or to exchange instruments under potentially unfavorable conditions, is classified as a debt instrument.

GACM has not issued any securities that would be eligible for classification as equity instruments.

Recognition

Financing debt includes subordinated liabilities, financing debt represented by securities and financing debt to companies in the banking sector.

It is recognized when GACM becomes a party to the contractual provisions of this debt. The amount of financing debt is then equal to their fair value, adjusted, if necessary, for transaction costs directly attributable to the acquisition. These financial liabilities are then measured at amortized cost by default, unless there is an explicit option for fair value recognition through profit or loss.

GACM opts to recognize financial liabilities at amortized cost.

Derecognition of financial assets and liabilities

GACM derecognizes all or part of a financial asset (or a group of similar assets) when the contractual rights to the cash flows of the asset expire (in the case of commercial renegotiations), or when GACM has transferred the contractual rights to receive the cash flows of the financial asset, and substantially all of the risks and rewards related to the ownership of this asset.

GACM derecognizes a financial liability when the obligation specified in the contract is extinguished, canceled or has expired. A financial liability may also be derecognized in the event of a substantial change in its contractual terms or an exchange with the lender for an instrument whose contractual terms are substantially different.

When derecognizing:

- financial assets or liabilities at amortized cost or at fair value through profit or loss, a gain or loss on disposal is recognized in the statement of profit and loss for an amount equal to the difference between the carrying amount of this asset or liability and the value of the consideration received / paid;
- debt instruments at fair value through other comprehensive income, unrealized gains or losses previously recognized through other comprehensive income are recognized in the statement of profit and loss, as are gains and losses on disposal;
- equity instruments at fair value through other comprehensive income on option, unrealized gains or losses previously recognized in other comprehensive income as well as gains and losses on disposal are retained in own funds without passing through the statement of profit and loss.

Credit risk assessment

The impairment model in IFRS 9 is based on an Expected Credit Loss approach while that in IAS 39 was based on a proven credit loss model, giving rise to the recognition of credit losses that was deemed too late at the time of the 2008 financial crisis.

Under IFRS 9, impairment losses are recognized for financial assets that have not been subject to objective evidence of individual losses, based on a history of observed losses but also on reasonable and justifiable forecasts of future cash flows. Impairment is calculated as soon as the security is purchased and recalculated at each reporting date.

Thus, this IFRS 9 impairment model applies to all debt instruments measured at amortized cost or at fair value through other comprehensive income. These carrying amounts are divided into three categories, which can be assimilated into three stages:

- **Stage 1 – No significant increase in credit risk** – impairment on the basis of 12-month Expected Credit Losses (resulting from the risk of default in the next 12 months) as soon as financial assets are recognized on the balance sheet, and as long as there has been no significant increase in credit risk since initial recognition;
- **Stage 2 – Significant increase in credit risk** – impairment on the basis of Expected Credit Losses at maturity (resulting from the risk of default over the entire residual life of the instrument) when a significant increase in credit risk has been recognized since initial recognition;
- **Stage 3 – Credit-impaired or incurred loss has occurred** – category comprising financial assets for which there is an objective indication of impairment related to an event occurring after the loan was granted.

Stage 1 and Stage 2 – Performing assets –

By default, a security is classified as Stage 1 when purchased, regardless of its rating. This classification is consistent with GACM's investment policy, which is mainly restricted to assets with a rating of investment grade or greater than or equal to BBB- or BAA3. The rating defined at acquisition and at the reporting dates is the 2nd highest rating of the three rating agencies S&P, Moody's and Fitch.

A security is downgraded to Stage 2 if both of the following conditions are met:

- at the reporting date, the rating of the security has downgraded by three notches (*i.e.* one full rating) or more compared to its rating on the day of its acquisition,
- the security moves to the non-investment grade rating.

GACM applies the option provided for by IFRS 9 not to downgrade to Stage 2 securities that retain an Investment Grade rating, regardless of any rating downgrade since the acquisition date.

If the downgrade since inception is no longer recorded, the security is reclassified to Staget 1, and the impairment is reduced to the 12-month Expected Credit Losses.

Expected Credit Losses, or ECL, are calculated by multiplying, for each security, Exposure At Default by the Probability of Default and by the Loss Given Default:

- Exposure At Default, or EAD, is measured based on the current book value of the security;
- Probability of Default, or PD, is estimated from default tables provided by S&P;
- Loss Given Default, or LGD, is measured according to the nature of the issuer.

<u>Stage 3 – Non-performing assets –</u>

A security is downgraded to Stage 3 when there is objective evidence of impairment, resulting from one or more credit events occurring after the acquisition of the security, likely to generate a loss. Subsequently, if the conditions for classifying the security in Stage 3 are no longer met, the security is reclassified to Stage 2 and then to Stage 1 in line with the development of objective indications of credit loss.

For its analysis, GACM uses the following criteria:

- significant difficulties for the counterparty resulting in a risk of non-recovery of the initial contractual cash flows;
- a breach of the contract such as a default in payment of interest or principal;
- the initiation of bankruptcy proceedings or the probable financial restructuring of the counterparty;
- the establishment, for economic or legal reasons related to the financial difficulties of the counterparty, of a facility that the company would not have granted in other circumstances;
- the disappearance of an active market for this investment, following financial difficulties on the part of the counterparty;
- the following observable data, which, combined with other events, may indicate significant financial difficulties for the counterparty:
  - a significant deterioration in the issuer's rating (transition to "speculative" or equivalent rating) or an abnormal spread of the interest margin compared to the risk-free rate of the issuer compared to the spreads of comparable issuers with the same rating and for amortizable values with the same duration;
  - a significant unrealized capital loss on the investment in a context of falling interest rates.

Derivatives and hedge accounting

<u>Derivative financial instruments</u>

Derivative financial instruments are instruments that have the following three characteristics:

- their value fluctuates according to changes in an underlying (interest rates, exchange rates, share prices, indices, commodities, credit ratings, etc.);
- they require little or no initial investment;
- they are settled at a future date.

GACM potentially deals in simple interest rate (swaps, swaptions) and foreign exchange (Cross Currency Swaps) derivatives, considered as trading instruments and classified mainly in level 2 of the fair value hierarchy.

All derivative financial instruments are recognized at fair value through profit or loss.

<u>Hedge accounting</u>

IFRS 9 allows entities to choose, on first-time adoption, to apply the new hedge accounting requirements, or to maintain those of IAS 39. GACM has chosen to retain the provisions of IAS 39.

IAS 39 provides for three types of hedges with specific accounting treatment:

- fair value hedging, which is designed to neutralize changes in the value of the underlying by a change in the opposite direction of the hedging derivative. The change in value of the derivative then has a symmetrical impact on the profit (loss);
- cash flow hedges, designed to offset the variability of future cash flows of an asset or liability. Changes in the value of the derivative are recorded under the line item "Gains and losses recognized in other comprehensive income" within equity for the effective portion of the hedge, and reclassified in the statement of profit and loss when the flows of the hedged instrument impact cash. The ineffective portion of the hedge passes through profit or loss;
- the hedging of a net investment in a foreign operation, intended to neutralize the foreign exchange risk. The change in the value of the

derivative has an impact on the currency translation adjustments for the effective portion.

Hedge accounting requires precise documentation of the effectiveness of the hedge from the inception of the relationship and at each subsequent reporting date.

GACM does not apply hedge accounting.

Fair value determination of financial instruments

Fair value is the amount at which an asset could be sold, or a liability transferred, between knowledgeable, willing parties in an arm's length transaction. When an instrument is initially recognized, the fair value is generally the transaction price.

In subsequent valuations, this fair value must be determined. The determination method to be applied depends on whether the instrument is traded on a market considered to be active or not.

Instruments traded on an active market

When the instruments are traded on an active market, the fair value is determined on the basis of the quoted prices, which represent the best possible estimate of the fair value. A financial instrument is considered to be quoted on an active market if the prices are easily and regularly available (from a stock exchange, a broker, an intermediary or on a quotation system) and if these prices represent actual and regular market transactions under arm's length conditions.

Instruments traded on an inactive market

Data observable on a market are to be used, as long as they reflect the reality of a transaction under normal conditions at the valuation date, and as long as it is not necessary to adjust this value too significantly. In other cases, the Group uses non-observable, mark-to-model data.

In the absence of observable data, the entity may use internal assumptions relating to future cash flows and discount rates, including adjustments related to risks that the market incorporates. These valuation adjustments make it possible in particular to integrate risks not captured by the model, liquidity risks associated with the instrument or parameter in question, and specific risk premiums intended to offset certain additional costs incurred by the dynamic management strategy associated with the model under certain market conditions.

When determining value adjustments, each risk factor is considered individually and no diversification effect between risks, parameters or models of a different nature is taken into account. A portfolio approach is most often used for a given risk factor.

Adjustments are made by GACM in a reasonable and appropriate manner, using judgment.

Fair value hierarchy

IFRS 13 classifies fair values according to three levels depending on the observable nature of the input data used in the valuation.

Level 1

Financial instruments classified as fair value level 1 are quoted in active markets.

In the majority of cases, GACM uses the market price for assets and liabilities identical to those held at the valuation date.

Level 2

Assets reported at fair value level 2 have been measured using either directly observable inputs (such as prices) or indirectly observable inputs that are not entity-specific and are publicly available.

The valuation of these assets is based on standard models using observable parameters.

Level 3

The valuation of assets classified in level 3 is based on valuation techniques using unobservable parameters.

The methodologies and models for valuing financial instruments classified in level 2 and level 3 include all the factors that market participants use to calculate a price.

2.6.5 Liabilities and assets arising from insurance and reinsurance contracts under IFRS 17

Scope of application

IFRS 17 applies to insurance contracts issued, reinsurance contracts issued (reinsurance accepted), reinsurance contracts held (reinsurance ceded) and investment contracts with discretionary participation features, provided that the entity also issues insurance contracts. Certain components must be separated from the insurance contract, namely embedded derivatives, insofar as they meet certain criteria, distinct investment components and distinct performance obligations, such as the obligation to provide a service or a non-insurance product.

These components must be accounted must be accounted separetely, in accordance with separately in accordance with the appropriate standards.

Recognition and measurement

Scope of insurance contracts

Cash flows are included in the scope of an insurance contract if they arise from substantial rights and obligations that exist during the reporting period in which the entity may compel the policyholder to pay premiums or in which it has a substantial obligation to provide the policyholder with insurance contract services. A substantial obligation to provide insurance contract services ceases, in particular, when the entity has the practical ability to reassess the risks related specifically to the policyholder and can, accordingly, set a price or a level of benefits that fully reflects these risks.

Investment component

A non-distinct investment component is identified within the cash flows relating to an insurance contract as the sum that the entity is required to repay in all circumstances, regardless of whether or not the insured event occurs. It is assessed in particular for the community of policyholders when it is implemented by the Group, notably in the context of group insurance contracts.

The investment component is subject to a specific accounting treatment, the most significant element of which is the absence of an effect related to this investment component on the statement of profit and loss, whether in insurance revenue, or insurance expenses.

For the savings contracts of the VFA model, the benefits in the form of an investment component (therefore without impact on profit or loss) concern only surrenders and deaths, by reference to their surrender value. Insurance guarantees, such as the minimum death benefit guarantee, are recognized according to the general model.

Level of aggregation of insurance contracts

The standard thus requires the identification of portfolios of insurance contracts, *i.e.* contracts subject to similar risks and managed together.

Each portfolio of insurance contracts issued is then divided into three levels of profitability:

- contracts that are onerous at initial recognition;
- contracts that at initial recognition have no significant possibility of becoming onerous subsequently; and
- the remaining contracts in the portfolio.

The level of profitability of a contract group must be uniform among the contracts included in the Group.

In addition, IFRS 17 as published by the IASB introduces the principle of annual cohorts prohibiting the inclusion of contracts issued more than one year apart in the same group.

Nevertheless, the standard as endorsed by the European Union provides for an optional exception to the application of this rule for groups of insurance contracts with direct participation features and groups of investment contracts with discretionary participation features whose cash flows affect or are impacted by cash flows to policyholders of other contracts.

GACM applies this European exception to groups of eligible contracts.

The different levels of aggregation used by GACM are as follows:

Definition of the portfolios of contracts

The contracts of the general model and the simplified model are grouped by homogeneous families of products, without distinction by guarantee or by legal entity within the same geographical area. VFA model contracts are grouped according to their matching portfolio of assets.

Signing of profitability and definition of groups of contracts

Given the grid used by GACM for contract portfolios, it appears that the contract portfolios have a homogeneous level of profitability by generation of underwriting. As a result, a portfolio of contracts valued according to the general model or the simplified model will be subdivided into a single group per year of underwriting.

For VFA-model contracts, the contract group corresponds to the contract portfolio, in application of the applied European exception.

The grouping level of IFRS 17 contracts defines the level of contract aggregation to be used for measuring the insurance contract liabilities and the related profitability.

General valuation model for insurance contracts

Under IFRS 17, contracts must be measured by default according to a General measurement model based on an approach that includes:

- fulfilment cash flows:
  - estimates of future cash flows weighted by their probability of occurrence;
  - an adjustment to reflect the time value of money (*i.e.* by discounting these future cash flows);
  - risk adjustment for non-financial risk;
- the Contractual Service Margin (CSM).

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk must reflect the compensation required by GACM for bearing the uncertainty surrounding the amount and timing of cash flows that arises from the non-financial risk when GACM undertakes insurance contracts. The estimation of the risk adjustment for non-financial risk is based on a quantile approach. The risk measure used is the Value-At-Risk. The Value-At-Risk metric is used to estimate, for a given level of probability, the additional cost to be paid by the insurer. GACM uses a single quantile level for all its activities which has been set at 80% (gross of reinsurance) with an ultimate vision. The estimate of the risk adjustment for non-financial risk takes into account the effect of the risk diversification between the various Group entities.

Discount rate

IFRS 17 requires the use of discount rate curves reflecting the time value of money, cash flow and liquidity characteristics of insurance contracts. To determine the discount rate, GACM applies the bottom-up approach. This methodology consists of adding a liquid risk-free component and an adjustment to take into account the liquidity characteristics of the insurance contracts. The risk-free yield curve is based on the swap rates restated for credit risk.

Based on the First Smoothing Point (FSP) the zero-coupon rates are obtained by extrapolation using the smoothed points methodology. An Ultimate Forward Rate (UFR), is estimated on a macroeconomic basis as the sum of the historical average values of actual interest rates and an inflation target. Rates above the FSP are obtained by weighting the UFR and the Last Liquid Forward Rate (LLFR).

The illiquidity premium is established based on the composition of the portfolio of assets held by GACM, as well as on market performance indices. It includes listed bond and non-bond assets.

- For bond assets, the illiquidity premium is assessed by comparing the portfolio spreads with the implicit return on the credit risk (compensation for the risk of default and rating downgrade).
- For non-bond classes, the illiquidity premium represents the expected outperformance net of market risks. The asset classes concerned are real estate, private equity, debt funds and alternative management.

The illiquidity premium is then adjusted by an application coefficient to take into account differences in the characteristics of the liabilities.

Contractual service margin (CSM)

The contractual service margin represents the unearned profit for a group of insurance contracts, *i.e.* the present value of future profits. It is amortized as “insurance revenue” over the contract coverage period, as the company provides services to policyholders. The CSM of a group of contracts cannot be negative, with any negative amount of fulfilment cash flows at the beginning or during the contract being immediately recognized in insurance service profit or loss.

The carrying amount of a group of insurance contracts is remeasured at the end of each subsequent period as being the sum of:

- the liability relating to the future coverage period, comprising the fulfilment cash flows related to future services and the contractual service margin of the group of contracts; and
- liability for incurred claims.

The general model requires an adjustment to the contractual service margin at each reporting date due to variations in cash flows generated by changes in technical assumptions (mortality, morbidity, longevity, surrenders, fees, future payments, etc.). However, if the negative amount related to changes in the discounted future cash flows is greater than the amount of remaining margin, then the negative surplus is immediately recognized in profit or loss.

The margin is also capitalized according to the rate set at the inception of the contract. It is recognized in profit or loss based on coverage units reflecting the quantity of service provided and the expected duration of coverage for the remaining contracts within the group of contracts. Given the diversity of insurance contracts, the determination of coverage units requires judgment in considering both the level of coverage defined in the contract (for example, the death benefit for a creditor contract) and the expected duration of the contract.

GACM applies the General measurement model (GMM) to long-tail personal risk, creditor protection and collective insurance contracts (in particular, real estate creditor contracts, funeral contracts and long-term care contracts).

At December 31, 2023, the liabilities of the creditor contracts measured according to the general model amounted to €1,614 million, including €8 million for the estimate of the present value of future cash flows (BE), €798 million for the risk adjustment for non-financial risk (RA), and €808 million for the contractual service margin (CSM).

Simplified approach (*premium allocation approach*)

A simplified approach known as the premium allocation approach, or PAA, is also provided by the standard for the measurement of the liability relating to the residual coverage period, insofar as this valuation is not materially different from the valuation of the general model or the coverage period of each contract within the same group is less than or equal to one year.

Within this model, the liability relating to the residual coverage period corresponds to the amount of premiums initially received less acquisition costs and amounts already recognized in profit or loss before the reporting date.

GACM has chosen the option of recognizing as an expense the insurance acquisition cash flows as provided for in paragraph 59 a.

When the amount of deferred premiums is deemed insufficient to cover the future benefits of the contracts, GACM recognizes a loss in the statement of profit and loss.

The general model remains applicable for the measurement of liabilities relating to incurred claims, except that the discount rate used to unwind the provision is the rate at the date of the claim and not the rate at the date of the cohort.

The PAA model is applied by GACM to all property and casualty insurance products, and to a lesser extent to certain individual and group protection products, and to consumer loan insurance products.

The vast majority of these contracts, modeled according to the PAA model, have a coverage period of less than 12 months.

At December 31, 2023, the liability for claims arising from civil liability for motor-related bodily injury amounted to €1,248 million, including €1,209 million for the estimated value of future cash flows (BE) and €39 million for the risk adjustment for non-financial risk (RA).

Variable fee approach (VFA)

The *Variable fee approach* (VFA) is the model dedicated to the measurement of direct participating contracts, knowing that a contract is considered as such if it meets the following three criteria:

- the contractual clauses specify that the policyholder receives a contribution on the basis of a clearly identified group of underlying items;
- the entity expects to pay the policyholder an amount equal to a substantial portion of the fair value of the underlying items;
- the entity expects that a significant portion of any change in the amount payable to the policyholder will be based on changes in the fair value of the underlying items.

The assessment of the eligibility of the contract for the VFA on the basis of these criteria is made at inception of the contract and is not reviewed thereafter, except in the event of a substantial modification of the contract.

GACM applies the VFA model to all savings & retirement insurance products (both to contracts expressed in euro and unit-linked contracts). The scope of modeling used is the portfolio of assets underlying the contracts in question.

For these contracts, the contractual service margin is adjusted for:

- changes in variable fees (the entity's share of changes in the value of the underlying items, which corresponds to the insurer's revenue),
- the time value of money, and
- the effects of changes in financial risks not related to the underlying items (such as options and guarantees).

In order to recognize the CSM in profit or loss at an appropriate pace and in accordance with the definition of investment-related services, it is necessary that the amortization rate of the CSM in profit or loss take into account the expected evolution of the CSM and coverage units using "real world" assumptions.

Reinsurance treatment

Reinsurance accepted is recognized just as insurance contracts issued, either under the general model or the simplified model.

Reinsurance ceded is also recognized under either the general model or the simplified model. Fulfilment cash flows include (as a deduction) the risk of non-performance of the reinsurer.

GACM recognizes reinsurance ceded relating to property and casualty and protection insurance using the simplified model, and reinsurance ceded relating to direct insurance contratc is modeled according to general model (mainly long-term care) using the general model.

Presentation in the balance sheet and statement of profit and loss

The amounts recognized in the financial statements prepared under IFRS 17 must present separately:

- portfolios of insurance contracts (and reinsurance accepted) which are (generally) assets and those which are liabilities;
- reinsurance contracts held (reinsurance ceding transactions) that are assets and those that are liabilities.

Receivables and payables arising from insurance and reinsurance transactions are no longer presented separately from technical liabilities and reinsurance assets, in accordance with the *cash* basis approach (which consists of presenting them within insurance and reinsurance assets and liabilities). Advances on savings & retirement insurance contracts are also grouped under these items.

Income and expenses from insurance and reinsurance contracts are broken down in the statement of profit and loss between:

i. insurance revenue:

- amounts relating to the change in the liability for remaining coverage, including:
  - contractual service margin recognized in profit or loss;
  - change in the risk adjustment for non-financial risk that does not relate to past or future services;
  - change in incurred claims and other insurance expenses committed during the period;

- other changes in the provision for remaining coverage;

- the portion of premiums allocated to the recovery of insurance acquisition cash flows;

ii. insurance service expenses:

- claims and other insurance expenses incurred during the financial year;
- amortization of acquisition cash flows;
- losses on onerous contracts;
- changes related to claims incurred in previous years (adjustment of the LIC, Liability for Incurred Claims).

Expenses attributable to the insurance activities are included in overheads directly attributable to recognized insurance contracts. They are determined using the usual cost allocation methods. Attributable expenses are therefore not included in contract fulfilment cash flows and are recognized separately from profit or loss from insurance contracts when they are incurred.

Net profit or loss from reinsurance contracts includes all income and expenses from reinsurance contracts.

The insurance service result is the total of income and expenses from insurance businesses and the profit or loss from reinsurance contracts.

iii. insurance finance income or expenses:

- financial result from investments, including:
  - interest income calculated using the effective interest method;
  - other investment income, including unrealized capital gains recorded in the statement of profit and loss and dividends from shares and other variable-income securities;
  - credit-related impairment losses;
  - unrealized capital gains recognized in OCI;
- insurance finance expenses, including:
  - change in fair value of items underlying VFA contracts;
  - effects of the risk mitigation option for VFA contracts;
  - capitalized / credited interest;
  - changes in the yield curve and other financial assumptions;
  - foreign exchange loss.

iv. a portion of the insurance finance income or expenses is presented in other comprehensive income under the so-called “OCI option”, which can be exercised for the groups of contracts:

- in the case of contracts valued using the general model or the simplified approach, the impact of changes in financial variables (in particular the discount rate) may be presented in equity and not in financial result;
- in the case of contracts measured according to the Variable fee approach, the option of presenting finance income or expenses separately between the statement of profit and loss and other comprehensive income may be used to avoid an accounting mismatch with the income or expenses recognized in net profit or loss for the underlying items held.

Main normative options selected by GACM

The main options selected by GACM and applicable to all models are as follows:

- GACM opts for presenting the annual financial statements year to date. Thus, the interim financial statements have no impact on the annual financial statements, in particular, changes in parameters that have occurred in the interim financial statements are not included in the annual financial statements;
- GACM does not opt for simplification in the presentation of the risk adjustment for non-financial risk. The accretion expense of the risk adjustment for non-financial risk is therefore presented in financial result;
- GACM opts for the presentation of a single amount for income or expenses related to a group of reinsurance contracts held, other than financial income or financial expenses from insurance.

The main options used under the simplified model are:

- the non-discounting of the remaining coverage provision, considering that the effect of discounting over 12 months would be negligible;
- GACM opts to recognize the acquisition costs incurred as expenses in the financial year;
- GACM does not therefore capitalize acquisition costs even when these costs relate to probable future contract renewals;
- GACM opts to recognize the effects of changes in market rates on the valuation of the liability for incurred claims in other comprehensive income qualifying for reclassification.

With regard to reinsurance ceded modeled using the simplified model, the Group opts not to discount the provision for remaining coverage borne by the reinsurer.

The main options used in the general model are:

- GACM opts to recognize the effects of changes in market rates on the valuation of the liability for remaining coverage and the liability for incurred claims in other comprehensive income qualifying for reclassification;
- GACM does not discount the coverage units to calculate the share of CSM to be amortized to reflect the services provided during the financial year; this simple metric correctly reflects the services rendered to policyholders;
- the coverage units selected are calibrated based on the sum insured, therefore without reference to the cost for the insurer, in accordance with the recommendations of the Transition Resource Group (TRG);
- GACM has chosen to recognize the change in the risk of non-performance of the reinsurer in insurance services and not in financial result.

The main options used under the Variable fee approach are:

- insurance finance income or expenses from insurance contracts issued will be presented separately between the statement of profit and loss and equity;

The coverage-units used are the mathematical provisions of the contracts. Based on this driver, GACM has had to apply a correction coefficient to amortize the CSM in profit or loss and neutralize the bias induced by the so-called bow wave effect associated with stochastic modeling in a risk-neutral environment.

- After applying the adjusted coverage unit, the amount of CSM, which is amortized in profit or loss at each period, takes into account the so-called “real world” environment, and reflects the service provided to policyholders over the period in question.

GACM does not use the risk mitigation option as it does not apply to the VFA portfolios sold.

2.6.6 Investment property under IAS 40

Investment property includes rental properties.

Prior to the application of IFRS 17 and in accordance with the option proposed by IAS 40, GACM used the amortized cost measurement model for its investment properties, with the exception of properties underlying unit-linked contracts, which were measured at fair value.

Following the entry into force of IFRS 17, paragraph 32a of IAS 40 was amended. GACM now divides its properties into two distinct groups:

- investment properties underlying direct participating contracts;
- other investment property.

Investment properties underlying investment contracts with discretionary participation features

Since the entry into force of IFRS 17, in accordance with the aforementioned provisions, the Group’s investment properties backing investment contracts with discretionary participation features are recognized at fair value through profit or loss. The fair value corresponds to the realizable value of the properties. The properties are appraised annually by independent appraisers.

Other investment property

Other investment properties are still recognized at amortized cost. GACM does not hold any investment properties valued at amortized cost.

2.6.7 Operating property and other property, plant and equipment under IAS 16 and IFRS 16

Operating property

Operating property comprises properties used for the Group’s own purposes.

Prior to the application of IFRS 9 and IFRS 17, GACM’s operating properties were recognized at amortized cost, in accordance with the component-based asset recognition method described in IAS 16.

Following the entry into force of IFRS 17, paragraph 29a of IAS 16 was amended.

GACM now divides its properties into two distinct groups:

- properties underlying investment contracts with discretionary participation features;
- other operating properties.

<u>Operating properties underlying investment contracts with discretionary participation features</u>

Since the entry into force of IFRS 17, in accordance with the aforementioned provisions, the Group’s operating properties underlying investment contracts with discretionary participation features are recognized at fair value through profit or loss.

The fair value corresponds to the realizable value of the properties. The properties are appraised annually by independent appraisers.

Other operating properties

Other operating properties are still recognized at amortized cost.

Under the cost model, the carrying amount corresponds to the acquisition cost less accumulated depreciation and accumulated impairment losses. Post-acquisition costs are capitalized, provided that future economic benefits are expected and can be reliably estimated, and are included in the component to which they relate.

GACM does not hold operating properties valued at amortized cost.

Property, plant and equipment excluding buildings

Other property, plant and equipment mainly consist of office equipment and miscellaneous facilities. They are recognized at historical cost, less accumulated depreciation and accumulated impairment losses.

The estimated useful lives range from three years for IT equipment to 10 years for fixtures and fittings.

IFRS 16 - Leases -

This standard has the effect of recognizing in the balance sheet of lessees a right-of-use of the leased asset over the term of the lease and a lease liability in respect of the lease payment obligation for all contracts meeting the definition of a lease.

GACM has implemented IFRS 16 by opting for the following exemption measures:

- exclusion of contracts with a residual term of 12 months or less;
- exclusion of contracts with an asset value of less than €5,000.

The discount rate used is the incremental borrowing rate of Banque Fédérative du Crédit Mutuel.

GACM leases subject to IFRS 16 mainly concern real estate leases.

The right-of-use and the liabilities relating to them are classified as assets in the balance sheet under “Operating properties and other property, plant and equipment” and as liabilities in the balance sheet under “Other financing debt”.

2.6.8 Intangible assets under IAS 38

Goodwill

Business combinations are carried out in accordance with IFRS 3 revised, and in particular by applying the acquisition method.

Goodwill represents the difference between the acquisition cost for the acquirer and the fair value of the identifiable assets and liabilities.

Positive goodwill is recorded in intangible assets. When they are negative, they are recognized directly in the statement of profit and loss.

The goodwill carried on the balance sheet is not amortized, but is subject to an impairment test as soon as there is objective evidence of impairment and at least once a year in accordance with the provisions of IAS 36.

For the purposes of this test, goodwill is allocated to the various cash-generating units (CGUs) likely to benefit from the benefits expected from the business combination linked to the acquisition.

A CGU is defined as the smallest identifiable group of assets and liabilities that operates according to an independent business model.

GACM has adopted the entity approach, *i.e.* each Group company represents a distinct CGU.

In order to determine whether an impairment should be recognized, the carrying amount of each entity, including that of the goodwill allocated to it, is compared with its recoverable amount.

The recoverable amount is defined as the higher of market value and the value in use. The value in use is calculated as the present value of the estimated future cash flows generated by the CGU, as they result from the medium-term plans drawn up for the purposes of managing GACM and its entities.

When the recoverable amount is lower than the carrying amount, the goodwill related to the entity is irreversibly impaired.

GACM performed sensitivity tests.

Other intangible assets

The other intangible assets mainly include goodwill. They are recognized at historical cost, less accumulated amortization and accumulated impairment losses.

2.6.9 Taxes under IAS 12

In accordance with IAS 12, income tax includes all taxes assessed on income, whether due or deferred.

Taxes payable

The taxes payable is the “amount of income tax payable (recoverable) in respect of taxable profit (tax loss) for a financial year”. The taxable profit is the net income for a financial year for a financial year determined according to the rules established by the tax authorities.

The rates and rules applicable to determine the tax expense payable are those in force in each country in which GACM's subsidiaries are located.

The tax payable concerns any income tax due or receivable, the payment of which is not subject to the completion of future transactions, even if the payment is spread over several years.

The tax payable, as long as it is not paid, must be recognized as a liability. If the amount already paid in respect of the financial year and previous years exceeds the amount due for those years, the surplus must be recognized as an asset.

Deferred taxes

Certain transactions carried out by the entity may have tax consequences that are not taken into account in the determination of the tax payable. Any differences between the carrying amount of an asset or liability and its tax base are qualified by IAS 12 as temporary differences.

The standard requires the recognition of deferred taxes in the following cases:

- a deferred tax liability must be recognized for all taxable temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base;
- a deferred tax asset must be recognized for all deductible temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base, to the extent that it is probable that a taxable profit, to which these deductible temporary differences can be allocated, will be available;
- a deferred tax asset must also be recognized for the carryforward of unused tax losses and tax credits to the extent that it is probable that the entity will have future taxable profits to which these unused tax losses and tax credits may be allocated.

The presentation of deferred taxes in the consolidated balance sheet takes into account the offset of deferred taxes related to the tax consolidation.

Tax rates

The tax rates used are those applicable in each country.

The current tax rate of GACM for the French entities is 25.83%, including the social contribution on profits. The calculation of deferred taxes is not discounted.

Recognition

The current and deferred tax is recognized in net profit or loss for the financial year except when the tax is generated:

- either through a transaction or event that is recognized directly in other comprehensive income;
- or by a business combination.

2.6.10 Other receivables and other debts under IAS 1 and IFRS 9

The other receivables mainly include margin calls on derivative instruments and repurchase agreements, receivables from the French State and social security bodies, and miscellaneous debtors.

The other debts mainly include debts to suppliers and social security bodies, as well as margin calls on repurchase agreements.

2.6.11 Cash and cash equivalents under IAS 7

Cash includes cash on hand. Cash equivalents are short-term liquid investments that are readily convertible into cash and have low volatility.

Bank overdrafts, which are repayable on demand and are an integral part of the Group's cash management, are included as a component of cash and cash equivalents in the statement of cash flows. In the balance sheet, they are recorded as liabilities according to the non-offsetting principle.

2.6.12 Non-current assets held for sale and discontinued operations under IFRS 5

A non-current asset (or group of assets held for sale) is considered to be held for sale if its carrying amount is recovered primarily through a disposal rather than through continued use.

The asset or group of assets held for sale must be available for immediate sale in its current condition and the sale must be highly probable.

The assets and liabilities concerned are isolated in the balance sheet under the items "Asstets held for sale and discountinued operations" and "Liabilities held for sale and discountinued operations".

These non-current assets (or groups of assets held for sale) are valued at the lower of:

- their carrying amount;
- their fair value less the disposal costs.

In the event of an unrealized loss in value, an impairment loss is recorded in the statement of profit and loss, and the assets cease to be depreciated once they are downgraded.

A discontinued operation is any component that the Group has disposed of or that is classified as held for sale and that is in one of the following situations:

- it represents a distinct main line of business or geographic region;
- it is part of a single, coordinated plan to part with a distinct major line of business or geographic region;
- it is a subsidiary acquired exclusively to be resold.

The following are presented on a separate line of the statement of profit and loss:

- the net profit or loss after tax from discontinued operations up to the date of disposal;
- the after-tax gain or loss resulting from the disposal or the measurement at fair value less costs to sell of the assets and liabilities constituting the discontinued operations.

After being announced in December 2022, the disposal of GACM España shares became effective on July 12, 2023 following regulatory approvals.

2.6.13 Capital under IAS 32

The ordinary shares of GACM are presented as part of the issued capital in equity, as they are non-redeemable by the holders and give entitlement to non-cumulative distributions and at the discretion of the Board of Directors. Distributions are recognized in equity.

The other financial instruments issued by the Group are classified as debt instruments when there is a contractual obligation for the Group to deliver cash to the holders of the securities. This is notably the case for all subordinated notes issued by the Group.

2.6.14 Provisions for contingencies and expenses under IAS 37

GACM mainly recognizes two types of provisions under "Provisions for contingencies and expenses":

- the provisions relating to IAS 19 related to defined-benefit post-employment benefits and other long-term employee benefits, which are detailed in Section 2.10.3 Defined-benefit post-employment benefits;
- those governed by IAS 37.

In accordance with IAS 37, GACM lists the obligations (legal or implicit) resulting from a past event, for which it is probable that an outflow of resources will be required to settle them or whose due date and/or amount are uncertain, but which may be reliably determined. The provisions relate in particular to legal disputes and operational risks.

2.6.15 Employee benefits under IAS 19

Defined benefit post-employment benefits

These are mainly retirement, pre-retirement and supplementary pension plans in which GACM retains a formal or implicit obligation to provide the benefits promised to employees.

These commitments are calculated in accordance with IAS 19, using the projected unit credit method, which consists of allocating benefit entitlements to periods of service in accordance with the contractual formula for calculating plan benefits, then discounted based on demographic and financial assumptions, and in particular:

- a discount rate determined by reference to the long-term rate of private sector borrowings according to the term of the commitments;
- salary increase rates;
- inflation rates;
- employee mobility rates;
- the retirement age;
- a mortality law, the INSEE TH/TF 00-02 table.

The differences generated by changes in these assumptions, and by the differences between previous assumptions and actual results, constitute actuarial gains and losses. When the plan has assets, they are measured at fair value and impact the result for their expected return. The difference between the actual return and the expected return is also an actuarial gain or loss.

The actuarial gains and losses are recognized as unrealized or deferred gains or losses, in equity. Plan curtailments and settlements generate a change in the obligation, which is recognized in the statement of profit and loss for the financial year.

In accordance with IFRIC's decision of April 20, 2021, the pension commitment of post-employment benefit plans, whose rights are capped according to a number of years of service and subject to the presence of the employee at the date of retirement, is established only for the period preceding the retirement age enabling the ceiling to be reached (or between the date of joining the company and the date of retirement if this period is below the ceiling).

Defined-contribution post-employment benefits

The Group's entities contribute to various pension plans managed by bodies that are independent of the Group, for which they retain no formal or implicit additional payment obligation, in particular if it turns out that the fund's assets are not sufficient to cover the commitments. As these plans do not represent a commitment for the Group, they are not subject to a provision. The expenses are recognized in the financial year during which the contribution is due.

Since January 1, 2021, the Group's employees benefit from a new PER-type pension scheme, the PERO Groupes Assurances Retraite, provided by ACM VIE SA.

Through ACM VIE SA, GACM also manages all rights acquired by the Group's employees prior to January 1, 2021 within three L441-type pension plans (with reference to the articles of the French Insurance Code that define them). These three plans are now in run-off.

Other long-term employee benefits

These are benefits to be paid, other than post-employment benefits and end-of-contract benefits, which are expected to be paid more than 12 months after the end of the financial year during which the employees rendered the corresponding services.

The Group's other long-term benefits obligation is calculated using the projected unit credit method. However, the actuarial gains and losses are immediately recognized in income for the period.

Within GACM, this item mainly consists of provisions for long-service awards.

End-of-contract benefits

These indemnities result from the benefit granted by the Group upon termination of the contract before the normal retirement age or following the employee's decision to voluntarily leave in exchange for an indemnity.

These provisions are discounted when they are expected to be paid more than 12 months after the balance sheet date.

Short-term benefits

These are benefits expected to be paid within 12 months of the end of the financial year, other than end-of-contract benefits, such as salaries, social security contributions and certain bonuses.

An expense is recognized for these short-term benefits in the financial year during which the services giving entitlement to these benefits were rendered to the company.

2.6.16 Currencies under IAS 21

Transactions carried out in foreign currencies are converted at the rate on the day of the transaction.

For the presentation in the balance sheet of assets and liabilities denominated in foreign currencies, IAS 21 distinguishes between monetary and non-monetary items.

At the reporting date, monetary assets and liabilities denominated in a currency other than the functional currency are translated at the closing date exchange rate. Foreign exchange gains or losses resulting from these conversions are recognized in the statement of profit and loss under "Other investment income".

Non-monetary assets and liabilities measured at fair value are measured at the exchange rate on the date of the transaction. Foreign exchange gains or losses resulting from these conversions are recognized in the statement of profit and loss under "Other investment income" if the item is classified at fair value through profit or loss or in net change in fair value in other comprehensive income in the case of financial assets at fair value through other comprehensive income.

The impairment losses on assets denominated in foreign currencies are calculated on a basis converted into euros.

2.7 Segment information

Segment information, based on a breakdown by entity, is presented through the following operating segments:

- Property & casualty insurance;
- Health, protection & creditor insurance;
- Savings & retirement insurance;
- Other.

2.7.1 Consolidated balance sheet by segment

	12/31/2023				
(in € million)	Property & casualty insurance	Health, protection & creditor insurance	Savings & retirement insurance	Other	Total
Goodwill				65	65
Other intangible assets				-	-
Intangible assets				**65**	**65**
Investment property	162	113	2,667	-	2,942
Financial investments	2,619	3,641	119,030	12,657	137,947
- at amortized cost	*4*	*3*	-	*16*	*22*
- at fair value through other comprehensive income	*2,140*	*3,164*	*68,421*	*11,069*	*84,793*
- at fair value through profit or loss	*476*	*475*	*50,609*	*1,573*	*53,132*
Investments from insurance activities	**2,781**	**3,754**	**121,697**	**12,657**	**140,889**
Investments in equity-accounted companies	**-**	**-**	**-**	**-**	**-**
Assets arising from direct insurance contracts	-	15	-	-	15
Assets arising from reinsurance contracts	232	182	-	-102	312
Assets arising from insurance contracts	**232**	**197**	**-**	**-102**	**327**
Operating property and other property, plant and equipment	9	7	172	31	219
Deferred tax assets	-4	-3	-90	155	58
Current tax receivables	-	-	1	51	52
Other receivables	16	76	332	320	744
Other assets	**21**	**80**	**415**	**557**	**1,072**
Assets held for sale and discontinued operations				**-**	**-**
Cash and cash equivalents	**-**	**-**	**5**	**246**	**251**
Total assets	**3,034**	**4,031**	**122,117**	**13,423**	**142,605**

(in € million)	Property & casualty insurance	Health, protection & creditor insurance	Savings & retirement insurance	Other	Total
					12/31/2023
Share capital				1,241	1,241
Issue, merger and contribution premiums				1,038	1,038
Gains and losses recognized in other comprehensive income	66	323	-	205	594
Retained earnings				7,197	7,197
Consolidated net profit (loss) for the financial year	-37	578	439	-151	828
Shareholders' equity – Group share	**29**	**901**	**439**	**9,529**	**10,897**
Non-controlling interests in gains and losses recognized in other comprehensive income	2	7	-	-	9
Non-controlling interests in retained earnings				155	155
Non-controlling interests in net profit (loss)	-1	6	-	-2	3
Non-controlling interests	**1**	**13**	**-**	**153**	**167**
Total equity	**30**	**913**	**439**	**9,681**	**11,064**
Provisions for contingencies and expenses				**60**	**60**
Subordinated debt				1,561	1,561
Debt securities	-	-	-	-	-
Financing debt to banking sector companies	1	1	33	-	35
Other financing debt	1	1	16	13	30
Financing debt	**2**	**1**	**49**	**1,574**	**1,627**
Liabilities arising from direct insurance contracts	2,861	4,299	113,081	-558	119,682
Liabilities arising from reinsurance contracts	-	-	-	-	-
Liabilities arising from insurance contracts	**2,861**	**4,299**	**113,081**	**-558**	**119,682**
Derivative liabilities	1	2	61	5	70
Deferred tax liabilities	-	-	-	-	-
Current tax payables				6	6
Operating debt to banking sector companies	182	126	8,686	235	9,230
Other debt	70	73	179	177	498
Current accounts payable				369	369
Other liabilities	**253**	**201**	**8,927**	**792**	**10,172**
Liabilities held for sale and discontinued operations				**-**	**-**
Total liabilities	**3,145**	**5,414**	**122,495**	**11,550**	**142,605**

(in € million)					12/31/2022
	Property & casualty insurance	**Health, protection & creditor insurance**	**Savings & retirement insurance**	**Other**	**Total**
Goodwill				65	65
Other intangible assets				-	-
Intangible assets				**65**	**65**
Investment property	171	136	3,091	-	3,397
Financial investments	2,238	3,645	109,633	11,512	127,028
- at amortized cost	*5*	*4*	-	*14*	*23*
- at fair value through other comprehensive income	*1,858*	*3,208*	*63,406*	*10,476*	*78,948*
- at fair value through profit or loss	*375*	*433*	*46,227*	*1,022*	*48,057*
Investments from insurance activities	**2,409**	**3,781**	**112,723**	**11,512**	**130,425**
Investments in equity-accounted companies	**-**	**-**	**-**	**-**	**-**
Assets arising from direct insurance contracts	-	18	-	-	18
Assets arising from reinsurance contracts	210	176	-	-57	328
Assets arising from insurance contracts	**210**	**194**	**-**	**-57**	**347**
Operating property and other property, plant and equipment	12	9	194	31	247
Deferred tax assets	-5	-4	-128	258	122
Current tax receivables	-	-	1	42	43
Other receivables	1	1	1,211	372	1,586
Other assets	**9**	**7**	**1,279**	**703**	**1,997**
Assets held for sale and discontinued operations				**983**	**983**
Cash and cash equivalents	**2**	**1**	**60**	**60**	**124**
Total assets	**2,629**	**3,983**	**114,062**	**13,266**	**133,941**

(in € million)	Property & casualty insurance	Health, protection & creditor insurance	Savings & retirement insurance	Other	Total
					12/31/2022
Share capital				1,241	1,241
Issue, merger and contribution premiums				1,154	1,154
Gains and losses recognized in other comprehensive income	-13	282	-	-238	32
Retained earnings				7,369	7,369
Consolidated net profit (loss) for the financial year	93	493	438	-208	817
Shareholders' equity – Group share	**81**	**776**	**438**	**9,318**	**10,613**
Non-controlling interests in gains and losses recognized in other comprehensive income	-	6	-	-5	1
Non-controlling interests in retained earnings				101	101
Non-controlling interests in net profit (loss)	3	4	-	-1	6
Non-controlling interests	**3**	**10**	**-**	**95**	**108**
Total equity	**83**	**786**	**438**	**9,412**	**10,721**
Provisions for contingencies and expenses				**48**	**48**
Subordinated debt				1,561	1,561
Debt securities	-	-	-	-	-
Financing debt to banking sector companies	4	4	153	-	162
Other financing debt	1	1	16	14	31
Financing debt	**5**	**4**	**169**	**1,575**	**1,754**
Liabilities arising from direct insurance contracts	2,615	3,699	104,401	-299	110,416
Liabilities arising from reinsurance contracts	-	-	-	-	-
Liabilities arising from insurance contracts	**2,615**	**3,699**	**104,401**	**-299**	**110,416**
Derivative liabilities	3	6	117	15	141
Deferred tax liabilities	-	-	-	-	-
Current tax payables				5	5
Operating debt to banking sector companies	201	160	9,307	267	9,935
Other debt	3	2	823	-513	315
Current accounts payable				7	7
Other liabilities	**206**	**168**	**10,248**	**-219**	**10,402**
Liabilities held for sale and discontinued operations				**600**	**600**
Total liabilities	**2,910**	**4,656**	**115,256**	**11,117**	**133,941**

2.7.2 Consolidated statement of profit and loss by segment

(in € million)	Property & casualty insurance	Health, protection & creditor insurance	Savings & retirement insurance	Other	Total
					12/31/2023
Insurance revenue	2,546	3,654	1,098	-	7,298
Insurance expenses	-2,584	-3,160	-594	-	-6,339
Net profit (loss) arising from reinsurance contracts	-31	-3	-	-	-34
Insurance service result	**-70**	**491**	**504**	**-**	**925**
Interest income calculated using the effective interest rate method	31	47	1,184	151	1,413
Other investment income	32	63	4,436	40	4,570
Credit-related loss of value	-	-	-	-1	-2
Insurance finance income or expenses from insurance contracts issued	-34	-17	-5,685	-	-5,736
Insurance finance income or expenses from reinsurance contracts held	3	1	-	-	3
Net financial result	**31**	**93**	**-65**	**190**	**249**
Income from other activities				7	7
Other operating revenue				62	62
Other operating expenses				-136	-136
Profit (loss) from current operating activities	**-38**	**584**	**439**	**123**	**1,107**
Other income				1	1
Other expenses				-7	-7
Profit (loss) from operating activities	**-38**	**584**	**439**	**117**	**1,101**
Financing expenses				-38	-38
Share of the net income of associates in net profit (loss)				-	-
Income tax				-232	-232
Profit (loss) of discontinued operations				-	-
Net profit (loss)	**-38**	**584**	**439**	**-153**	**831**

(in € million)	Property & casualty insurance	Health, protection & creditor insurance	Savings & retirement insurance	Other	Total 12/31/2022
Insurance revenue	2,506	3,506	1,074	-	7,086
Insurance expenses	-2,521	-3,042	-594	-	-6,156
Net profit (loss) arising from reinsurance contracts	101	-14	-	-	88
Insurance service result	**87**	**451**	**480**	**-**	**1,017**
Interest income calculated using the effective interest rate method	23	45	1,030	179	1,277
Other investment income	-5	27	-3,788	-17	-3,783
Credit-related loss of value	1	1	1	1	3
Insurance finance income or expenses from insurance contracts issued	-10	-26	2,716	-	2,680
Insurance finance income or expenses from reinsurance contracts held	-	-	-	-	1
Net financial result	**10**	**47**	**-42**	**163**	**178**
Income from other activities				15	15
Other operating revenue				78	78
Other operating expenses				-144	-144
Profit (loss) from current operating activities	**97**	**498**	**438**	**112**	**1,144**
Other income				1	1
Other expenses				-18	-18
Profit (loss) from operating activities	**97**	**498**	**438**	**94**	**1,127**
Financing expenses				-38	-38
Share of the net income of associates in net profit (loss)				-	-
Income tax				-265	-265
Profit (loss) of discontinued operations				-	-
Net profit (loss)	**97**	**498**	**438**	**-209**	**823**

2.8 Notes to the balance sheet

2.8.1 Goodwill

(in € million)	12/31/2022	Increase	Decrease	Impairment	Other movements	12/31/2023
Gross value	81	-	-	-	-	81
Impairment	-17	-	-	-5	5	-17
Net value	**65**	**-**	**-**	**-5**	**5**	**65**

(in € million)	12/31/2021	Increase	Decrease	Impairment	Other movements	12/31/2022
Gross value	147				-66	81
Impairment	-24			-13	20	-17
Net value	**123**			**-13**	**-46**	**65**

(in € million)	12/31/2023	12/31/2022
Net value		
ACM VIE SA	38	38
FONCIÈRE MASSÉNA SA	26	26
Total	**65**	**65**

2.8.2 Intangible assets

GACM's intangible assets were not significant at December 31, 2023.

In 2022, the intangible assets mainly concerned business goodwill held by GACM España.

(in € million)	12/31/2021	Acquisitions / Increases	Disposals / Decreases	Change in scope of consolidation	Other movements	12/31/2022
Business goodwill	12	-	-	-	-12	-
Other	1	-	-	-	-1	-
Gross value	**13**	**-**	**-**	**-**	**-13**	**-**
Business goodwill	-	-	-	-	-	-
Other	-1	-	-	-	1	-
Amortization	**-1**	**-**	**-**	**-**	**1**	**-**
Business goodwill	-2	-	-	-	2	-
Other	-	-	-	-	-	-
Impairment	**-2**	**-**	**-**	**-**	**2**	**-**
Other net intangible assets	**10**	**-**	**-**	**-**	**-10**	**-**

2.8.3 Investment property

(in € million)	12/31/2022	Acquisition	Disposal	Change in fair value	Change in scope of consolidation	Other movements	12/31/2023
Net value	**3,397**	**-**	**-6**	**-449**	**-**	**-**	**2,942**

(in € million)	12/31/2021	Acquisition	Disposal	Change in fair value	Change in scope of consolidation	Other movements	12/31/2022
Net value	**3,466**	**-**	**-3**	**-22**	**-**	**-44**	**3,397**

2.8.4 Financial investments

(in € million)	Fair value through profit or loss - cover	Fair value through profit or loss - mandatory	Fair value through profit or loss - option	Fair value through other comprehensive income - mandatory	Fair value through other comprehensive income - option	Amortized cost	Total 12/31/2023
Debt instruments	**-**	**37,962**	**-**	**80,725**	**-**	**22**	**118,709**
Government securities and similar securities (1)	-	168	-	30,980	-	-	31,148
Other debt instruments	-	32,509	-	40,089	-	-	72,599
Money market UCITS	-	5,005	-	-	-	-	5,005
Loans and receivables (2)	-	279	-	9,656	-	22	9,957
Equity instruments	**-**	**15,170**	**-**	**-**	**4,067**	**-**	**19,238**
Equities	-	13,455	-	-	1,219	-	14,673
Financial investments - Real estate equity and funds	-	1,716	-	-	47	-	1,763
Equity securities	-	-	-	-	2,801	-	2,801
Derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total financial investments	**-**	**53,132**	**-**	**80,725**	**4,067**	**22**	**137,947**
(1) Of which bonds sold under repurchase agreements:	8,977						
(2) Of which reverse repo transactions:	9,257						

(in € million)	Fair value through profit or loss - cover	Fair value through profit or loss - mandatory	Fair value through profit or loss - option	Fair value through other comprehensive income - mandatory	Fair value through other comprehensive income - option	Amortized cost	Total 12/31/2022
Debt instruments	**-**	**34,509**	**-**	**75,408**	**-**	**23**	**109,939**
Government securities and similar securities (1)	-	153	-	27,160	-	-	27,313
Other debt instruments	-	30,181	-	37,914	-	-	68,094
Money market UCITS	-	3,972	-	-	-	-	3,972
Loans and receivables (2)	-	203	-	10,334	-	23	10,560
Equity instruments	**-**	**13,549**	**-**	**-**	**3,540**	**-**	**17,089**
Equities	-	11,542	-	-	1,007	-	12,549
Financial investments - Real estate equity and funds	-	2,004	-	-	50	-	2,054
Equity securities	-	3	-	-	2,483	-	2,486
Derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total financial investments	**-**	**48,058**	**-**	**75,408**	**3,540**	**23**	**127,028**
(1) Of which bonds sold under repurchase agreements:	8,677						
(2) Of which reverse repo transactions:	9,959						

2.8.5 Financial investments at amortized cost by level

					12/31/2023
	Carrying amount	Fair value	Prices quoted on active markets for identical instruments:	Valuations based on observable market inputs:	Valuations based on unobservable market inputs:
(in € million)			Level 1	Level 2	Level 3
Debt instruments					
Loans and receivables	22	22	-	22	-
Total financial assets at amortized cost	**22**	**22**	**-**	**22**	**-**
Financing debt					
Subordinated debt	1,561	1,359	-	1,359	-
Debt securities	-	-	-	-	-
Financing debt to banking sector companies	35	35	-	35	-
Other financing debt	17	17	-	17	-
Total financial liabilities at amortized cost	**1,614**	**1,412**	**-**	**1,412**	**-**

					12/31/2022
	Carrying amount	Fair value	Prices quoted on active markets for identical instruments:	Valuations based on observable market inputs:	Valuations based on unobservable market inputs:
(in € million)			Level 1	Level 2	Level 3
Debt instruments					
Loans and receivables	23	23	-	23	-
Total financial assets at amortized cost	**23**	**23**	**-**	**23**	**-**
Financing debt					
Subordinated debt	1,561	1,251	-	1,251	-
Debt securities	-	-	-	-	-
Financing debt to banking sector companies	162	162	-	162	-
Other financing debt	17	17	-	17	-
Total financial liabilities at amortized cost	**1,740**	**1,429**	**-**	**1,429**	**-**

2.8.6 Financial investments at fair value by level

(in € million)	12/31/2023			
	Fair value	Prices quoted on active markets for identical instruments: Level 1	Valuations based on observable market inputs: Level 2	Valuations based on unobservable market inputs: Level 3
Equity instruments at fair value through profit or loss	15,170	14,004	1,071	96
Equities	*13,455*	*13,450*	*4*	-
Financial investments - Real estate equity and funds	*1,716*	*554*	*1,066*	*96*
Equity securities	-	-	-	-
Debt instruments at fair value through profit or loss	37,962	24,423	13,539	-
Government securities and similar securities	*168*	*161*	*7*	-
Other debt instruments	*32,509*	*19,257*	*13,253*	-
Money market UCITS	*5,005*	*5,005*	-	-
Loans and receivables	*279*	-	*279*	-
Financial assets at fair value through profit or loss	**53,132**	**38,427**	**14,610**	**96**
Equity instruments at fair value through other comprehensive income not qualifying for reclassification	4,067	1,583	16	2,469
Equities and other variable income securities	*1,219*	*1,218*	-	-
Financial investments - Real estate equity and funds	*47*	*32*	*15*	-
Equity securities	*2,801*	*332*	-	*2,469*
Debt instruments at fair value through other comprehensive income qualifying for reclassification	80,725	70,308	10,418	-
Government securities and similar securities	*30,980*	*30,761*	*219*	-
Other bonds and fixed income securities	*40,089*	*39,547*	*543*	-
Loans and receivables	*9,656*	-	*9,656*	-
Financial assets at fair value through other comprehensive income	**84,793**	**71,890**	**10,433**	**2,469**
Derivatives	**-**	**-**	**-**	**-**
Total assets measured at fair value	**137,925**	**110,317**	**25,043**	**2,565**
Transfers from Level 1	-		-	-
Transfers from Level 2	-	-		-
Transfers from Level 3	-	-	-	
Total transfers to each of the levels	**-**	**-**	**-**	**-**

(in € million)	Fair value	Prices quoted on active markets for identical instruments: Level 1	Valuations based on observable market inputs: Level 2	Valuations based on unobservable market inputs: Level 3
				12/31/2022
Equity instruments at fair value through profit or loss	13,549	12,137	1,319	93
Equities	*11,542*	*11,540*	*3*	-
Financial investments - Real estate equity and funds	*2,004*	*597*	*1,316*	*90*
Equity securities	*3*	-	-	*3*
Debt instruments at fair value through profit or loss	34,509	21,359	13,149	-
Government securities and similar securities	*153*	*146*	*6*	-
Other debt instruments	*30,181*	*17,241*	*12,940*	-
Money market UCITS	*3,972*	*3,972*	-	-
Loans and receivables	*203*	-	*203*	-
Financial assets at fair value through profit or loss	**48,058**	**33,496**	**14,468**	**93**
Equity instruments at fair value through other comprehensive income not qualifying for reclassification	3,540	1,334	27	2,178
Equities and other variable income securities	*1,007*	*1,007*	-	-
Financial investments - Real estate equity and funds	*50*	*23*	*27*	-
Equity securities	*2,483*	*305*	-	*2,178*
Debt instruments at fair value through other comprehensive income qualifying for reclassification	75,408	64,314	11,094	-
Government securities and similar securities	*27,160*	*26,930*	*230*	-
Other bonds and fixed income securities	*37,913*	*37,384*	*530*	-
Loans and receivables	*10,334*	-	*10,334*	-
Financial assets at fair value through other comprehensive income	**78,948**	**65,648**	**11,122**	**2,178**
Derivatives	**-**	**-**	**-**	**-**
Total assets measured at fair value	**127,006**	**99,144**	**25,590**	**2,272**
Transfers from Level 1	-		-	-
Transfers from Level 2	-	-		-
Transfers from Level 3	-	-	-	
Total transfers to each of the levels	**-**	**-**	**-**	**-**

2.8.7 Changes in the balance of level 3 assets at fair value

(in € million)	Debt instruments	Equity instruments	Total
Balance at 12/31/2022	**-**	**2,272**	**2,272**
Gains and losses from the period	-	281	281
Recognized through profit or loss	-	*6*	*6*
Recognized through equity	-	*275*	*275*
Purchases / issuances of the period	-	13	13
Disposals / redemptions of the period	-	-1	-1
Transfers during the period:	-	-	-
To level 3	-	-	-
From level 3	-	-	-
Change in scope of consolidation	-	-	-
Balance at 12/31/2023	**-**	**2,565**	**2,565**

2.8.8 Securities subject to impairment

Financial assets at amortized cost:

(in € million)	Stage 1 Expected losses at 12 months		Stage 2 Expected loss at maturity		Stage 3 Impaired assets		Total	
	Gross value	Impairment	Gross value	Impairment	Gross value	Impairment	Gross value	Impairment
Balance at 12/31/2022	**23**	**-**	**-**	**-**	**-**	**-**	**23**	**-**
Transfers from Stage 1	-	-	-	-	-	-	-	-
Transfers from Stage 2	-	-	-	-	-	-	-	-
Transfers from Stage 3	-	-	-	-	-	-	-	-
Total after transfers	**23**	**-**	**-**	**-**	**-**	**-**	**23**	**-**
Change in fair value	-	-	-	-	-	-	-	-
Acquisitions / Productions	-	-	-	-	-	-	-	-
Disposals / Repayments / Maturities	-1	-	-	-	-	-	-1	-
Change in credit risk	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Balance at 12/31/2023	**22**	**-**	**-**	**-**	**-**	**-**	**22**	**-**

Financial assets at fair value through other comprehensive income:

(in € million)	Stage 1 Expected losses at 12 months		Stage 2 Expected loss at maturity		Stage 3 Impaired assets		Total	
	Gross value	Impairment	Gross value	Impairment	Gross value	Impairment	Gross value	Impairment
Balance at 12/31/2022	**75,420**	**-25**	**13**	**-**	**18**	**-18**	**75,451**	**-43**
Transfers from Stage 1	-	-	-	-	-	-	-	-
Transfers from Stage 2	-	-	-	-	-	-	-	-
Transfers from Stage 3	-	-	-	-	-	-	-	-
Total after transfers	**75,420**	**-25**	**13**	**-**	**18**	**-18**	**75,451**	**-43**
Change in fair value	13,334	-1	-	-	-	-	13,334	-1
Acquisitions / Productions	3,277	-1	-	-	-	-	3,277	-1
Disposals / Repayments / Maturities	-11,017	2	-13	-	-	-	-11,031	2
Change in credit risk	-	-	-	-	-	-	-	-
Other changes	-263	-	-	-	-	-	-263	-
Balance at 12/31/2023	**80,750**	**-25**	**-**	**-**	**18**	**-18**	**80,768**	**-43**

2.8.9 Transferred financial assets not derecognized

(in € million)	12/31/2023	12/31/2022
Financial assets at fair value through other comprehensive income		
Government securities and similar securities	8,977	8,677
Other bonds		
Carrying amount of transferred assets	**8,977**	**8,677**
Carrying amount of related liabilities	**9,230**	**9,935**

2.8.10 Items underlying VFA contracts

(in € million)	12/31/2023	12/31/2022
Investment property	**2,667**	**3,091**
Operating property at fair value	**172**	**194**
Debt instruments	**102,749**	**95,190**
Government securities and similar securities	25,309	22,143
Other debt instruments	64,160	59,765
Money market UCITS	3,909	3,283
Loans and receivables	9,370	9,999
Equity instruments	**16,281**	**14,441**
Shares	13,455	11,542
Financial investments - Real estate equity and funds	1,567	1,913
Equity securities	1,258	986
Derivatives	**-**	**-**
Other assets	**248**	**1,145**
Total assets underlying VFA contracts	**122,117**	**114,062**
Financing debt to banking sector companies	8,686	9,307
Derivative liabilities	61	117
Loans / Financing debt (property companies)	49	169
Other debts	179	823
Total liabilities underlying VFA contracts	**8,975**	**10,416**
Total items underlying VFA contracts	**113,143**	**103,646**

2.8.11 Operating property and property, plant and equipment

(in € million)	12/31/2023	12/31/2022
Operating property at fair value	188	216
Operating property at amortized cost	-	-
Other property, plant and equipment	18	17
Real estate right of use	13	14
Net value of operating properties and other property, plant and equipment	**219**	**247**

2.8.12 Operating properties and property, plant and equipment by flow

(in € million)	12/31/2022	Acquisitions / Increases	Disposals / Decreases	Change in fair value	Change in scope of consolidation	Other movements	12/31/2023
Gross values	**277**	**7**	**-3**	**-28**	**-**	**-**	**253**
Operating property at fair value	216	-	-	-28	-	-	188
Operating property at amortized cost	-	-	-	-	-	-	-
Other property, plant and equipment	38	5	-1	-	-	-	42
Real estate right of use	23	2	-2	-	-	-	23
Depreciation	**-30**	**-6**	**2**	**-**	**-**	**-**	**-34**
Operating property at amortized cost	-	-	-	-	-	-	-
Other property, plant and equipment	-21	-3	1	-	-	-	-24
Real estate right of use	-9	-3	1	-	-	-	-10
Impairment	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Operating property at amortized cost	-	-	-	-	-	-	-
Other property, plant and equipment	-	-	-	-	-	-	-
Real estate right of use							
Net value of operating properties and other property, plant and equipment	**247**	**-**	**-1**	**-28**	**-**	**-**	**219**

(in € million)	12/31/2021	Acquisitions / Increases	Disposals / Decreases	Change in fair value	Change in scope of consolidation	Other movements	12/31/2022
Gross values	**340**	**11**	**-25**	**-7**	**-**	**-42**	**277**
Operating property at fair value	232	-	-10	-7	-	-	216
Operating property at amortized cost	25	-	-	-	-	-25	-
Other property, plant and equipment	45	10	-3	-	-	-13	38
Real estate right of use	38	1	-13	-	-	-4	23
Depreciation	**-49**	**-8**	**14**	**-**	**-**	**12**	**-30**
Operating property at amortized cost	-3	-	-	-	-	3	-
Other property, plant and equipment	-28	-3	2	-	-	8	-21
Real estate right of use	-18	-4	12	-	-	1	-9
Impairment	**-1**	**-**	**-**	**-**	**-**	**1**	**-**
Operating property at amortized cost	-1	-	-	-	-	1	-
Other property, plant and equipment	-	-	-	-	-	-	-
Real estate right of use							
Net value of operating properties and other property, plant and equipment	**290**	**3**	**-11**	**-7**	**-**	**-29**	**247**

2.8.13 Current and deferred tax assets and liabilities

(in € million)	12/31/2023		12/31/2022	
	Assets	Liabilities	Assets	Liabilities
Current tax receivables	52	6	43	5
Deferred taxes	58	-	122	-
Total current and deferred taxes	**110**	**6**	**165**	**5**

(in € million)	12/31/2023			12/31/2022		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Revaluation of investments	1,326	2,394	-1,069	2,196	1,898	299
Revaluation of insurance and reinsurance contracts	2,120	1,195	925	1,718	2,036	-318
Accounting-tax timing differences	204	-	204	156	8	147
Tax loss carryforwards	3	-	3	-	-	-
Other items	5	10	-5	1	8	-6
Compensation related to tax consolidation	-3,600	-3,600	-	-3,950	-3,950	-
Total deferred taxes	**58**	**-**	**58**	**122**	**-**	**122**
of which recognized in profit or loss			*-115*			*-146*
of which recognized in equity			*174*			*268*

2.8.14 Other receivables

(in € million)	12/31/2023	12/31/2022
	Net value	Net value
Tax and social security receivables	222	132
Receivables due from employees	-	-
Debit margin calls	349	1,354
Receivables due from partners	89	25
Accruals	16	14
Miscellaneous debtors	67	61
Total	**744**	**1,586**

2.8.15 Share capital at December 31, 2023

Shareholders	Number of shares	% of share capital	% of voting rights
BFCM	40,064,773	50.0%	50.0%
CIC	12,862,172	16.1%	16.1%
CFCM Nord Europe	8,181,455	10.2%	10.2%
CFCM Maine-Anjou, Basse Normandie	5,920,499	7.4%	7.4%
CRCM Loire-Atlantique, Centre-Ouest	4,330,811	5.4%	5.4%
CFCM Océan	2,307,412	2.9%	2.9%
CRCM Anjou	1,499,147	1.9%	1.9%
CRCM Centre	1,184,093	1.5%	1.5%
CRCM Midi Atlantique	927,374	1.2%	1.2%
CRCM Ile-de-France	558,386	0.7%	0.7%
CRCM Normandie	547,203	0.7%	0.7%
CRCM Savoie - Mont Blanc	499,894	0.6%	0.6%
CCM Sud Est	445,061	0.6%	0.6%
CRCM Méditerranée	435,034	0.5%	0.5%
CRCM Dauphiné Vivarais	303,452	0.4%	0.4%
Caisse Fédérale de Crédit Mutuel	1	0.0%	0.0%
Fédération du Crédit Mutuel Centre Est Europe	1	0.0%	0.0%
Total	**80,066,768**	**100.0%**	**100.0%**

GACM SA has not issued preferred shares.

2.8.16 Earnings per share

	12/31/2023	12/31/2022
Net profit (loss) – Group share for the period (in € million)	828	817
Weighted average number of ordinary shares outstanding during the period	80,066,768	80,066,768
Earnings per share* (in €)	10.3	10.2

* Identical to diluted earnings.

2.8.17 Dividends

In accordance with the decisions of the General Meetings of May 10, 2023 and December 18, 2023, GACM SA paid an ordinary dividend and an exceptional dividend, deducted from the items “Premiums related to share capital” and “Retained earnings”.

	12/31/2023
Ordinary dividend per share (in €)	6.17
Exceptional dividend per share (in €)	7.74
Total dividend (in € million)	1,114

2.8.18 Provisions for contingencies and expenses

(in € million)	12/31/2022	Allocation	Reversals used	Reversals not used	Effect of actuarial gains and losses	Change in scope of consolidation	Other movements	12/31/2023
Pension benefit obligations	35	1	-	-	8	-	-	45
Provisions for expenses	3	3	-3	-	-	-	-	3
Provisions for contingencies	9	5	-1	-	-	-	-	12
Total	**48**	**9**	**-4**	**-**	**8**	**-**	**-**	**60**

(in € million)	12/31/2021	Allocation	Reversals used	Reversals not used	Effect of actuarial gains and losses	Change in scope of consolidation	Other movements	12/31/2022
Pension benefit obligations	50	2	-3	-	-9	-	-5	35
Provisions for expenses	-	3	-	-	-	-	-	3
Provisions for contingencies	7	20	-3	-	-	-	-15	9
Total	**58**	**25**	**-6**	**-**	**-9**	**-**	**-21**	**48**

2.8.19 Financing debt

(in € million)	12/31/2023	12/31/2022
Subordinated debt	1,561	1,561
Financing debt to banking sector companies	35	162
Loans	*35*	*162*
Other financing debt	30	31
IFRS 16 lease obligations	*13*	*14*
Other financing debt	*17*	*17*
Total financing debt	**1,627**	**1,754**

Detail of subordinated debts is shown below:

(in € million)	2014	2021
Type	**Redeemable subordinated note**	**Redeemable subordinated note**
Issuance date	06/04/2014	10/21/2021
ISIN	FR0011947720	FR0014006144
Listing	Euronext Paris	Euronext Growth Paris
Term	10 years	20,5 years
Currency	Euro	Euro
Amount	150	750
Number of shares	1,500	7,500
Par (in €)	100,000	100,000
Nominal rate	4.63 %	Fixed at 1.85% until April 21, 2032 Variable at 3-month Euribor + 2.65% thereafter
Redemption price	Par	Par
Issue costs (at issue)	1	4
Redemption premium (at issue)	-	2
Amortization	Redemption at par June 4, 2024	Redemption at par April 21, 2042 Possibility of redemption at 10 years
Related derivatives	None	None

(in € million)	2015	2016	2019
Type	**Subordinated debt**	**Subordinated debt**	**Subordinated debt**
Issuance date	12/04/2015	03/23/2016	12/18/2019
ISIN	N/A	N/A	N/A
Listing	N/A	N/A	N/A
Term	10 years	10 years	10 years
Currency	Euro	Euro	Euro
Amount	100	50	500
Number of shares	N/A	N/A	N/A
Par	N/A	N/A	N/A
Nominal rate	3.85%	3.65%	1.82%
Redemption price	Par	Par	Par
Issuance expenses	-	-	-
Redemption premium	-	-	-
Amortization	Redemption at par December 4, 2025	Redemption at par March 23, 2026	Redemption at par December 18, 2029
Related derivatives	None	None	None

On issuance, the debt financings are recorded according to the amortized cost method. This method amortizes through profit or loss the differences between the acquisition price and the redemption price. Costs directly attributable to the issuance (commission, fees, etc.) are spread over the term of the debt. The interest expense for 2023 is €36 million.

2.8.20 Insurance and reinsurance contracts by segment

					12/31/2023
(in € million)	Property & casualty insurance	Health, protection & creditor insurance	Savings & retirement insurance	Other	Total
Assets arising from direct insurance contracts	-	15	-	-	15
Assets arising from direct insurance contracts	**-**	**15**	**-**	**-**	**15**
Liabilities arising from direct insurance contracts	2,861	4,299	113,081	-	120,240
Receivables and payables relating to insurance contracts	-	-	-	-558	-558
Liabilities arising from direct insurance contracts	**2,861**	**4,299**	**113,081**	**-558**	**119,682**
Assets arising from reinsurance contracts	232	182	-	-	414
Receivables and payables relating to reinsurance contracts	-	-	-	-102	-102
Assets arising from reinsurance contracts	**232**	**182**	**-**	**-102**	**312**
Liabilities arising from reinsurance contracts	**-**	**-**	**-**	**-**	**-**

					12/31/2022
(in € million)	Property & casualty insurance	Health, protection & creditor insurance	Savings & retirement insurance	Other	Total
Assets arising from direct insurance contracts	-	18	-	-	18
Assets arising from direct insurance contracts	**-**	**18**	**-**	**-**	**18**
Liabilities arising from direct insurance contracts	2,615	3,699	104,401	-	110,715
Receivables and payables relating to insurance contracts	-	-	-	-299	-299
Liabilities arising from direct insurance contracts	**2,615**	**3,699**	**104,401**	**-299**	**110,416**
Assets arising from reinsurance contracts	210	176	-	-	386
Receivables and payables relating to reinsurance contracts	-	-	-	-57	-57
Assets arising from reinsurance contracts	**210**	**176**	**-**	**-57**	**328**
Liabilities arising from reinsurance contracts	**-**	**-**	**-**	**-**	**-**

2.8.21 Reconciliation of opening/closing provisions for insurance contracts in accordance with paragraph 100 of IFRS 17

Property & casualty insurance

						12/31/2023
			Liability for incurred claims (LIC)			
(in € million)	Liability for remaining coverage - excluding loss component	Liability for remaining coverage - loss component	Non-PAA contracts	Estimates of future cash flows for PAA contracts (BE)	Risk adjustment for non-financial risk for PAA contracts (RA)	Total
Opening insurance contract assets	-	-	-	-	-	-
Opening insurance contract liabilities	197	25	-	2,322	71	2,615
Opening net carrying amounts of insurance contracts	**197**	**25**	**-**	**2,322**	**71**	**2,615**
Insurance revenue	**-2,546**					**-2,546**
Incurred claims and other insurance service expenses		-25	1	2,552	23	2,551
Amortization of insurance acquisition cash flows	-					-
Losses and reversals of losses on onerous contracts		47				47
Changes in fulfilment cash flows relating to the liability for incurred claims			-1	6	-19	-13
Insurance expenses	**-**	**22**	**-**	**2,559**	**4**	**2,584**
Investment components	**-**		**-**			**-**
Insurance service result	**-2,546**	**22**	**-**	**2,559**	**4**	**39**
Net finance income or expenses from insurance contracts OCI	2	-	-	62	2	66
Net finance income or expenses from insurance contracts excluding OCI	-2	-	-	34	1	34
Effect of exchange rates movements	-	-	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-**	**-**	**-**	**96**	**3**	**99**
Premiums received	2,552					2,552
Claims and other insurance service expenses paid			-	-2,450		-2,450
Insurance acquisition cash flows	-					-
Total cash flows	**2,552**	**-**	**-**	**-2,450**	**-**	**101**
Transfer to other items in the statement of financial position	**-1**	**-1**	**-**	**9**	**-**	**6**
Closing insurance contract assets	-	-	-	-	-	-
Closing insurance contract liabilities	202	46	-	2,535	77	2,861
Closing net carrying amounts of insurance contract	**202**	**46**	**-**	**2,535**	**77**	**2,861**

(in € million)			Liability for incurred claims (LIC)			12/31/2022
	Liability for remaining coverage - excluding loss component	Liability for remaining coverage - loss component	Non-PAA contracts	Estimates of future cash flows for PAA contracts (BE)	Risk adjustment for non-financial risk for PAA contracts (RA)	Total
Opening insurance contract assets	-	-	-	-	-	-
Opening insurance contract liabilities	248	56	-	2,386	77	2,767
Opening net carrying amounts of insurance contracts	**248**	**56**	**-**	**2,386**	**77**	**2,767**
Insurance revenue	**-2,506**					**-2,506**
Incurred claims and other insurance service expenses		-45	-1	2,583	22	2,560
Amortization of insurance acquisition cash flows	30					30
Losses and reversals of losses on onerous contracts		28				28
Changes in fulfilment cash flows relating to the liability for incurred claims			-	-79	-18	-97
Insurance expenses	**30**	**-17**	**-1**	**2,505**	**4**	**2,521**
Investment components	**-**		**-**			**-**
Insurance service result	**-2,476**	**-17**	**-1**	**2,505**	**4**	**15**
Net finance income or expenses from insurance contracts OCI	-1	-	-	-184	-8	-194
Net finance income or expenses from insurance contracts excluding OCI	-	-	-	10	-	10
Effect of exchange rates movements	-	-	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-1**	**-**	**-**	**-174**	**-8**	**-184**
Premiums received	2,500					2,500
Claims and other insurance service expenses paid			1	-2,331		-2,330
Insurance acquisition cash flows	-31					-31
Total cash flows	**2,470**	**-**	**1**	**-2,331**	**-**	**140**
Transfer to other items in the statement of financial position	**-43**	**-14**	**-**	**-63**	**-2**	**-122**
Closing insurance contract assets	-	-	-	-	-	-
Closing insurance contract liabilities	197	25	-	2,322	71	2,615
Closing net carrying amounts of insurance contract	**197**	**25**	**-**	**2,322**	**71**	**2,615**

Health, protection & creditor insurance

(in € million)	12/31/2023					
	Liability for remaining coverage - excluding loss component	Liability for remaining coverage - loss component	Liability for incurred claims (LIC)			Total
			Non-PAA contracts	Estimates of future cash flows for PAA contracts (BE)	Risk adjustment for non-financial risk for PAA contracts (RA)	
Opening insurance contract assets	-18	-	-	-	-	-18
Opening insurance contract liabilities	1,562	47	986	1,080	24	3,699
Opening net carrying amounts of insurance contracts	**1,544**	**47**	**986**	**1,080**	**24**	**3,681**
Insurance revenue	**-3,654**					**-3,654**
Incurred claims and other insurance service expenses		-22	1,219	1,943	10	3,149
Amortization of insurance acquisition cash flows	10					10
Losses and reversals of losses on onerous contracts		29				29
Changes in fulfilment cash flows relating to the liability for incurred claims			-45	23	-7	-29
Insurance expenses	**10**	**7**	**1,174**	**1,966**	**4**	**3,160**
Investment components	**-**		**-**			**-**
Insurance service result	**-3,644**	**7**	**1,174**	**1,966**	**4**	**-494**
Net finance income or expenses from insurance contracts OCI	155	-	15	22	1	192
Net finance income or expenses from insurance contracts excluding OCI	-8	2	11	12	-	17
Effect of exchange rates movements	-	-	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**147**	**2**	**26**	**34**	**1**	**210**
Premiums received	3,897					3,897
Claims and other insurance service expenses paid			-1,118	-1,867		-2,985
Insurance acquisition cash flows	-19					-19
Total cash flows	**3,878**	**-**	**-1,118**	**-1,867**	**-**	**893**
Transfer to other items in the statement of financial position	**-12**	**-**	**18**	**-12**	**-**	**-6**
Closing insurance contract assets	-16	-	1	-	-	-15
Closing insurance contract liabilities	1,929	56	1,085	1,200	29	4,299
Closing net carrying amounts of insurance contract	**1,912**	**56**	**1,086**	**1,200**	**29**	**4,284**

(in € million)			Liability for incurred claims (LIC)			12/31/2022
	Liability for remaining coverage - excluding loss component	Liability for remaining coverage - loss component	Non-PAA contracts	Estimates of future cash flows for PAA contracts (BE)	Risk adjustment for non-financial risk for PAA contracts (RA)	Total
Opening insurance contract assets	-27	-	-	-	-	-26
Opening insurance contract liabilities	2,110	6	1,024	1,162	25	4,327
Opening net carrying amounts of insurance contracts	**2,083**	**6**	**1,025**	**1,162**	**25**	**4,301**
Insurance revenue	**-3,506**					**-3,506**
Incurred claims and other insurance service expenses		-9	1,171	1,667	9	2,838
Amortization of insurance acquisition cash flows	32					32
Losses and reversals of losses on onerous contracts		50				50
Changes in fulfilment cash flows relating to the liability for incurred claims			-19	145	-4	122
Insurance expenses	**32**	**41**	**1,153**	**1,812**	**5**	**3,042**
Investment components	**-**		**-**			**-**
Insurance service result	**-3,474**	**41**	**1,153**	**1,812**	**5**	**-464**
Net finance income or expenses from insurance contracts OCI	-633	-	-109	-107	-4	-853
Net finance income or expenses from insurance contracts excluding OCI	15	-	9	2	-	26
Effect of exchange rates movements	-	-	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-618**	**-**	**-100**	**-105**	**-4**	**-827**
Premiums received	3,694					3,694
Claims and other insurance service expenses paid			-1,076	-1,756		-2,832
Insurance acquisition cash flows	-36					-36
Total cash flows	**3,658**	**-**	**-1,076**	**-1,756**	**-**	**826**
Transfer to other items in the statement of financial position	**-106**	**-**	**-15**	**-32**	**-1**	**-155**
Closing insurance contract assets	-18	-	-	-	-	-18
Closing insurance contract liabilities	1,562	47	986	1,080	24	3,699
Closing net carrying amounts of insurance contract	**1,544**	**47**	**986**	**1,080**	**24**	**3,681**

Savings & retirement insurance

	12/31/2023					
			Liability for incurred claims (LIC)			
(in € million)	Liability for remaining coverage - excluding loss component	Liability for remaining coverage - loss component	Non-PAA contracts	Estimates of future cash flows for PAA contracts (BE)	Risk adjustment for non-financial risk for PAA contracts (RA)	Total
Opening insurance contract assets	-	-	-	-	-	-
Opening insurance contract liabilities	104,401	-	-	-	-	104,401
Opening net carrying amounts of insurance contracts	**104,401**	**-**	**-**	**-**	**-**	**104,401**
Insurance revenue	**-1,098**					**-1,098**
Incurred claims and other insurance service expenses		-	588	-	-	588
Amortization of insurance acquisition cash flows	4					4
Losses and reversals of losses on onerous contracts		-1				-1
Changes in fulfilment cash flows relating to the liability for incurred claims			4	-	-	4
Insurance expenses	**4**	**-1**	**592**	**-**	**-**	**594**
Investment components	**-6,406**		**6,406**			**-**
Insurance service result	**-7,500**	**-1**	**6,998**	**-**	**-**	**-504**
Net finance income or expenses from insurance contracts OCI	3,026	-	-	-	-	3,026
Net finance income or expenses from insurance contracts excluding OCI	5,685	-	-	-	-	5,685
Effect of exchange rates movements	-	-	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**8,711**	**-**	**-**	**-**	**-**	**8,711**
Premiums received	7,440					7,440
Claims and other insurance service expenses paid			-6,998	-		-6,998
Insurance acquisition cash flows	-8					-8
Total cash flows	**7,432**	**-**	**-6,998**	**-**	**-**	**434**
Transfer to other items in the statement of financial position	**38**	**1**	**-**	**-**	**-**	**39**
Closing insurance contract assets	-	-	-	-	-	-
Closing insurance contract liabilities	113,081	-	-	-	-	113,081
Closing net carrying amounts of insurance contract	**113,081**	**-**	**-**	**-**	**-**	**113,081**

(in € million)			Liability for incurred claims (LIC)			12/31/2022
	Liability for remaining coverage - excluding loss component	Liability for remaining coverage - loss component	Non-PAA contracts	Estimates of future cash flows for PAA contracts (BE)	Risk adjustment for non-financial risk for PAA contracts (RA)	Total
Opening insurance contract assets	-	-	-	-	-	-
Opening insurance contract liabilities	117,906	-	1	-	-	117,907
Opening net carrying amounts of insurance contracts	**117,906**	**-**	**1**	**-**	**-**	**117,907**
Insurance revenue	**-1,074**					**-1,074**
Incurred claims and other insurance service expenses		-	584	-	-	584
Amortization of insurance acquisition cash flows	4					4
Losses and reversals of losses on onerous contracts		2				2
Changes in fulfilment cash flows relating to the liability for incurred claims			4	-	-	4
Insurance expenses	**4**	**2**	**588**	**-**	**-**	**594**
Investment components	**-5,632**		**5,632**			**-**
Insurance service result	**-6,701**	**2**	**6,219**	**-**	**-**	**-480**
Net finance income or expenses from insurance contracts OCI	-10,829	-	-	-	-	-10,829
Net finance income or expenses from insurance contracts excluding OCI	-2,716	-	-	-	-	-2,716
Effect of exchange rates movements	-	-	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-13,546**	**-**	**-**	**-**	**-**	**-13,546**
Premiums received	7,007					7,007
Claims and other insurance service expenses paid			-6,219	-		-6,219
Insurance acquisition cash flows	-7					-7
Total cash flows	**7,000**	**-**	**-6,219**	**-**	**-**	**781**
Transfer to other items in the statement of financial position	**-258**	**-2**	**-1**	**-**	**-**	**-261**
Closing insurance contract assets	-	-	-	-	-	-
Closing insurance contract liabilities	104,401	-	-	-	-	104,401
Closing net carrying amounts of insurance contract	**104,401**	**-**	**-**	**-**	**-**	**104,401**

2.8.22 Reconciliation of opening/closing provisions for reinsurance contracts in accordance with paragraph 100 of IFRS 17

Property & casualty insurance

	12/31/2023					
			Assets for incurred claims (LIC)			
(in € million)	Assets for remaining coverage - excluding cover of loss component	Assets for remaining coverage - cover of loss component	Non-PAA contracts	Estimates of future cash flows for PAA contracts (BE)	Risk adjustment for non-financial risk for PAA contracts (RA)	Total
Opening reinsurance contract assets	4	-	-	199	6	210
Opening reinsurance contract liabilities	-	-	-	-	-	-
Opening net carrying amounts of reinsurance contracts	**4**	**-**	**-**	**199**	**6**	**210**
Allocation of reinsurance premiums paid	**-93**					**-93**
Recoveries of incurred claims and other insurance service expenses		-	-	48	1	49
Changes in the loss-recovery component relating to onerous underlying contracts		2				2
Changes in fulfilment cash flows related to asset for incurred claims			-	13	-1	12
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-
Amounts recovered from the reinsurer	**-**	**2**	**-**	**61**	**-**	**64**
Investment components						
Net profit (loss) arising from reinsurance contracts	**-93**	**2**	**-**	**61**	**-**	**-29**
Insurance finance income or expenses from reinsurance contracts held OCI	-	-	-	6	-	6
Insurance finance income or expenses from reinsurance contracts held excluding OCI	-	-	-	3	-	3
Effect of exchange rates movements	-	-	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-**	**-**	**-**	**9**	**-**	**9**
Premiums paid	93					93
Amounts recovered			-	-51		-51
Cash flows from contract acquisition	-					-
Total cash flows	**93**	**-**	**-**	**-51**	**-**	**42**
Transfer to other items in the statement of financial position	**-**	**-**	**-**	**-**	**-**	**-**
Closing reinsurance contract assets	4	2	-	218	7	232
Closing reinsurance contract liabilities	-	-	-	-	-	-
Closing net carrying amounts of reinsurance contracts	**4**	**2**	**-**	**218**	**7**	**232**

(in € million)	Assets for remaining coverage - excluding cover of loss component	Assets for remaining coverage - cover of loss component	Assets for incurred claims (LIC) Non-PAA contracts	Estimates of future cash flows for PAA contracts (BE)	Risk adjustment for non-financial risk for PAA contracts (RA)	Total 12/31/2022
Opening reinsurance contract assets	-	11	-	145	5	161
Opening reinsurance contract liabilities	-	-	-	-	-	-
Opening net carrying amounts of reinsurance contracts	**-**	**11**	**-**	**145**	**5**	**161**
Allocation of reinsurance premiums paid	**-84**					**-84**
Recoveries of incurred claims and other insurance service expenses		-	-	161	2	163
Changes in the loss-recovery component relating to onerous underlying contracts		1				1
Changes in fulfilment cash flows related to asset for incurred claims			-	21	-	21
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-
Amounts recovered from the reinsurer	**-**	**1**	**-**	**182**	**2**	**186**
Investment components						
Net profit (loss) arising from reinsurance contracts	**-84**	**1**	**-**	**182**	**2**	**101**
Insurance finance income or expenses from reinsurance contracts held OCI	-	-	-	-20	-1	-21
Insurance finance income or expenses from reinsurance contracts held excluding OCI	-	-	-	-	-	-
Effect of exchange rates movements	-	-	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-**	**-**	**-**	**-20**	**-1**	**-21**
Premiums paid	88					88
Amounts recovered			-	-103		-103
Cash flows from contract acquisition	-					-
Total cash flows	**88**	**-**	**-**	**-103**	**-**	**-15**
Transfer to other items in the statement of financial position	**-**	**-12**	**-**	**-5**	**-**	**-17**
Closing reinsurance contract assets	4	-	-	199	6	210
Closing reinsurance contract liabilities	-	-	-	-	-	-
Closing net carrying amounts of reinsurance contracts	**4**	**-**	**-**	**199**	**6**	**210**

Health, protection & creditor insurance

(in € million)	12/31/2023					
	Assets for remaining coverage - excluding cover of loss component	Assets for remaining coverage - cover of loss component	Assets for incurred claims (LIC)			Total
			Non-PAA contracts	Estimates of future cash flows for PAA contracts (BE)	Risk adjustment for non-financial risk for PAA contracts (RA)	
Opening reinsurance contract assets	140	-	31	5	-	176
Opening reinsurance contract liabilities	-	-	-	-	-	-
Opening net carrying amounts of reinsurance contracts	**140**	**-**	**31**	**5**	**-**	**176**
Allocation of reinsurance premiums paid	**-34**					**-34**
Recoveries of incurred claims and other insurance service expenses		-	10	10	-	20
Changes in the loss-recovery component relating to onerous underlying contracts		-				-
Changes in fulfilment cash flows related to asset for incurred claims			5	5	-	10
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-
Amounts recovered from the reinsurer	**-**	**-**	**14**	**15**	**-**	**30**
Investment components						
Net profit (loss) arising from reinsurance contracts	**-34**	**-**	**14**	**15**	**-**	**-4**
Insurance finance income or expenses from reinsurance contracts held OCI	8	-	-	-	-	8
Insurance finance income or expenses from reinsurance contracts held excluding OCI	1	-	-	-	-	1
Effect of exchange rates movements	-	-	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**9**	**-**	**1**	**-**	**-**	**10**
Premiums paid	24					24
Amounts recovered			-11	-13		-24
Cash flows from contract acquisition	-					-
Total cash flows	**24**	**-**	**-11**	**-13**	**-**	**-**
Transfer to other items in the statement of financial position	**-**	**-**	**-**	**-**	**-**	**-**
Closing reinsurance contract assets	140	-	35	7	-	182
Closing reinsurance contract liabilities	-	-	-	-	-	-
Closing net carrying amounts of reinsurance contracts	**140**	**-**	**35**	**7**	**-**	**182**

						12/31/2022
			Assets for incurred claims (LIC)			
(in € million)	Assets for remaining coverage - excluding cover of loss component	Assets for remaining coverage - cover of loss component	Non-PAA contracts	Estimates of future cash flows for PAA contracts (BE)	Risk adjustment for non-financial risk for PAA contracts (RA)	Total
Opening reinsurance contract assets	198	-	36	4	-	238
Opening reinsurance contract liabilities	-	-	-	-	-	-
Opening net carrying amounts of reinsurance contracts	**198**	**-**	**36**	**4**	**-**	**238**
Allocation of reinsurance premiums paid	**-35**					**-35**
Recoveries of incurred claims and other insurance service expenses		-	18	5	-	23
Changes in the loss-recovery component relating to onerous underlying contracts		-				-
Changes in fulfilment cash flows related to asset for incurred claims			-7	6	-	-1
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-
Amounts recovered from the reinsurer	**-**	**-**	**11**	**11**	**-**	**22**
Investment components						
Net profit (loss) arising from reinsurance contracts	**-35**	**-**	**11**	**11**	**-**	**-14**
Insurance finance income or expenses from reinsurance contracts held OCI	-45	-	-4	-	-	-49
Insurance finance income or expenses from reinsurance contracts held excluding OCI	-	-	-	-	-	-
Effect of exchange rates movements	-	-	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-45**	**-**	**-4**	**-**	**-**	**-49**
Premiums paid	24					24
Amounts recovered			-12	-9		-21
Cash flows from contract acquisition	-					-
Total cash flows	**24**	**-**	**-12**	**-9**	**-**	**3**
Transfer to other items in the statement of financial position	**-1**	**-**	**-**	**-1**	**-**	**-2**
Closing reinsurance contract assets	140	-	31	5	-	176
Closing reinsurance contract liabilities	-	-	-	-	-	-
Closing net carrying amounts of reinsurance contracts	**140**	**-**	**31**	**5**	**-**	**176**

2.8.23 Reconciliation of opening/closing provisions for insurance contracts in accordance with paragraph 101 of IFRS 17

Property & casualty insurance

				12/31/2023
(in € million)	Estimates of present value of future cash flows (BE)	Risk adjustment for non-financial risk (RA)	Contractual service margin (CSM)	Total
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	10	-	2	12
Opening net carrying amounts of insurance contracts	**10**	**-**	**2**	**12**
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services			-	-
Change in risk adjustment for non-financial risk for risk expired		-		-
Experience adjustments on current occurrence	-2	-		-2
Changes that relate to current service	**-2**	**-**	**-**	**-3**
Effects of contracts initially recognized in the period	-	-	-	-
Changes in estimates that adjust the contractual service margin	-	-	-	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	-	-		-
Changes that relate to future services	**1**	**-**	**-**	**1**
Changes in fulfilment cash flows relating to incurred claims	-1	-		-1
Changes that relate to past service	**-1**	**-**	**-**	**-1**
Insurance service result	**-2**	**-**	**-**	**-3**
Insurance finance income or expenses from insurance contracts OCI	-	-	-	-
Insurance finance income or expenses from insurance contracts excluding OCI	-	-	-	-
Effect of exchange rates movements	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-**	**-**	**-**	**-**
Premiums received	-			-
Claims and other insurance service expenses paid	-			-
Insurance acquisition cash flows	-			-
Total cash flows	**1**	**-**	**-**	**1**
Transfer to other items in the statement of financial position	**-**	**-**	**-**	**-**
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	9	-	2	11
Closing net carrying amounts of insurance contract	**9**	**-**	**2**	**11**

(in € million)	Estimates of present value of future cash flows (BE)	Risk adjustment for non-financial risk (RA)	Contractual service margin (CSM)	Total
				12/31/2022
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	15	1	1	16
Opening net carrying amounts of insurance contracts	**15**	**1**	**1**	**16**
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services			-	-
Change in risk adjustment for non-financial risk for risk expired		-		-
Experience adjustments on current occurrence	-4	-		-4
Changes that relate to current service	**-4**	**-**	**-**	**-5**
Effects of contracts initially recognized in the period	1	-	-	1
Changes in estimates that adjust the contractual service margin	-1	-	1	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	-	-		-
Changes that relate to future services	**-**	**-**	**1**	**1**
Changes in fulfilment cash flows relating to incurred claims	-	-		-
Changes that relate to past service	**-**	**-**	**-**	**-**
Insurance service result	**-4**	**-**	**1**	**-4**
Insurance finance income or expenses from insurance contracts OCI	-1	-	-	-1
Insurance finance income or expenses from insurance contracts excluding OCI	-	-	-	-
Effect of exchange rates movements	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-1**	**-**	**-**	**-1**
Premiums received	1			1
Claims and other insurance service expenses paid	1			1
Insurance acquisition cash flows	-			-
Total cash flows	**1**	**-**	**-**	**1**
Transfer to other items in the statement of financial position	**-**	**-**	**-**	**-**
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	10	-	2	12
Closing net carrying amounts of insurance contract	**10**	**-**	**2**	**12**

Health, protection & creditor insurance

(in € million)				12/31/2023
	Estimates of present value of future cash flows (BE)	Risk adjustment for non-financial risk (RA)	Contractual service margin (CSM)	Total
Opening insurance contract assets	-51	16	18	-18
Opening insurance contract liabilities	481	854	1,042	2,377
Opening net carrying amounts of insurance contracts	**430**	**869**	**1,060**	**2,359**
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services			-183	-183
Change in risk adjustment for non-financial risk for risk expired		-94		-94
Experience adjustments on current occurrence	-3	18		15
Changes that relate to current service	**-3**	**-76**	**-183**	**-262**
Effects of contracts initially recognized in the period	-123	111	54	42
Changes in estimates that adjust the contractual service margin	-86	-19	105	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	-33	6		-27
Changes that relate to future services	**-242**	**98**	**159**	**15**
Changes in fulfilment cash flows relating to incurred claims	-32	-13		-45
Changes that relate to past service	**-32**	**-13**	**-**	**-45**
Insurance service result	**-277**	**9**	**-23**	**-292**
Insurance finance income or expenses from insurance contracts OCI	106	63	-	169
Insurance finance income or expenses from insurance contracts excluding OCI	-25	13	18	6
Effect of exchange rates movements	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**81**	**76**	**18**	**175**
Premiums received	1,538			1,538
Claims and other insurance service expenses paid	-1,121			-1,121
Insurance acquisition cash flows	-19			-19
Total cash flows	**398**	**-**	**-**	**398**
Transfer to other items in the statement of financial position	**1**	**3**	**-7**	**-3**
Closing insurance contract assets	-60	18	27	-15
Closing insurance contract liabilities	693	939	1,020	2,651
Closing net carrying amounts of insurance contract	**632**	**957**	**1,047**	**2,637**

(in € million)				12/31/2022
	Estimates of present value of future cash flows (BE)	Risk adjustment for non-financial risk (RA)	Contractual service margin (CSM)	Total
Opening insurance contract assets	-48	14	8	-26
Opening insurance contract liabilities	743	979	1,340	3,062
Opening net carrying amounts of insurance contracts	**694**	**992**	**1,349**	**3,036**
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services			-185	-185
Change in risk adjustment for non-financial risk for risk expired		-94		-94
Experience adjustments on current occurrence	-47	17		-30
Changes that relate to current service	**-47**	**-77**	**-185**	**-309**
Effects of contracts initially recognized in the period	-254	171	110	26
Changes in estimates that adjust the contractual service margin	119	94	-213	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	52	-37		14
Changes that relate to future services	**-83**	**227**	**-104**	**40**
Changes in fulfilment cash flows relating to incurred claims	-7	-12		-19
Changes that relate to past service	**-7**	**-12**	**-**	**-19**
Insurance service result	**-137**	**138**	**-289**	**-288**
Insurance finance income or expenses from insurance contracts OCI	-494	-248	-	-742
Insurance finance income or expenses from insurance contracts excluding OCI	2	7	16	24
Effect of exchange rates movements	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-493**	**-241**	**16**	**-718**
Premiums received	1,536			1,536
Claims and other insurance service expenses paid	-1,077			-1,077
Insurance acquisition cash flows	-13			-13
Total cash flows	**447**	**-**	**-**	**447**
Transfer to other items in the statement of financial position	**-82**	**-20**	**-16**	**-118**
Closing insurance contract assets	-51	16	18	-18
Closing insurance contract liabilities	481	854	1,042	2,377
Closing net carrying amounts of insurance contract	**430**	**869**	**1,060**	**2,359**

Savings & retirement insurance

(in € million)				12/31/2023
	Estimates of present value of future cash flows (BE)	Risk adjustment for non-financial risk (RA)	Contractual service margin (CSM)	Total
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	99,125	657	4,620	104,401
Opening net carrying amounts of insurance contracts	**99,125**	**657**	**4,620**	**104,401**
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services			-432	-432
Change in risk adjustment for non-financial risk for risk expired		-42		-42
Experience adjustments on current occurrence	-32	-		-32
Changes that relate to current service	**-32**	**-42**	**-432**	**-507**
Effects of contracts initially recognized in the period	-82	12	71	-
Changes in estimates that adjust the contractual service margin	-1,629	212	1,417	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	-1	-		-2
Changes that relate to future services	**-1,713**	**224**	**1,488**	**-1**
Changes in fulfilment cash flows relating to incurred claims	4	-		4
Changes that relate to past service	**4**	**-**	**-**	**4**
Insurance service result	**-1,741**	**182**	**1,055**	**-504**
Insurance finance income or expenses from insurance contracts OCI	3,026	-	-	3,026
Insurance finance income or expenses from insurance contracts excluding OCI	5,685	-	-	5,685
Effect of exchange rates movements	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**8,710**	**-**	**-**	**8,711**
Premiums received	7,440			7,440
Claims and other insurance service expenses paid	-6,998			-6,998
Insurance acquisition cash flows	-8			-8
Total cash flows	**434**	**-**	**-**	**434**
Transfer to other items in the statement of financial position	**39**	**2**	**-2**	**39**
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	106,567	841	5,673	113,081
Closing net carrying amounts of insurance contract	**106,567**	**841**	**5,673**	**113,081**

(in € million)	Estimates of present value of future cash flows (BE)	Risk adjustment for non-financial risk (RA)	Contractual service margin (CSM)	Total 12/31/2022
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	114,453	389	3,065	117,907
Opening net carrying amounts of insurance contracts	**114,453**	**389**	**3,065**	**117,907**
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services			-421	-421
Change in risk adjustment for non-financial risk for risk expired		-21		-21
Experience adjustments on current occurrence	-43	-		-43
Changes that relate to current service	**-43**	**-21**	**-421**	**-486**
Effects of contracts initially recognized in the period	-28	6	23	2
Changes in estimates that adjust the contractual service margin	-2,249	290	1,959	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	-	-		-
Changes that relate to future services	**-2,276**	**296**	**1,982**	**2**
Changes in fulfilment cash flows relating to incurred claims	4	-		4
Changes that relate to past service	**4**	**-**	**-**	**4**
Insurance service result	**-2,315**	**275**	**1,561**	**-480**
Insurance finance income or expenses from insurance contracts OCI	-10,828	-1	-	-10,829
Insurance finance income or expenses from insurance contracts excluding OCI	-2,716	-	-	-2,716
Effect of exchange rates movements	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-13,545**	**-1**	**-**	**-13,546**
Premiums received	7,007			7,007
Claims and other insurance service expenses paid	-6,219			-6,219
Insurance acquisition cash flows	-7			-7
Total cash flows	**781**	**-**	**-**	**781**
Transfer to other items in the statement of financial position	**-249**	**-6**	**-6**	**-261**
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	99,125	657	4,620	104,401
Closing net carrying amounts of insurance contract	**99,125**	**657**	**4,620**	**104,401**

2.8.24 Reconciliation of opening/closing provisions for reinsurance contracts in accordance with paragraph 101 of IFRS 17

Health, protection & creditor insurance

				12/31/2023
(in € million)	Estimates of present value of future cash flows (BE)	Risk adjustment for non-financial risk (RA)	Contractual service margin (CSM)	Total
Opening reinsurance contract assets	85	30	56	171
Opening reinsurance contract liabilities	-	-	-	-
Opening net carrying amounts of reinsurance contracts	**85**	**30**	**56**	**171**
Changes in estimates that adjust the contractual service margin			-5	-5
Change in risk adjustment for non-financial risk for risk expired		-1		-1
Experience adjustments on current occurrence	-4	-		-3
Changes that relate to current service	**-4**	**-1**	**-5**	**-9**
Effects of contracts initially recognized in the period	-1	-	1	-
Changes in the loss-recovery component on onerous underlying contracts that adjust the contractual service margin			-	-
Changes in estimates that adjust the contractual service margin	3	-	-3	-
Changes in estimates that do not adjust the contractual service margin	-	-		-
Changes that relate to future services	**2**	**1**	**-2**	**-**
Changes in fulfilment cash flows related to asset for incurred claims	5	-		5
Changes that relate to past service	**5**	**-**	**-**	**5**
Effect of changes in non-performance risk of reinsurers	**-**	**-**	**-**	**-**
Net profit (loss) arising from reinsurance contracts	**3**	**-**	**-7**	**-5**
Insurance finance income or expenses from reinsurance contracts held OCI	6	2	-	8
Insurance finance income or expenses from reinsurance contracts held excluding OCI	-	-	-	1
Effect of exchange rates movements	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**6**	**3**	**-**	**9**
Premiums paid	10			10
Amounts recovered	-11			-11
Cash flows from contract acquisition	-			-
Total cash flows	**-1**	**-**	**-**	**-1**
Transfer to other items in the statement of financial position	**-**	**-**	**-**	**-**
Closing reinsurance contract assets	93	33	49	175
Closing reinsurance contract liabilities	-	-	-	-
Closing net carrying amounts of reinsurance contracts	**93**	**33**	**49**	**175**

(in € million)				12/31/2022
	Estimates of present value of future cash flows (BE)	Risk adjustment for non-financial risk (RA)	Contractual service margin (CSM)	Total
Opening reinsurance contract assets	127	46	60	233
Opening reinsurance contract liabilities	-	-	-	-
Opening net carrying amounts of reinsurance contracts	**127**	**46**	**60**	**233**
Changes in estimates that adjust the contractual service margin			-6	-6
Change in risk adjustment for non-financial risk for risk expired		-1		-1
Experience adjustments on current occurrence	3	-		4
Changes that relate to current service	**3**	**-1**	**-6**	**-4**
Effects of contracts initially recognized in the period	-1	1	1	-
Changes in the loss-recovery component on onerous underlying contracts that adjust the contractual service margin			-	-
Changes in estimates that adjust the contractual service margin	-1	-	1	-
Changes in estimates that do not adjust the contractual service margin	-	-		-
Changes that relate to future services	**-2**	**-**	**2**	**-**
Changes in fulfilment cash flows related to asset for incurred claims	-7	-		-7
Changes that relate to past service	**-7**	**-**	**-**	**-7**
Effect of changes in non-performance risk of reinsurers	**-**	**-**	**-**	**-**
Net profit (loss) arising from reinsurance contracts	**-5**	**-1**	**-5**	**-11**
Insurance finance income or expenses from reinsurance contracts held OCI	-34	-14	-	-49
Insurance finance income or expenses from reinsurance contracts held excluding OCI	-	-	-	-
Effect of exchange rates movements	-	-	-	-
Total changes in the statement of profit or loss and other comprehensive income	**-34**	**-14**	**-**	**-48**
Premiums paid	10			10
Amounts recovered	-12			-12
Cash flows from contract acquisition	-			-
Total cash flows	**-2**	**-**	**-**	**-2**
Transfer to other items in the statement of financial position	**-**	**-1**	**-**	**-1**
Closing reinsurance contract assets	85	30	56	171
Closing reinsurance contract liabilities	-	-	-	-
Closing net carrying amounts of reinsurance contracts	**85**	**30**	**56**	**171**

2.8.25 Contractual service margin and insurance revenue by transition method

Health, protection & creditor insurance

(in € million)				12/31/2023
	Contracts measured using the Modified retrospective approach at transition	Contracts measured using the Fair value approach at transition	New business and contracts assessed using the Full retrospective approach at transition	Total
Insurance revenue	**974**	**277**	**2,402**	**3,654**
Opening contractual service margin of insurance contracts	**742**	**264**	**53**	**1,060**
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services	-126	-42	-15	-183
Effects of contracts initially recognized in the period			54	54
Changes in estimates that adjust the contractual service margin	82	1	23	105
Net insurance finance income or expenses from insurance contracts issued	14	1	2	18
Transfer to other items in the statement of financial position		-4	-2	-7
Closing contractual service margin of insurance contracts	**713**	**219**	**114**	**1,047**
Opening contractual service margin of reinsurance contracts	**0**	**55**	**0**	**56**
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services	0	-5	0	-5
Effects of contracts initially recognized in the period			1	1
Changes in estimates that adjust the contractual service margin	0	-3	0	-3
Net insurance finance income or expenses from reinsurance contracts held	0	0	0	0
Transfer to other items in the statement of financial position				
Closing contractual service margin of reinsurance contracts	**0**	**48**	**1**	**49**

(in € million)	Contracts measured using the Modified retrospective approach at transition	Contracts measured using the Fair value approach at transition	New business and contracts assessed using the Full retrospective approach at transition	Total
				12/31/2022
Insurance revenue	**1,022**	**375**	**2,109**	**3,506**
Opening contractual service margin of insurance contracts	**1,013**	**336**	**0**	**1,349**
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services	-127	-51	-7	-185
Effects of contracts initially recognized in the period			110	110
Changes in estimates that adjust the contractual service margin	-160	-12	-42	-213
Net insurance finance income or expenses from insurance contracts issued	16	0	0	16
Transfer to other items in the statement of financial position		-9	-7	-16
Closing contractual service margin of insurance contracts	**742**	**264**	**53**	**1,060**
Opening contractual service margin of reinsurance contracts		**60**		**60**
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services	0	-6	0	-6
Effects of contracts initially recognized in the period			1	1
Changes in estimates that adjust the contractual service margin	0	1	0	1
Net insurance finance income or expenses from reinsurance contracts held	0	0	0	0
Transfer to other items in the statement of financial position				
Closing contractual service margin of reinsurance contracts	**0**	**55**	**0**	**56**

2.8.26 New insurance business

(in € million)	12/31/2023									
	Property & casualty insurance			Health, protection & creditor insurance			Savings & retirement insurance			Total
	Profitable contracts	Onerous contracts	Total	Profitable contracts	Onerous contracts	Total	Profitable contracts	Onerous contracts	Total	
Estimated present value of future cash outflows	**-**	**-**	**-**	**240**	**770**	**1,010**	**2,995**	**14**	**3,009**	**4,020**
Cash flows from acquisition	-	-	-	3	15	18	7	1	8	26
Claims expenses and other attributable expenses	-	-	-	237	755	992	2,988	13	3,001	3,994
Estimated present value of future cash inflows	**-**	**-**	**-**	**-314**	**-819**	**-1,133**	**-3,078**	**-14**	**-3,091**	**-4,224**
Risk adjustment for non-financial risk	**-**	**-**	**-**	**20**	**91**	**111**	**12**	**-**	**12**	**123**
Contractual service margin	**-**		**-**	**54**		**54**	**71**		**71**	**124**
Losses recognized on initial recognition of onerous contracts		**-**	**-**		**42**	**42**		**-**	**-**	**43**

										12/31/2022
	Property & casualty insurance			Health, protection & creditor insurance			Savings & retirement insurance			Total
(in € million)	Profitable contracts	Onerous contracts	Total	Profitable contracts	Onerous contracts	Total	Profitable contracts	Onerous contracts	Total	
Estimated present value of future cash outflows	**-**	**1**	**1**	**1,086**	**478**	**1,564**	**3,184**	**35**	**3,220**	**4,784**
Cash flows from acquisition	-	-	-	7	5	12	7	1	7	20
Claims expenses and other attributable expenses	-	1	1	1,079	473	1,551	3,178	36	3,213	4,765
Estimated present value of future cash inflows	**-**	**-**	**-**	**-1,312**	**-507**	**-1,818**	**-3,214**	**-34**	**-3,247**	**-5,065**
Risk adjustment for non-financial risk	**-**	**-**	**-**	**116**	**55**	**171**	**6**	**-**	**6**	**177**
Contractual service margin	**-**		**-**	**110**		**110**	**23**		**23**	**133**
Losses recognized on initial recognition of onerous contracts		**1**	**1**		**26**	**26**		**2**	**2**	**29**

2.8.27 New reinsurance business

	12/31/2023									
	Property & casualty insurance			Health, protection & creditor insurance			Savings & retirement insurance			Total
(in € million)	Contracts not including a loss component	Contracts including a loss component	Total	Contracts not including a loss component	Contracts including a loss component	Total	Contracts not including a loss component	Contracts including a loss component	Total	
Estimated present value of future cash outflows	-	-	**-**	-2	-	**-2**	-	-	**-**	**-2**
Estimated present value of future cash inflows	-	-	**-**	3	-	**3**	-	-	**-**	**3**
Risk adjustment for non-financial risk	-	-	**-**	-	-	**-**	-	-	**-**	**-**
Contractual service margin	-		**-**	-1		**-1**	-		**-**	**-1**
Recovery of losses recognized on initial recognition		-	**-**		-	**-**		-	**-**	**-**

	12/31/2022									
	Property & casualty insurance			Health, protection & creditor insurance			Savings & retirement insurance			Total
(in € million)	Contracts not including a loss component	Contracts including a loss component	Total	Contracts not including a loss component	Contracts including a loss component	Total	Contracts not including a loss component	Contracts including a loss component	Total	
Estimated present value of future cash outflows	-	-	**-**	-3	-	**-3**	-	-	**-**	-3
Estimated present value of future cash inflows	-	-	**-**	4	-	**4**	-	-	**-**	**4**
Risk adjustment for non-financial risk	-	-	**-**	-1	-	**-1**	-	-	**-**	**-1**
Contractual service margin	-		**-**	-1		**-1**	-		**-**	**-1**
Recovery of losses recognized on initial recognition		-	**-**		-	**-**		-	**-**	**-**

2.8.28 CSM recognition schedule

(in € million)					12/31/2023
	Less than 2 years	Between 2 and 5 years	Between 5 and 10 years	More than 10 years	Total
Insurance contracts	**1,299**	**1,765**	**2,315**	**1,343**	**6,722**
Property & casualty insurance	-	-	-	-	2
Health, protection & creditor insurance	284	296	271	195	1,047
Savings & retirement insurance	1,014	1,468	2,044	1,147	5,673
Reinsurance contracts	**9**	**11**	**12**	**17**	**49**
Property & casualty insurance	-	-	-	-	-
Health, protection & creditor insurance	9	11	12	17	49
Savings & retirement insurance	-	-	-	-	-

(in € million)					12/31/2022
	Less than 2 years	Between 2 and 5 years	Between 5 and 10 years	More than 10 years	Total
Insurance contracts	**1,214**	**1,613**	**2,070**	**784**	**5,681**
Property & casualty insurance	-	1	1	-	2
Health, protection & creditor insurance	282	298	277	203	1,060
Savings & retirement insurance	932	1,315	1,793	580	4,620
Reinsurance contracts	**11**	**13**	**14**	**18**	**56**
Property & casualty insurance	-	-	-	-	-
Health, protection & creditor insurance	11	13	14	18	56
Savings & retirement insurance	-	-	-	-	-

2.8.29 Other debts

(in € million)	12/31/2023	12/31/2022
	Net value	Net value
Tax and social security debts	150	150
Debts due to employees	71	57
Credit margin calls	88	-
Debts due to partners	4	4
Accruals	66	10
Miscellaneous creditors	120	93
Total	**498**	**315**

2.9 Notes to the statement of profit and loss

2.9.1 Insurance revenue

(in € million)	12/31/2023			
	Property & casualty insurance	Health, protection & creditor insurance	Savings & retirement insurance	Total
Revenues from insurance contracts not assessed according to the simplified model	**3**	**1,478**	**1,098**	**2,579**
Amounts relating to changes in the liability for remaining coverage related to:	3	1,468	1,094	2,565
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services	-	*183*	*432*	*615*
Change in risk adjustment for non-financial risk for risk expired	-	*94*	*42*	*136*
Incurred claims and other insurance service expenses	*3*	*1,191*	*606*	*1,799*
Other amounts	-	-	*14*	*15*
Share of premiums allocated to the recovery of insurance acquisition cash flows	-	10	4	14
Revenues from insurance contracts assessed according to the simplified model	**2,543**	**2,176**	**-**	**4,719**
Total insurance revenue	**2,546**	**3,654**	**1,098**	**7,298**

(in € million)	12/31/2022			
	Property & casualty insurance	Health, protection & creditor insurance	Savings & retirement insurance	Total
Revenues from insurance contracts not assessed according to the simplified model	**4**	**1,482**	**1,074**	**2,559**
Amounts relating to changes in the liability for remaining coverage related to:	4	1,473	1,070	2,547
Changes in the contractual service margin recognized in profit or loss to reflect the transfer of services	-	*185*	*421*	*607*
Change in risk adjustment for non-financial risk for risk expired	-	*94*	*21*	*116*
Incurred claims and other insurance service expenses	*3*	*1,199*	*609*	*1,811*
Other amounts	-	*-5*	*18*	*13*
Share of premiums allocated to the recovery of insurance acquisition cash flows	-	9	4	12
Revenues from insurance contracts assessed according to the simplified model	**2,502**	**2,024**	**-**	**4,526**
Total insurance revenue	**2,506**	**3,506**	**1,074**	**7,086**

2.9.2 Net financial result

(in € million)					12/31/2023
	Property & casualty insurance	**Health, protection & creditor insurance**	**Savings & retirement insurance**	**Other**	**Total**
Interest income calculated using the effective interest rate method	31	47	1,184	151	1,413
Other investment income	32	63	4,436	40	4,570
Credit-related loss of value	-	-	-	-1	-2
Unrealized capital gains recognized in equity	140	193	3,026	533	3,892
Financial result from investments	**202**	**302**	**8,646**	**723**	**9,874**
Change in fair value of items underlying VFA contracts	-	-	-5,712		-5,712
Impacts of the risk mitigation option	-	-	-	-	-
Capitalized / credited interest	-35	-46	-	-	-81
Changes in the yield curve and other financial assumptions	-64	-164	-2,998	-	-3,226
Foreign exchange loss	-	-	-	-	-
Insurance finance income or expenses from insurance contracts issued	**-99**	**-210**	**-8,711**	**-**	**-9,020**
Capitalized / credited interest	3	1	-	-	4
Other changes	6	8	-	-	15
Insurance finance income or expenses from reinsurance contracts held	**9**	**10**	**-**	**-**	**19**
Net financial result	**112**	**102**	**-65**	**723**	**872**
of which recognized in profit or loss					-
Financial result from investments	*63*	*110*	*5,619*	*190*	*5,982*
Insurance finance income or expenses from insurance contracts issued	*-34*	*-17*	*-5,685*	*-*	*-5,736*
Insurance finance income or expenses from reinsurance contracts held	*3*	*1*	*-*	*-*	*3*
of which recognized in equity					
Financial result from investments	*140*	*193*	*3,026*	*533*	*3,892*
Insurance finance income or expenses from insurance contracts issued	*-66*	*-192*	*-3,026*	*-*	*-3,284*
Insurance finance income or expenses from reinsurance contracts held	*6*	*8*	*-*	*-*	*15*

(in € million)	Property & casualty insurance	Health, protection & creditor insurance	Savings & retirement insurance	Other	Total
					12/31/2022
Interest income calculated using the effective interest rate method	23	45	1,030	179	1,277
Other investment income	-5	27	-3,788	-17	-3,783
Credit-related loss of value	1	1	1	1	3
Unrealized capital gains recognized in equity	-338	-573	-10,829	-1,703	-13,443
Financial result from investments	**-318**	**-501**	**-13,587**	**-1,540**	**-15,946**
Change in fair value of items underlying VFA contracts	-	-	2,716	-	2,716
Impacts of the risk mitigation option	-	-	-	-	-
Capitalized / credited interest	-10	-26	-	-	-36
Changes in the yield curve and other financial assumptions	194	853	10,829	-	11,876
Foreign exchange loss	-	-	-	-	-
Insurance finance income or expenses from insurance contracts issued	**184**	**827**	**13,546**	**-**	**14,556**
Capitalized / credited interest	-	-	-	-	1
Other changes	-21	-49	-	-	-70
Insurance finance income or expenses from reinsurance contracts held	**-21**	**-49**	**-**	**-**	**-69**
Net financial result	**-156**	**277**	**-41**	**-1,540**	**-1,459**
of which recognized in profit or loss					-
Financial result from investments	*20*	*72*	*-2,758*	*163*	*-2,503*
Insurance finance income or expenses from insurance contracts issued	*-10*	*-26*	*2,716*	*-*	*2,680*
Insurance finance income or expenses from reinsurance contracts held	*-*	*-*	*-*	*-*	*1*
of which recognized in equity					
Financial result from investments	*-338*	*-573*	*-10,829*	*-1,703*	*-13,443*
Insurance finance income or expenses from insurance contracts issued	*194*	*853*	*10,829*	*-*	*11,876*
Insurance finance income or expenses from reinsurance contracts held	*-21*	*-49*	*-*	*-*	*-70*

2.9.3 Interest income calculated using the effective interest rate method

(in € million)	12/31/2023		
	Fair value through other comprehensive income - mandatory	Amortized cost	Total
Debt instruments	**1,507**	**-94**	**1,413**
Government securities and similar securities	629	-	629
Other bonds and fixed income securities	757	-	757
Loans and receivables	121	-94	27
Total	**1,507**	**-94**	**1,413**

(in € million)	12/31/2022		
	Fair value through other comprehensive income - mandatory	Amortized cost	Total
Debt instruments	**1,259**	**18**	**1,277**
Government securities and similar securities	513	-	513
Other bonds and fixed income securities	736	-	736
Loans and receivables	10	18	28
Total	**1,259**	**18**	**1,277**

2.9.4 Other investment income

	12/31/2023						
(in € million)	Fair value through profit or loss - cover	Fair value through profit or loss - mandatory	Fair value through profit or loss - option	Fair value through other comprehensive income - mandatory	Fair value through other comprehensive income - option	Amortized cost	Total
Revenues from debt instruments	**-**	**591**	**-**				**591**
Government securities and similar securities	-	3	-				3
Other debt instruments	-	536	-				536
Money market UCITS	-	3	-				3
Loans and receivables		49					49
Revenues from equity instruments	**-**	**524**			**121**		**645**
Equities	-	338			34		422
Financial investments - Real estate equity and funds	-	135			2		138
Equity investments	-	-			85		85
Revenues from investment property		**98**				**-**	**98**
Revenues from derivatives		**7**					**7**
Other financial revenues and expenses		**65**	**-**				**65**
Changes in fair value	**-**	**2,899**	**-**				**2,899**
Financial assets	-	3,375	-				3,375
Investment property	-	-449	-				-449
Operating property	-	-28	-				-28
Derecognition of financial instruments	**-**	**345**	**-**	**-79**		**-**	**266**
Financial assets		345	-	-79		-	266
Investment property		-				-	-
Total other investment income	-	**4,528**	**-**	**-79**	**121**	**-**	**4,570**

(in € million)	Fair value through profit or loss - cover	Fair value through profit or loss - mandatory	Fair value through profit or loss - option	Fair value through other comprehensive income - mandatory	Fair value through other comprehensive income - option	Amortized cost	Total
							12/31/2022
Revenues from debt instruments	**-**	**585**	**-**				**585**
Government securities and similar securities	-	1	-				1
Other debt instruments	-	582	-				582
Money market UCITS	-	-	-				-
Loans and receivables		2					2
Revenues from equity instruments	**-**	**472**			**88**		**559**
Equities	-	350			30		381
Financial investments - Real estate equity and funds	-	121			2		123
Equity investments	-	-			56		56
Revenues from investment property		**58**				**-**	**58**
Revenues from derivatives		**3**					**3**
Other financial revenues and expenses		**80**	**-**				**80**
Changes in fair value	**-**	**-5,361**	**-**				**-5,361**
Financial assets	-	-5,332	-				-5,332
Investment property	-	-22	-				-22
Operating property	-	-7	-				-7
Derecognition of financial instruments	**-**	**153**	**-**	**139**		**-**	**292**
Financial assets		152	-	139		-	291
Investment property		1				-	1
Total other investment income	-	**-4,010**	**-**	**139**	**88**	**-**	**-3,783**

2.9.5 Management expenses

(in € million)	12/31/2023	12/31/2022
Employee benefits	289	268
Taxes	49	56
Depreciation and amortization	7	8
Other current operating expenses	349	334
Total overheads	**693**	**667**
Commissions	2,009	1,959
Acquisition costs for the period deferred on the balance sheet	-27	-20
Total expenses recognized in the statement of profit and loss	**2,676**	**2,605**
Of which insurance contracts attributable costs presented under “Insurance expenses”	*2,546*	*2,492*
Of which insurance contracts non-attributable costs presented under “Other operating expenses”	*129*	*113*

2.9.6 Financing expenses

(in € million)	12/31/2023	12/31/2022
Subordinated debt	36	36
Financing debt to banking sector companies	2	2
Other financing debt	-	-
Total financing expenses	**38**	**38**

2.9.7 Income tax expense

(in € million)	12/31/2023	12/31/2022
Taxes payable	-261	-293
Deferred taxes	28	28
Total income tax expenses	**-232**	**-265**

2.9.8 Reconciliation between the recognized tax expense and the theoretical income tax expense

(in € million)	12/31/2023		12/31/2022	
	In %	Amount	In %	Amount
Income before tax, goodwill impairment and income from equity-accounted entities		1,063		1,089
Theoretical income tax expense	25.8%	275	25.8%	281
Effects of securities taxation	-3.8%	-40	-2.8%	-31
Previous taxes and tax credits	-0.4%	-4	0.9%	10
Other	0.2%	2	0.4%	5
Effective tax	**21.8%**	**232**	**24.4%**	**265**

2.10 Other information

2.10.1 Workforce

(Average full-time equivalent workforce)	12/31/2023	12/31/2022
France	3,153	2,998
International	34	703
Total workforce	**3,187**	**3,701**

In addition, the workforce at the end of the period at December 31, 2022 was 3,851 employees, including 672 employees for GACM España and its subsidiaries.

2.10.2 Statutory Auditors' fees

	12/31/2023				
(in € million)	Mazars	PWC	KPMG	Other	Total
Statutory audit, certification, review of separate and consolidated financial statements	-	1	1	-	2
Services other than certification of financial statements	-	-	-	-	-
Total statutory auditor's fees	**-**	**1**	**1**	**-**	**3**

The fees relating to services other than the certification of the financial statements mainly correspond to assignments aimed at issuing an assurance report on financial or regulatory information.

	12/31/2022				
(in € million)	Mazars	PWC*	KPMG*	Other	Total
Statutory audit, certification, review of separate and consolidated financial statements	-	2	2	-	4
Services other than certification of financial statements	-	-	-	-	-
Total	**-**	**2**	**3**	**-**	**5**

* Including fees related to the audit of the opening balance sheet as of January 1, 2022 under IFRS 17 – Insurance Contracts – and IFRS 9 – Financial Instruments – of GACM.

2.10.3 Defined-benefit post-employment benefits

Main actuarial assumptions

(in € million)	12/31/2023	12/31/2022
Discount rate	3.2%	3.4%

Change in the provision for end-of-career benefits

(in € million)	Closing 2022	Effect of discounting	Financial income	Cost of benefits rendered	Mobility transfer	Change in actuarial gains and losses Assump. end.	Change in actuarial gains and losses Assump. demog.	Change due to experience adjustment	Payments to beneficiaries	Insurance premiums	Closing 2023
Commitment amount	29	1	-	1	-	6	-	-	-1	-	36
Insurance policies	2	-	-	-	-	-	-	-	-	-	2
Provisions for contingencies and expenses	**27**	**1**	**-**	**1**	**-**	**6**	**-**	**-**	**-1**	**-**	**34**

The average duration of the provision for retirement benefits is * 19.58 years.

Sensitivity of the provision to the discount rate

(in € million)	12/31/2023	12/31/2022
Impact of the 0.5% increase in discount rates	-2	-2
Impact of the 0.5% decrease in discount rates	2	2

2.10.4 IFRS 17 yield curve

Future cash flows are discounted using the yield curve below. This reflects the time value of money as well as the cash flow and liquidity characteristics of GACM's insurance contracts.

IFRS 17 yield curve	12/31/2023	12/31/2022
1-year rate	4.0%	3.9%
5-year rate	3.0%	3.8%
10-year rate	3.1%	3.8%
20-year rate	3.1%	3.5%
30-year rate	3.0%	3.2%

2.10.5 Confidence in the determination of the risk adjustment for non-financial risk

GACM applies a quantile approach based on the Value at Risk (VaR) for all risks. GACM considers that a quantile of 80% represents an adequate level of prudence for the underlying technical provisions.

2.10.6 Off-balance sheet

(in € million)	12/31/2023	12/31/2022
Commitments received	**10,097**	**10,810**
Bank sureties guaranteeing loans	328	338
Commitments received on assets (reverse repo, cross currency swap)	9,764	10,467
Commitments on real estate assets	-	-
Endorsements and guarantees	5	5
Other commitments received	1	-
Commitments given	**5,645**	**6,136**
Commitments on assets or revenue	5,257	5,817
Collateral	258	241
Commitments on property assets	-	-
Term commitments	-	-
Guarantees and sureties	-	-
Other commitments given	130	77
Securities received as collateral from reinsurers and retrocessionaires	**136**	**117**

2.11 Scope of consolidation

2.11.1 Scope of consolidation

Groupe des Assurances du Crédit Mutuel scope of consolidation	Country	Consolidation method	12/31/2023		12/31/2022	
			Control	Interest	Control	Interest
Parent companies						
GACM SA	France	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
GACM ESPAÑA SA	Spain	Not consolidated	-	-	100.0%	100.0%
ACM DEUTSCHLAND AG	Germany	Fully-consolidated (FC)	100.0%	85.3%	-	-
Insurance companies						
ACM IARD SA	France	Fully-consolidated (FC)	96.5%	96.5%	96.5%	96.5%
ACM VIE SAM	France	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
ACM VIE SA	France	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
ACM BELGIUM LIFE SA	Belgium	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
AGRUPACIÓ AMCI D'ASSEGURANCES I REASSEGURANCES, SA	Spain	Not consolidated	-	-	97.7%	97.7%
ATLANTIS VIDA, COMPAÑÍA DE SEGUROS Y REASEGUROS, SA	Spain	Not consolidated	-	-	88.1%	89.8%
GACM SEGUROS GENERALES, COMPAÑÍA DE SEGUROS Y REASEGUROS, SAU	Spain	Not consolidated	-	-	100.0%	100.0%
ACM DEUTSCHLAND NON-LIFE AG	Germany	Fully-consolidated (FC)	100.0%	85.3%	-	-
ACM DEUTSCHLAND LIFE AG	Germany	Fully-consolidated (FC)	100.0%	85.3%	-	-
Other companies						
GIE ACM	France	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
ACM CAPITAL	France	Fully-consolidated (FC)	100.0%	99.7%	100.0%	99.7%
Property companies						
FONCIÈRE MASSÉNA SA	France	Fully-consolidated (FC)	100.0%	99.7%	100.0%	99.7%
SCI ACM	France	Fully-consolidated (FC)	99.9%	99.4%	99.9%	99.5%
SCI ACM PROVENCE LA FAYETTE	France	Fully-consolidated (FC)	100.0%	99.8%	100.0%	99.8%
SCI ACM SAINT AUGUSTIN	France	Fully-consolidated (FC)	100.0%	99.8%	100.0%	99.8%
SCI ACM 14 RUE DE LONDRES	France	Fully-consolidated (FC)	100.0%	99.8%	100.0%	99.8%

In accordance with the definition of control set out in IFRS 10, GACM does not include in its scope of consolidation any mutual funds over which it does not exercise control.

In 2023, the German companies ACM Deutschland AG, ACM Deutschland Life AG and ACM Deutschland Non Life AG joined the scope. The Spanish companies were sold and removed from the scope during the period. These movements are detailed in Section 2.1. Main structural operations and significant events of the financial year

2.11.2 Non-consolidated equity investments

GACM's total non-consolidated equity investments amounted to €2,801 million.

The most significant equity investments are detailed in the following table:

(in € million)		12/31/2023		12/31/2022		
Corporate name	**Registered office**	**Balance sheet value**	**Holding**	**Balance sheet value**	**Profit (loss)**	**Equity**
ARDIAN HOLDING	Paris	976	16%	672	202	743
CAISSE FÉDÉRALE DE CRÉDIT MUTUEL	Strasbourg	751	12%	739	241	6,983
DESJARDINS GPE, Assurances Générales inc. - Ordinary shares DESJARDINS GPE, Assurances Générales inc. - Preferred shares	Quebec	315 78	10% 19%	347 79	329	3,062
MUTUELLES INVESTISSEMENTS SAS	Strasbourg	121	10%	121	65	1,206
SERENIS ASSURANCES	Valence	76	100%	N/A	N/A	N/A

2.12 Risk management

2.12.1 Insurance risk management

Insurance risk management covers all the risks taken by an insurer when marketing insurance contracts.

The reverse cycle that characterizes the insurance sector requires the monitoring of this technical risk over time.

GACM's entities develop and market a complete range of insurance products, mainly intended for individual and professional customers.

Insurance risk management is based on the following main pillars:

- The business lines that ensure commercial development and pricing to ensure the *a priori* adequacy of premiums to cover future claims;
- The actuarial-technical provisions department, which coordinates the calculation of provisions for the company's balance sheets;
- The Solvency II team, which is responsible for regulatory calculations and related sensitivities;
- Management control, whose reporting and in-depth analyses make it possible to monitor this insurance risk over time across all business lines;
- The reinsurance department, which identifies all the risks to be outsourced, defines the appropriate coverage program and places it on the market;
- The key actuarial function, which is responsible for the actuarial coordination of the various business lines, the coordination of the calculation of prudential technical provisions and which issues an opinion on the overall underwriting policy and the adequacy of the reinsurance arrangements;
- The key risk management function, which is responsible for coordinating the risk management system.

Concentration analysis

The breakdown of the estimated future cash flows by geographical area is as follows:

(in € million)	12/31/2023
France	109,935
Other	1,663
Total	**111,598**

Sensitivity analysis

(in € million)	12/31/2023		
	Impact on net profit (loss)	Impact on equity	Impact on CSM
Massive buybacks of 10%	**3**	**-7**	**-341**
Insurance contracts	3	-7	-341
Reinsurance contracts	-	-	-
Financial instruments			

Change in estimated total undiscounted claims expense by year of occurrence

Property & casualty insurance:

(in € million)	At end of period	At one year	At two years	At three years	At four years	At five years	Cumulative paid claims	Estimated future cash flows for incurred claims payments
Previous occurrences								**714**
2018				1,140	1,154	1,174	1,047	127
2019			1,299	1,293	1,298		1,159	139
2020		1,439	1,345	1,343			1,168	175
2021	1,433	1,396	1,373				1,151	221
2022	1,759	1,785					1,352	434
2023	1,776						958	818
All occurrences								**2,628**
Estimated future cash flows for incurred claims handling expenses								**194**
Effect of discounting								**-287**
Estimated future cash flows for incurred claims presented in the balance sheet								**2,535**

Health, protection & creditor insurance:

(in € million)	At end of period	At one year	At two years	At three years	At four years	At five years	Cumulative paid claims	Estimated future cash flows for incurred claims payments
Previous occurrences								**714**
2018				1,271	1,260	1,258	1,167	91
2019			1,367	1,366	1,351		1,238	113
2020		1,447	1,430	1,415			1,245	170
2021	1,608	1,594	1,571				1,306	266
2022	1,647	1,682					1,283	399
2023	1,827						1,060	767
All occurrences								**2,520**
Estimated future cash flows for incurred claims handling expenses								**43**
Effect of discounting								**-326**
Estimated future cash flows for incurred claims presented in the balance sheet								**2,236**

2.12.2 Financial risk management

The financial risk management policy aims to set up an asset structure in line with liability commitments in compliance with the prudent person principle.

The investment policy, which sets investment and management rules and limits according to the prudent person principle, is the first link in financial risk management. Authorized financial investments are those defined by the investment policy, within the limits and conditions described in the limits and procedures of the finance department, and in compliance with GACM's anti-money laundering procedures.

Environmental, social and good governance (ESG) criteria are also included in the investment policy.

Unit-linked contracts are fully hedged on the assets side of the balance sheet by the securities used as a reference.

Financial risk management covers all of the following risks:

- Market risk (including interest rate risk, equity risk and similar, and foreign exchange risk);
- Credit and counterparty risk;
- Liquidity risk.

It is based on several departments:

- The asset-liability management (ALM) department, which defines strategic asset allocations according to liability constraints in order to limit interest rate risk, equity risk and property risk;
- The financial risk management builds a set of limits and internal rules aimed at limiting the exposure to liquidity, credit and counterparty risks;
- Asset managers, who define tactical allocations and manage asset portfolios, while taking into account the constraints set by ALM and financial risk management;
- The financial risk control department, which ensures, a posteriori, compliance with the limits set;
- The key risk management function.

Management of market risk

Given the preponderance of the savings activities of the savings & retirment insurance subsidiaries, GACM is particularly affected by market risks, given the very large volume of financial assets representing commitments to policyholders.

Market risk is the risk of loss that may result from fluctuations in the prices of the financial instruments that make up a portfolio.

These risks impact in particular the valuation of the assets in the portfolio, their long-term return, and need to be managed in close connection with the matching liabilities and, in particular for savings & retirement insurance, the guarantees granted to policyholders (minimum guaranteed rate, minimum guarantee, etc.).

GACM's market risk management is currently organized around individual control of certain financial risks deemed to be major (interest rate risk, equity risk, credit risk, liquidity risk, etc.) and an overall risk analysis designed to protect the Group against the simultaneous occurrence of several of these risks.

As part of the monitoring of market risk, studies are carried out half-yearly, by management segment within each company. They provide asset managers with information to guide their investments.

This information is of several levels:

- Assets and liabilities cash flows projections;
- Monitoring of asset and liability durations;
- Liabilities breakdown and monitoring of minimum interest rate commitments;
- Portfolio composition by major asset classes;
- Bond portfolio composition by sector and rating, and monitoring average rating;
- Deadweight actions.

Management of interest rate risk

In savings & retirement insurance, intersets rate risk mainly concerns savings in euro. It can take two forms:

- A risk of rising in interest rates: due to the inertia of the portfolio's rate of return, in the event of a rise in interest rates, the rate paid by the insurer to euro-denominated contracts may initially be significantly below market rates. This phenomenon is all the more significant when rates rise sharply and suddenly. Policyholders may then decide to redeem their policy to invest their savings in a competing product. These redemptions, if they become significant, may force the insurer to sell its bonds generating capital losses;
- A downside risk: if interest rates fall, the rate of return on the asset is diluted. The risk for the insurer is that it will no longer be able to pay the minimum guaranteed rates on savings contracts in euros.

In the other business segments, the interest rate risk is manifested by:

- The emergence of unrealized capital losses in the event of a rise in interest rates;
- The loss of income on new investments as well as an increase in certain technical provisions, in the event of a drop in interest rates.

The Finance Committee, composed of members of management, defines the hedges against interest rate risk within the framework of the general policy adopted by the Boards of Directors of the GACM SA entities and the Supervisory Board of GACM SA. For savings portfolios where the majority of risk is concentrated, it is based on a methodology aimed at measuring the magnitude of interest rate movements (upward and downward movements in the yield curve) that the company can absorb while respecting the commitments made to policyholders.

When the levels of protection are deemed insufficient, the finance department may purchase additional financial hedges.

Exposure and concentration of interset rate risk:

	12/31/2023		
(in € million)	Fixed rate	Variable rate	Total
Debt instruments			
Government securities and similar securities	31,148	-	31,148
Other debt instruments	51,647	20,951	72,599
Money market UCITS	5,005	-	5,005
Loans and receivables	6,728	3,229	9,957
Total	**94,529**	**24,180**	**118,709**

Interest rate risk sensitivity analysis:

	12/31/2023		
(in € million)	Impact on net profit (loss)	Impact on equity	Impact on CSM
50 bp increase in risk-free rates	**-4**	**-186**	**224**
Insurance contracts	202	1,736	224
Reinsurance contracts	-	-9	-
Financial instruments	-206	-1,913	-
50 bp decrease in risk-free rates	**6**	**213**	**-380**
Insurance contracts	-201	-1,806	-380
Reinsurance contracts	-	10	-
Financial instruments	207	2,009	-

Management of equity risk and similar

Equities and similar assets are inherently highly volatile assets. The insurer may have to recognize impairments on these assets (excluding investments representing unit-linked commitments), thus leading to a significant decrease in investment income.

Equity similar risk are monitored and managed as part of the process for determining the annual budget for investment in risky assets. This study is carried out periodically to ensure consistency between the investments made during the year and the risk appetite selected. It provides a range of investment (or divestment) in risky assets.

The aim is to define the minimum and maximum investments in risky assets (equities, alternative management, FCPR, real estate) that make it possible to retain a minimum of bond assets to cover the probable flows of liabilities over the medium term, to preserve part of the company's one-year net profit or loss in an extreme scenario of a stock market decline, and to limit the annual increase in the share of risky assets in order to smooth the entry points.

The Finance Committee, composed of members of management, validates proposed allocation of risky assets and defines hedges against financial risks within the framework of the general policy adopted by the Supervisory Board of GACM SA and the Boards of Directors of GACM SA entities.

Equity risk sensitivity analysis

	12/31/2023		
(in € million)	Impact on net profit (loss)	Impact on equity	Impact on CSM
20% decrease in share price	**-43**	**-261**	**-665**
Insurance contracts	4,278	4,321	-665
Reinsurance contracts	-	-	-
Financial instruments	-4,321	-4,582	-

Management of foreign exchange risk

Foreign exchange risk is defined as the risk of loss related to fluctuations in the exchange rates of currencies against the euro. GACM SA's asset portfolio has very little exposure to foreign currencies.

Management of credit risk

Credit risk corresponds to the risk of default by an issuer that would no longer able to honor the payments of its debt.

Credit risk is managed at several levels:

- Exposure limits by issuer: these limits take into account the issuer's rating by the main rating agencies;
- Exposure limits by rating class.

Counterparty risk is the risk that one of the counterparties to financial transactions (derivatives or repurchase agreements) or reinsurance transactions may not be able to honor its commitments.

Counterparty risk on financial transactions is also managed at several levels:

- Counterparty selection rules that limit the risk, as the transactions are carried out with first-rate counterparties with which GACM SA has daily collateral exchange agreements;
- Position limits by counterparty;
- Regular control of the valuations of the products concerned.

The rules for reinsurance are as follows:

- Reinsurer selection rules;
- Criteria on the securities accepted as collateral.

Credit risk analysis:

The breakdown of the gross value of the debt instruments by rating, according to the median rating method, and by IFRS 9 stages, is as follows:

	12/31/2023		
(in € million)	Stage 1	Stage 2	Stage 3
General administrations:			
AAA	2,727	-	-
AA	18,557	-	-
A	2,625	-	-
BBB	93	-	-
BB or <BB	-	-	-
NR	-	-	-
Total general administrations	**24,002**	**-**	**-**
Credit institutions:			
AAA	12,483	-	-
AA	12,154	-	-
A	5,631	-	-
BBB	2,861	-	-
BB or <BB	-	-	-
NR	276	-	-
Total credit institutions	**33,405**	**-**	**-**
Large companies:			
AAA	399	-	-
AA	2,113	-	-
A	10,392	-	-
BBB	6,874	-	-
BB or <BB	73	-	-
NR	1,884	-	15
Total large companies	**21,735**	**-**	**15**
Other:			
A	416	-	-
BBB	622	-	-
NR	588	-	3
Total other	**1,626**	**-**	**3**
Total	**80,768**	**-**	**18**

Collateral held:

(in € million)	Percentage of exposure subject to collateral requirements 12/31/2023	Main type of collateral held
Derivatives	100%	Cash
Reverse Repo	100%	Bonds
Repurchase agreements	100%	Cash

Concentration of credit risk:

(in € million)	12/31/2023
Concentration of insurance investments by geographical area	
France	92,895
Luxembourg	6,627
Netherlands	5,898
United States	5,697
Germany	5,137
United Kingdom	4,267
Spain	4,096
Belgium	2,229
Other	14,044
Total	**140,890**

Sensitivity of ECL to future economic condition:

	12/31/2023		
(in € million)	Central assumption	Low assumption 1 Notch	Low assumption 2 Notch
Gross carrying amount	80,787	80,787	80,787
Provisions for loss allowance	43	52	89
Proportion of assets in Stage 2	0.00%	0.19%	2.30%

Management of liquidity risk

Liquidity risk is the risk of not being able to sell an asset or selling it at a significant discount.

GACM SA manages liquidity risk in several ways:

- A study of the long-term liquidity gaps makes it possible to ensure that the projected flows from savings and similar liabilities over the next 10 years are covered by the forecasts of the cash flows generated by the assets;
- Liquidity stress tests (in the short or medium term) to analyze the needs of GACM SA entities in terms of transferable assets in the event of a stress situation;
- Limits on unlisted and illiquid assets.

An “emergency liquidity plan” allows regular monitoring of redemptions on the euro savings portfolios of GACM SA’s life insurance entities and defines a priority for disposals according to the intensity of redemptions, in the event of occurrence of this risk.

Maturity analysis of financial instruments:

								12/31/2023
(in € million)	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years	Undetermined	Total
Financial investments								
at amortized cost	-	6	-	-	-	16	-	22
at fair value through other comprehensive income	8,349	6,193	6,186	6,356	5,398	48,216	4,094	84,792
at fair value through profit or loss	220	279	48	43	620	4,330	47,592	53,132
Total financial assets	**8,569**	**6,478**	**6,234**	**6,399**	**6,018**	**52,562**	**51,686**	**137,946**
Financing debt								
Subordinated debt	165	99	49	-1	-1	1,248	-	1,559
Debt securities	-	-	-	-	-	-	-	-
Financing debt to banking sector companies	-	-	-	-	35	-	-	35
Other financing debt	5	3	3	1	-	-	17	29
Total financial liabilities	**170**	**102**	**52**	**-**	**34**	**1,248**	**17**	**1,623**

Maturity analysis of insurance and reinsurance contracts

The table below presents an analysis of the maturity of the future cash flows from insurance and reinsurance contracts. The PAA contracts are excluded from this analysis.

							12/31/2023
(in € million)	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years	Total
Insurance contracts	1,878	3,035	3,297	3,489	3,722	93,586	109,007
Reinsurance contracts	4	7	6	5	5	99	126
Total	**1,882**	**3,042**	**3,302**	**3,495**	**3,727**	**93,685**	**109,133**

Amounts payable on demand:

The amounts payable on demand, corresponding to the surrender value of the insurance policies, as well as their carrying amount are presented as follows:

(in € million)	12/31/2023
Amounts payable on demand	100,734
Carrying amount	113,567

2.12.3 Capital management

For its capital management, the company prepares profit and coverage projections for the solvency margin (Solvency II framework) in the ORSA over five financial years for all insurance companies and for GACM's consolidated financial statements.

These projections are based on a central scenario of economic and financial assumptions, supplemented by alternative scenarios.

Capital management is then decided on the basis of the results of these simulations and the company's risk appetite.

Risk appetite

The company's risk appetite is defined as follows:

- ensure that the company's net profit or loss does not deviate by more than a certain percentage from the average net profit or loss recorded over the last three years;
- protect a level of solvency ratio (Solvency II) in all scenarios tested.

Groupe des Assurances du Crédit Mutuel S.A.

Statutory Auditors' Report on the Consolidated Financial Statements

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended 31 December 2023

Groupe des Assurances du Crédit Mutuel S.A.

4, rue Frédéric-Guillaume Raiffeisen - 67000 Strasbourg

For the financial year ended December 31, 2023

To the annual general meeting of Groupe des Assurances du Crédit Mutuel S.A.

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Groupe des Assurances du Crédit Mutuel S.A. ("the Group") for the year ended 31 December 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European union.

The audit opinion expressed above is consistent with our report to the Audit and Risk Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from 1 January 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

Emphasis of Matter

Without qualifying the conclusion expressed above, we draw your attention to the change in accounting method relating to the application from January 1, 2023 of IFRS 17 "Insurance Contracts" and the concomitant application of IFRS 9 "Financial Instruments" to the portfolios of financial instruments of the insurance business, as set out in note "2.4 Applicable standards" and in the other notes to the financial statements presenting figures relating to the impact of these changes.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

For the financial year ended December 31, 2023

<table>
<tr><th colspan="2">Assessment of the impact related to the IFRS 17 “Insurance contracts” first time application</th></tr>
<tr><th>Audit risk identified and main judgements</th><th>Audit procedures in response to the risk identified</th></tr>
<tr><td>
IFRS 17 "Insurance Contracts" standard became effective as of January 1, 2023, resulting in significant changes in the accounting principles for insurance contracts measurement and modifications in the presentation of financial statements and disclosures. IFRS 17 is retrospectively applicable from January 1, 2022.
Note 2.5.3 of the Group's consolidated financial statements presents information on the impact resulting from the first-time application of IFRS 17 and the main accounting principles choices applied at the transition date. According to this note, the impact on equity of the transition to IFRS 17 amounted to -€868 million as of January 1, 2022, the stock of CSM at the transition date amounted to M€ 4415 before tax, the amount of the risk adjustment for non-financial risk determined on the transition date amounted to €1,484 million.
As indicated in note 2.5.3 of the consolidated financial statements, the measurement of insurance technical provisions according to IFRS 17 is based on new accounting and actuarial estimate involving heightened judgment by management regarding the choice of accounting methods at the transition and the determination of key assumptions. This includes in particular:

The transition method applied for each group of insurance contracts;
The methods and assumptions used to determine the initial contractual service margin (CSM), specifically for groups of insurance contracts assessed at transition on the basis of the fair value approach or the modified retrospective approach, leading management to estimate the CSM by using past accounting information.

Given the importance of the changes resulting from the application of IFRS 17 “Insurance Contracts”, the choices of accounting policy and the significant degree of management judgment in determining certain key assumptions, we considered the assessment of the impact related to the first-time application of this new standard to be a key audit matter.
</td><td>
In order to cover the risk relating to the assessment of the impact related to the first-time application of IFRS 17 to the opening balances and comparatives of the Group's consolidated financial statements, our audit approach, involving our actuarial specialists, is as follows:

We assessed the appropriateness of the processes defined by management to determine the impact of the adoption of IFRS 17 on the consolidated financial statements as of January 1, 2022, as well as on the comparative financial statements as of December 31, 2022.
We assessed the appropriateness of the methods and judgments made by management and their compliance with IFRS 17 at the transition.
We assessed the appropriateness of the key assumptions applied to determine the contractual service margin at transition. With respect to the application of the fair value approach, we have examined the reasonableness of the key assumptions and where relevant, compared them against observable market transactions.
We have tested, on a sample basis and based on our risk assessment, the calculation models used to estimate future cash flows and the CSM;
We have implemented procedures to test on a sample basis the reliability of the data used as the basis for making estimates;
We examined the information underlying the main assumptions made by management and the sensitivity of the models to these assumptions;
We assessed the appropriateness of the information in the consolidated financial statements notes relating to the IFRS 17 standard transition with regards to the IAS 8 requirements.

</td></tr>
</table>

For the financial year ended December 31, 2023

<table>
<tr><th colspan="2">Measurement of liabilities related to insurance contracts for Life activities measured under the variable fee approach</th></tr>
<tr><th>Audit risk identified and main judgements</th><th>Audit procedures in response to the risk identified</th></tr>
<tr><td>As at December 31, 2023, liabilities related to insurance contracts for Life activities amounted to M€ 113 081 as presented in note 2.8.23 of the Consolidated Financial Statements and include:
- the present value of future cash flows for M€ 106 567;
- The risk adjustment for non-financial risk (RA) for M€ 841;
- The Contractual Service Margin (CSM) for M€ 5 673.

The determination of these liabilities is based on significant judgments relating to the data used, assumptions about future periods, and the use of estimation techniques.
- The estimation of the present value of future cash flows related to these long-term contracts is based on significant judgments, such as those set out in note 2.6.5 of the Consolidated Financial Statements, to define:
o the estimation techniques that rely on complex cash flows projection models,
o technical assumptions,
o current financial assumptions, particularly the determination of the discount rate curve.
- The RA determination is based on the assumptions concerning the confidence level established by the Group regarding the risk factors of insurance liabilities, and on a value-at-risk approach, which is the maximum loss within the defined confidence level.

Finally, the amortization of the CSM, corresponding to the portion of the CSM recognized in the insurance revenue in the current year, is determined based on the coverage units. These coverage units are adjusted by considering the expected return of the underlying items resulting from Real World ("RW") assumptions.

Due to the sensitivity of these reserves to the underlying judgments and key assumptions, we have considered the measurement of the life liabilities, as a key audit matter.</td><td>In order to cover the measurement risk of liabilities related to life insurance contracts, our audit approach, involving our actuarial specialists, is as follows:
- We assessed the compliance of the methodology applied to estimate the cash flows, RA and CSM related to these contracts with the current accounting standards;
- We assessed the information systems used to process the technical data, perform calculations, and their integration into the accounting system;
- We assessed the design and tested the operating effectiveness of the controls we deemed key to our audit. In particular, we have focused on:
o controls related to the validation of cash flows projection model, including governance regarding model changes;
o the documentation and controls related to judgments and key assumptions made by management;
- We applied procedures to test on a sample basis the reliability of the underlying data used in estimates;
- We tested on a sample basis and based on our risk assessment, the calculation models used to estimate future cash flows, non-financial risk adjustment, and the CSM, as well as any significant change to the calculation models;
- We examined on a sample basis the appropriateness of the coverage units and of the main Real World ("RW") assumptions used for the CSM recognition into the income statement;
- We performed analytical procedures to identify and analyze any material unusual and/or unexpected variation.

Finally, we assessed the adequacy of the disclosures in the notes to the consolidated financial statements.</td></tr>
</table>

For the financial year ended December 31, 2023

<table>
<tr><th colspan="2">Measurement of liabilities related to creditor policies measured under the general model</th></tr>
<tr><th>Audit risk identified and main judgements</th><th>Audit procedures in response to the risk identified</th></tr>
<tr><td>As at December 31, 2023, liabilities related to insurance contracts for Creditor policies amounted to M€ 1 614 as presented in note 2.6.5 of the Consolidated Financial Statements and include:
- the present value of future cash flows for M€ 8;
- The risk adjustment for non-financial risk (RA) for M€ 798.

The determination of these liabilities is based on significant judgments relating to the data used, assumptions about future periods, and the use of estimation techniques.
- The estimation of the present value of future cash flows related to these long-term contracts is based on significant judgments, such as those set out in note 2.6.5 of the Consolidated Financial Statements, to define:
o The estimation techniques that rely on complex cash flows projection models,
o Technical assumptions,
o The RA determination is based on the assumptions concerning the confidence level established by the Group regarding the risk factors of insurance liabilities, and on a value-at-risk approach, which is the maximum loss within the defined confidence level.

Due to their sensitivity to these judgments and key assumptions, we have considered the measurement of the liabilities related to insurance contracts for Creditor policies, evaluated under the general model, as a key audit matter.</td><td>In order to cover the measurement risk of liabilities related to creditor policies, our audit approach, involving our actuarial specialists, is as follows:
- We assessed the compliance of the methodology applied to estimate the cash flows and the RA related to these contracts with the current accounting standards;
- We assessed the information systems used to process the technical data, perform calculations, and their integration into the accounting system;
- We assessed the design and tested the operating effectiveness of the controls we deemed key to our audit. In particular, we have focused on:
o controls related to the validation of cash flows projection model;
o the documentation and controls related to judgments and key assumptions made by management;
- We applied procedures to test on a sample basis the reliability of the underlying data used in estimates;
- We tested on a sample basis and based on our risk assessment, the calculation models used to estimate future cash flows and non-financial risk adjustment, as well as any significant change to the calculation models;
- We performed analytical procedures to identify and analyze any material unusual and/or unexpected variation.

Finally, we assessed the adequacy of the disclosures in the notes to the consolidated financial statements.</td></tr>
</table>

For the financial year ended December 31, 2023

<table>
<tr><th colspan="2">Measurement of liabilities for incurred bodily injury claims in connection with auto insurance policies</th></tr>
<tr><th>Audit risk identified and main judgements</th><th>Audit procedures in response to the risk identified</th></tr>
<tr><td>As at December 31, 2023, the liability for incurred claims related to bodily injury claims (in connection with auto insurance policies) amounted to M€ 1 248 as presented in note 2.6.5 of the Consolidated Financial Statements and include:

- the present value of future cash flows for M€ 1 209;
- The risk adjustment for non-financial risk (RA) for M€ 39;

The measurement of these claims requires professional judgment on the part of Management, as well as consideration of changing industry benchmarks to measure damages.

Given the relative weight of these reserves on the balance sheet and the degree of judgment exercised by Management, we considered the estimation of these reserves to be a key audit matter.</td><td>In order to cover the risk relating to liabilities for incurred bodily injury claims in connection with auto insurance policies, our audit approach, involving our actuarial specialists, is as follows:

- We assessed the compliance of the methodology applied to estimate the cash flows and RA related to these contracts with the current accounting standards;
- We assessed the design and tested the operating effectiveness of the controls we deemed key to our audit and relating to:
  o the management of claims and, in particular, the measurement of reserves on a case-by-case basis;
  o the calculation of the ultimate cost (assumptions, judgments, data, methodologies, compliance with the applicable accounting standards);
  o the IT systems used to process the technical data and integration into the accounting system.
  o the documentation and controls related to the key judgments and assumptions made by management.
- We evaluated the outcome of the accounting estimates made the previous years in order to assess the reliability of the process used by Management to calculate these estimates;
- Our work also consisted in assessing the relevance of the statistical methods and actuarial inputs applied, as well as of the assumptions used with respect to the applicable regulations, market practices, and the economic and financial context of the Group;
- We reviewed auto insurance bodily injury cases, on a sample basis, by interviewing the case managers and controlling the adequacy of the cases;
- We performed an independent evaluation of the reserves.

Finally, we assessed the adequacy of the disclosures in the notes to the consolidated financial statements.</td></tr>
</table>

For the financial year ended December 31, 2023

<table>
<tr><th colspan="2">Measurement of Level 3 financial investments and real estate investments</th></tr>
<tr><th>Audit risk identified and main judgements</th><th>Audit procedures in response to the risk identified</th></tr>
<tr><td>As at December 31, 2023, Level 3 financial investments amounted to M€ 2 565 as presented in note 2.8.6 of the Consolidated Financial Statements compared to M€ 2 272 as at December 31, 2022.

As at December 31, 2023, Real estate investments amounted to M€ 4 924 and include:

- Investments in real estate properties for M€ 2 942;
- Operating property (level 2) for M€ 219;
- Financial investments in real estate for M€ 1 763 that is broken down as follows: level 1 for M€ 586, level 2 for M€ 1 081 and level 3 for M€ 96.

IFRS 13 classifies fair values according to three levels depending on the observable nature of the input data used in the valuation. The financial assets which fair value is based on unobservable data are disclosed as level 3 in the Notes to the Consolidated Financial Statement.

Given the amounts of level 3 financial investments and real estate investments and the degree of judgment required on the part of Management, particularly as regards to the measurement of assets based on unobservable market inputs, we deemed the measurement and impairment of these financial investments to be a key audit matter.</td><td>To assess the reasonableness of the measurement of Level 3 financial investments and real estate investments, we performed the following work based on the information provided to us:

- Review application of IFRS 9 and IAS 40's classification requirements;
- Review the methods used to measure assets;
- assess the internal control environment relating to the measurement process, particularly the implementation and effectiveness of key controls;
- for structured products, perform a comparative measurement on a sample of structured products;
- for funds, check the consistency of measurement given by asset management companies, on a sample basis;
- for other financial investments including real estate, perform substantive procedures on a selection of items to assess the appropriateness of their valuation with regards to market practices;
- examine the classification methodology and substantiate classification changes between the three levels of the fair value hierarchy;
- examine the information requested by the standards in the notes to the consolidated financial statements.</td></tr>
</table>

For the financial year ended December 31, 2023

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the Supervisory Board's management report.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Groupe des Assurances du Crédit Mutuel S.A. at the annual general meeting of 6 May 2020 for PricewaterhouseCoopers Audit and 3 May 2017 for KPMG S.A.

As at 31 December 2023, KPMG S.A. and PricewaterhouseCoopers Audit were in the 7th year and 4th year of total uninterrupted engagement respectively.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Supervisory Board.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

For the financial year ended December 31, 2023

This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit and Risk Committee

We submit a report to the Audit and Risk Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Risk Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit and Risk Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense and Neuilly-sur-Seine,

April 5, 2023

KPMG S.A.

PricewaterhouseCoopers Audit

Anthony Baillet
Partner

Antoine Esquieu
Partner

Sébastien Arnault
Partner