Assurances Crédit Mutuel

2024

SOLVENCY AND FINANCIAL CONDITION REPORT

➢ GROUPE DES ASSURANCES DU CRÉDIT MUTUEL SA

CONTENTS

INDEX

Acronyms frequently used in this document:

ACAV: *Assurances à capital variable* (Variable life insurance)

ACPR: *Autorité de contrôle prudentiel et de résolution* (French Prudential Supervisory and Resolution Authority)

ACS: *Aide à la complémentaire santé* (Complementary health insurance)

ALM: Asset & Liability Management

ANC: *Autorité des normes comptables* (French Accounting Standards Authority)

BE: Best Estimate – Best estimate of technical provisions under Solvency II

BSCR: Basic Solvency Capital Requirement

CRC: Accounting Regulation Committee

CSM: Contractual Service Margin. The contractual service margin represents the unearned profit for a group of insurance contracts, *i.e.* the present value of future profits.

EIOPA: European Insurance and Occupational Pensions Authority

GIE: *Groupement d'intérêt économique* (Economic interest grouping)

IAS/IFRS: International Accounting Standards/International Financial Reporting Standards

LFR: Amending Finance Law

MCR: Minimum Capital Requirement

UCITS: Undertakings for Collective Investment in Transferable Securities

ORSA: Own Risk and Solvency Assessment

PAA: Premium allocation approach, the simplified accounting method optionally applicable to annual tacit renewal insurance contracts

BCP: Business continuity plan

PPE: *Provision pour participation aux excédents* (Provision for surplus profit-sharing): an amount set aside for the purpose of adjusting or regulating the rates of return paid to policyholders in euros, and which must be paid back within eight years. This is a mandatory provision for all life insurance companies.

PRA: *Plan de reprise d'activité* (Disaster recovery plan)

QRT: Quantitative Reporting Template – Solvency II quantitative reporting template

RA: 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 the cash flows that arises from the non-financial risk when GACM undertakes insurance contracts.

NSLT Health: Health Not Similar to Life Techniques risks

SLT Health: Health Similar to Life Techniques risks

SCI: *Société civile immobilière* (Civil property company)

SCR: Solvency Capital Requirement

SFCR: Solvency and Financial Condition Report

APR: Guaranteed Annual Percentage Rate

UL: Unit-linked accounts

VA: Volatility Adjustment

VFA: Variable fee approach, model applicable to direct participating contracts

EXECUTIVE SUMMARY

Introduction

In accordance with Article 35 of Directive 2009/138/EC and Article 359 of Delegated Regulation (EU) 2015/35, Groupe des Assurances du Crédit Mutuel SA prepared a Solvency and Financial Condition Report. This report follows the structure provided for in Annex XX of Delegated Regulation (EU) 2015/35 and presents in the appendix all the annual quantitative statements required by the regulatory texts.

This report covers important information on the business and profit (loss), system of governance, risk profile, valuation for solvency purposes and capital management.

Unless otherwise indicated, the data in the report are presented in millions of euros.

Governance

Groupe des Assurances du Crédit Mutuel SA (hereinafter referred to as "GACM SA") is an insurance group company within the meaning of Article L.322-1-2 of the *Code des assurances* (French Insurance Code) and the consolidating company of the other entities of GACM SA.

GACM SA is a *société anonyme* (French Limited Company) with a Management Board and a Supervisory Board. The Management Board is responsible for the effective management of GACM SA.

Since January 1, 2024, Isabelle Chevelard, chairwoman of the Management Board of TARGOBANK Germany, has also chaired the Supervisory Board of GACM SA and the Boards of Directors of ACM VIE SA, ACM VIE SAM and ACM IARD SA.

Nicolas Govillot has been chairman of the Management Board of GACM since April 15, 2024. He was appointed by the Supervisory Board on April 5, 2024 to succeed Pierre Reichert, member and chairman of the Management Board, and from whom he takes over as effective manager of GACM SA's main insurance entities. In addition, he has been appointed chairman of the Boards of Directors of the GACM entities in Belgium and Germany.

Nicolas Govillot joined GACM in 2020, and was Chief Financial Officer, director of risks and real estate of GACM, member of the Management Board and Chief Operating Officer of ACM VIE SA since 2021.

As chairman of the Management Board, he is in charge of the effective and day-to-day management of the Groupe des ACM and is responsible for deploying Crédit Mutuel Alliance Fédérale's strategic plan, *"Ensemble Performant Solidaire",* for the insurance business, alongside Éric Petitgand, Chief Executive Officer of Crédit Mutuel Alliance Fédérale, Isabelle Soubari, Head of Compensation and Property Insurance of GACM SA and Loïc Guyot, Head of Accounts and Reinsurance of GACM SA, member of the Management Board of GACM SA.

GACM SA also has four key function holders, in accordance with the Solvency II regulations.

The written policies adopted by the company are reviewed annually.

This organization was established to provide the company with a sound and effective system of governance, and to limit its risk exposure.

Highlights

Acquisition of Crédit Mutuel Épargne Salariale and development of collective savings

In its new strategic plan, Crédit Mutuel Alliance Fédérale reaffirmed its strong ambitions in the professional and corporate markets, particularly in terms of collective savings.

In order to offer companies and their employees solutions combining both retirement and savings that enable them to adapt to recent French legislative changes on value sharing (PACTE Act of 2019 and ANI of February 2023)[1], Crédit Mutuel Alliance Fédérale has chosen to combine the expertise of, Crédit Mutuel Épargne Salariale (CMES) its subsidiary dedicated to employee savings, with that of GACM SA.

As of December 31, 2024, GACM acquired 85% of the share capital of CMES, previously controlled by CIC. The change of shareholder was approved by the *Autorité de contrôle prudentiel et de résolution* (ACPR - French Prudential Supervision and Resolution Authority). Transfer of material and human resources (168 employees) from CMES to GIE ACM is effective as of January 1, 2025.

Building an ecosystem of property & casualty insurance services

In an effort to improve the customer experience and control costs, GACM has undertaken to build an ecosystem of property & casualty insurance services.

(1) PACTE Act in 2019 leading to the creation of a new contract, the Retirement Savings Plan (PER), ANI of February 2023 introducing, for companies with more than 10 employees, the implementation of value-sharing schemes, and thus promoting the development of employee savings plans (PEE/PEI/PERCO).

In 2024, the first milestones were set with:

- on the one hand, the acquisition by GACM SA, on July 12, of 100% of the share capital of Repartim and its subsidiary Presta'Terre SARL, dedicated to breakdown services and minor home repairs;
- on the other hand, the deployment of a unique system, *Stations Mobilités*, led by the subsidiary Auto Mobilité Services. A station is a local site where policyholders can leave their damaged vehicle independently and leave with a replacement vehicle. The appraisal and repairs handled, either on site or through a network of local partner garages, thus guaranteeing the quality of services and reduced lead times. The activity started in September 2024 at the Mulhouse pilot site. The inauguration of the station took place on January 27, 2025.

A holding company called ADB Ecosystem wholly owned by GACM was also set up in December 2024 to hold companies and/or carry strategic investments in the integrated property & casualty insurance services sector.

Business development in Germany

As part of its new strategic plan, Crédit Mutuel Alliance Fédérale is strengthening its presence in Germany, the Group's leading international market, by developing an insurance business there.

ACM Deutschland AG, based in Düsseldorf, was created in 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, for which the procedure for approval by the German Prudential Supervisory Authority is underway in order to start a pilot phase in the second half of 2025.

At the end of 2024, GACM held 51% of the share capital and voting rights of ACM Deutschland AG. Targo Deutschland GmbH, whose subsidiary TARGOBANK AG will be the distributor of the insurance contracts of the two subsidiaries, holds the remaining 49%.

An uncertain economic and financial environment

The 2024 economic and financial climate was impacted by numerous events in France and abroad.

In France, the dissolution of the National Assembly and the legislative elections that followed placed the country in a situation of absence of a majority which led to the censorship of the government in early December and the abandoning of the draft Budget Bill for 2025. Following these events, the Moody's rating agency downgraded the French sovereign rating by one notch to Aa3, then the ratings of seven French banks, including Banque Fédérative du Crédit Mutuel, GACM's parent company.

In the United States, the presidential elections generated uncertainties, among which the new administration's view on the management of the war in Ukraine. The conflict in the Middle East and the crisis between Taiwan and China have also influenced the business climate. Market volatility remained high, and performance gaps were significant between the CAC 40 (-2.2%) and other indices such as the S&P500 (+23%).

Inflation eased, under the effect of the actions of the main central banks and the decline in energy prices. In the euro zone, it stood at 2.4% in 2024, a level close to the ECB's target (2%). However, in property & casualty insurance sector, inflation remained higher than general inflation and GACM was impacted by the increase in average claims costs. New price increases were therefore applied in 2024 at contract maturity dates. The combined ratio of GACM property & casualty insurance under IFRS returned to near equilibrium, at 100.2% (compared to 102.1% in 2023).

Loan interest rates decreased slightly in 2024, but remained high in a sluggish real estate market. Sales of creditor insurance contracts suffered from this situation (318,000 new home loan insurance contracts, a decrease of 23% compared to 2023).

Conversely, after difficulties in 2023, the French savings & retirement insurance market was dynamic. GACM benefited from this trend, with record net inflows on its savings & retirement insurance products of €2.7 billion. Net inflows were mainly in traditional euros funds. GACM thus invested at rates of return higher than the average yield on the bond portfolio and was able, thanks to its accumulated reserves (profit-sharing reserve/mathematical provisions ratio of 6.3%) to pay its policyholders a rate of 2.80% on its traditional euro funds, for the second consecutive year.

Issuance of debt and payment of an exceptional dividend

On April 30, 2024, in order to further optimize its equity structure and in line with the inaugural issue of subordinated debt carried out in 2021, GACM SA issued €1 billion of bonds on the unregulated Euronext Growth Paris market.

This is a double-tranche issue comprised of:

- €500 million of Tier 2 subordinated bonds, with a 20.5-year maturity and a 10.5-year early redemption option, bearing interest at a fixed annual rate of 5.00% until the first reset date, rated Baa1 by Moody's;
- €500 million of senior unsecured bonds, with a five-year maturity, bearing interest at a fixed annual rate of 3.75%, rated A3 by Moody's.

Following the GACM General Meeting held on September 27, 2024, GACM SA paid an exceptional dividend in the amount of €1 billion to its shareholders.

Confirmation of Moody's ratings

In September 2024, the rating agency Moody's confirmed the GACM ratings, with a stable outlook:

- A1 for its two subsidiaries ACM VIE SA and ACM IARD SA;
- A3 for senior unsecured debt issued by the holding company GACM SA;
- Baa1 for subordinated debt issued by the holding company GACM SA.

This confirmation reflects the financial strength of GACM SA.

Profit (loss) and outlook

Results

GACM's gross written premiums amounted to €15.2 billion, up 11.3% year-on-year excluding GACM España (+9.8% including GACM España[2]). In savings & retirement insurance, gross inflows were unprecedented at €8.6 billion, up 16.3% compared to 2023. This increase concerned both euro-denominated funds (+17.0%) and unit-linked products (+14.5%), for which the share of premiums was stable at 28.3%. Net inflows increased by more than €1 billion (+73% at constant scope) compared to 2023, reaching a record €2.7 billion. Property and casualty and protection insurance gross written premiums amounted to €6.6 billion in 2024, up by 5.4%. In detail, the growth in property & casualty insurance was significant (+7.9%), driven by the growth of portfolios and the tariff increases applied to deal with the high inflation of claims costs. Health, protection & creditor insurance also posted sustained growth of 4.0% compared to 2023.

At €996 million, GACM's net profit as of December 31, 2024 was up 19.9% year-on-year, driven by solid technical fundamentals and a positive financial result. Insurance result increased, thanks in particular to a significant decrease in the cost of natural events compared to the previous two years. The combined ratio of GACM property & casualty insurance under IFRS has thus returned to near-equilibrium, at 100.2% (compared to 102.1% in 2023). Health, protection & creditor insurance and savings & retirement insurance also posted increased results. Likewise, the financial result was up, mainly due to the increase in dividends received and the good performance of international financial markets.

The contractual service margin (CSM), which represents the reserve of future profit from GACM's long-term insurance contracts (savings & retirement, creditor, funeral and long-term care insurance) totaled €6.7 billion, down slightly (- 1.0%) compared to 2023. This decrease is mainly due to the creditor insurance business, for which the CSM declined by 8.9%. At December 31, 2024, €626 million in CSM was recognized in profit (compared to €613 million in 2023).

At the end of 2024, total equity amounted to €11.0 billion, a slight decrease of €0.1 billion compared to the end of 2023. In 2024, GACM distributed €1.3 billion in dividends, including €1.0 billion in exceptional dividends.

Outlook

As part of the implementation of Crédit Mutuel Alliance Fédérale's 2024-2027 strategic plan "Togetherness Performance Solidarity", which has strong development ambitions in insurance, in particular that of equipping eight million customers with insurance by 2027, numerous actions will be undertaken in 2025.

In order to increase the equipment of individual customers, it is planned to increase the production of complementary health contracts, in particular for young retirees, by capitalizing on the launch of a new offer planned in 2025, and to accelerate the subscriptions in property and individual protection insurance.

With a view to improving operational efficiency and conversion rates from quotes to contracts, the digitalization of the sales process will be strengthened.

In the professional and corporate market, the objective is to support customers in their projects, particularly with the development of employee savings and retirement savings.

Internationally, the ambition is to roll out the Group's banking and insurance model with Beobank in Belgium and Targobank in Germany, where the marketing of creditor insurance and savings insurance contracts is planned as a pilot phase for the second half of 2025. At the same time, the objective is to continue to develop GACM's Luxembourg insurance subsidiary.

[2] As a reminder, GACM España was sold on July 12, 2023.

Risk profile

As a result of its activities in savings, retirement, creditor, protection, non-life and health insurance, GACM is exposed to market risks and underwriting risks in life, non-life and health insurance. GACM benefits from a good diversification of its risks.

Solvency

GACM's Solvency II ratio stood at 213% at December 31, 2024, compared with 226% at December 31, 2023.

This ratio is calculated by dividing the level of eligible own funds in the Solvency II prudential balance sheet, *i.e.* €14,469 million, by the Solvency Capital Requirement (SCR), which corresponds to the equity capital requirement, *i.e.* €6,792 million. The SCR is calculated according to the standard formula of EIOPA. No transitory measure has been used.

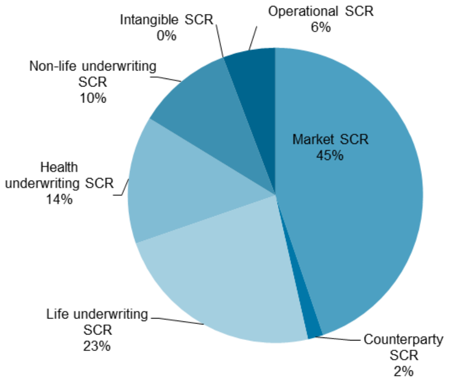
The vast majority of GACM's own funds (92%) is classified as Tier 1.

As GACM's activities are well diversified, the SCR benefits fully from an estimated diversification profit of €2,998 million.

Own funds requirements before diversification are especially related to the market SCR and the underwriting SCR.

The main market risks are equity, spread and interest rate risks. GACM is sensitive this year to the risk of a fall in interest rates.

Breakdown of the SCR:



I. BUSINESS AND PERFORMANCE

A. BUSINESS AND ENVIRONMENT

1. Legal information

Groupe des Assurances du Crédit Mutuel SA is a *société anonyme* (French Limited Company) with a Management Board and a Supervisory Board

GACM SA is an insurance group company within the meaning of Article L.322-1-2 of the *Code des assurances* (French Insurance Code), and a consolidating company. As such, it designs and manages, through its subsidiaries and consolidated entities, a range of insurance products that cover all the needs of individuals, as well as those of professionals, companies, farmers and associations.

a. Supervisory authority

GACM SA is supervised by the *Autorité de contrôle prudentiel et de résolution* (French Prudential Supervisory and Resolution Authority, ACPR, 4 place de Budapest – 75009 Paris).

The ACPR, an administrative authority, ensures the preservation of the stability of the financial system and the protection of customers, policyholders, members and beneficiaries of the persons subject to its supervision.

b. Company external auditor

The two main statutory auditors are:

- KPMG SA, Tour Eqho, 2 avenue Gambetta – 92066 Paris La Défense, France;
- PricewaterhouseCoopers Audit SAS, 63 rue de Villers – 92208 Neuilly-sur-Seine, France.

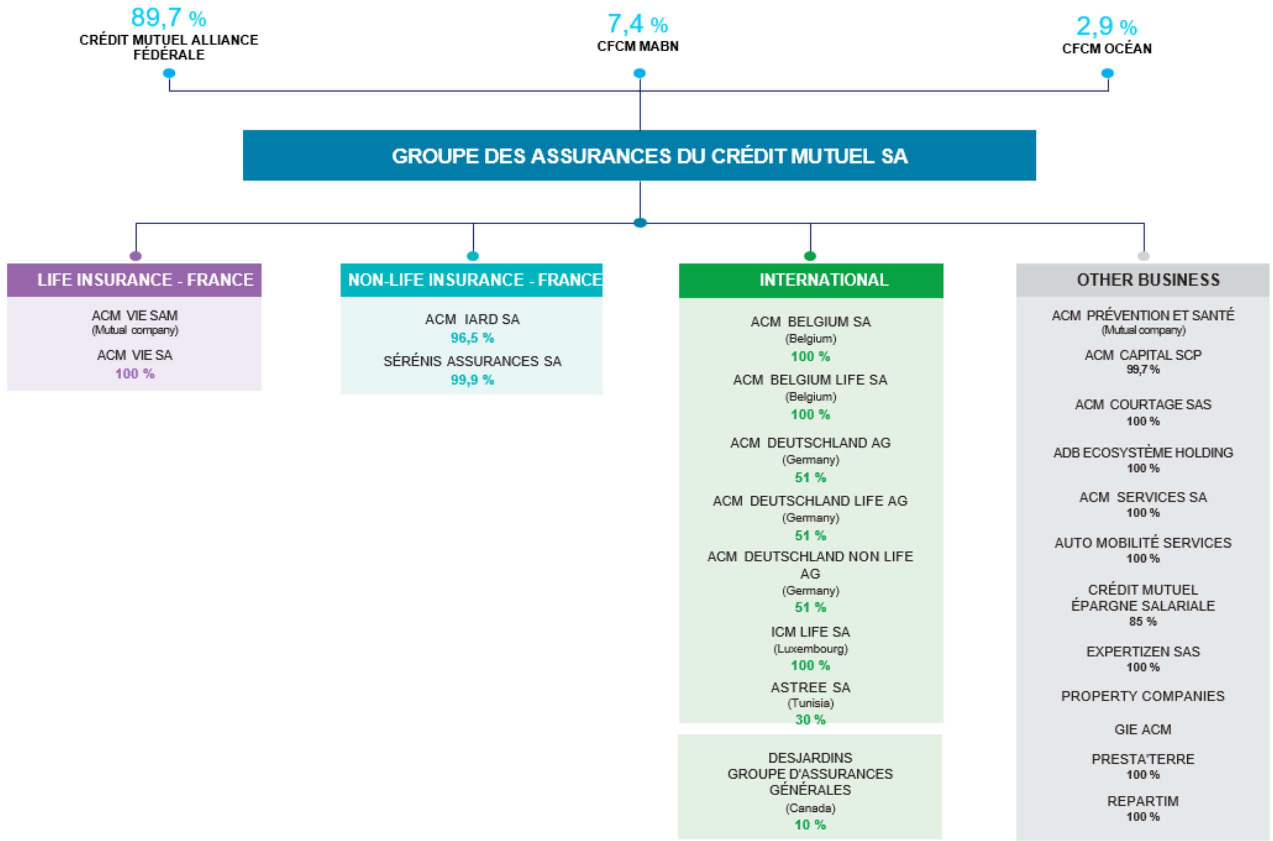
2. Position of the company within the Group

a. GACM shareholding structure and organization chart

GACM SA, *société anonyme* (French Limited Company), is directly held:

- 89.7% by Crédit Mutuel Alliance Fédérale entities;
- 7.4% by Caisse Fédérale de Crédit Mutuel Maine-Anjou Basse-Normandie;
- 2.9% by Caisse Fédérale de Crédit Mutuel Océan.

The organization chart below shows the main GACM SA companies:



b. Scope of consolidation of GACM SA

Prudential scope of consolidation (Solvency II)

GACM SA is a holding company which consolidates the following entities under prudential standards:

			12/31/2024		12/31/2023	
	Country	Consolidation method	Control	Interest	Control	Interest
Parent companies						
GACM SA	France	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
ACM DEUTSCHLAND AG	Germany	Fully-consolidated (FC)	51.0%	51.0%	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)	N/A	N/A	N/A	N/A
ACM VIE SA	France	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
ICM LIFE SA	Luxembourg	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
ACM PRÉVENTION ET SANTÉ (formerly MTRL)*	France	Fully-consolidated (FC)	-	-	N/A	N/A
ACM BELGIUM LIFE SA	Belgium	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
ACM BELGIUM SA	Belgium	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
SÉRÉNIS ASSURANCES SA	France	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
ACM DEUTSCHLAND NON-LIFE AG	Germany	Fully-consolidated (FC)	100.0%	51.0%	100.0%	85.3%
ACM DEUTSCHLAND LIFE AG	Germany	Fully-consolidated (FC)	100.0%	51.0%	100.0%	85.3%
Other companies						
ACM CAPITAL SCP	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%	99.5%	100.0%	99.6%

** Mutual insurance companies affiliated to GACM.*

In 2024, MTRL, now ACM Prévention et Santé, was removed from the prudential scope of consolidation following its transformation into a Book III mutual insurance company.

GACM SA also holds 30% of the Tunisian insurance company ASTREE SA. However, this company is not consolidated under Solvency II. In accordance with Article 229 of Directive 2009/138/EC, given the lack of available information (non-EU company), and the non-material nature of this company's own funds compared to those of GACM SA, it was decided to deduct the market value of this company from the own funds available to cover the solvency of GACM SA and to exclude the company from the scope of calculation of GACM SA's SCR.

GACM also acquired 85% of the shares of Crédit Mutuel Épargne Salariale. The company is not consolidated within the prudential scope with regard to materiality criteria (€13 million of own funds, *i.e.* less than 0.1% of GACM's consolidated own funds).

Statutory scope of consolidation (IFRS)

GACM SA consolidates the following entities under the statutory standards:

			12/31/2024		12/31/2023	
	Country	Consolidation method	Control	Interest	Control	Interest
Parent companies						
GACM SA	France	Fully-consolidated (FC)	100.0%	100.0%	100.0%	100.0%
ACM DEUTSCHLAND AG	Germany	Fully-consolidated (FC)	51.0%	51.0%	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)	N/A	N/A	N/A	N/A
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%
ACM DEUTSCHLAND NON-LIFE AG	Germany	Fully-consolidated (FC)	100.0%	51.0%	100.0%	85.3%
ACM DEUTSCHLAND LIFE AG	Germany	Fully-consolidated (FC)	100.0%	51.0%	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%	99.4%
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%

** Mutual insurance company affiliated to GACM.*

Scope of consolidation differences

The scope of consolidation for the prudential balance sheet and the IFRS scope of consolidation are different. The main differences are as follows:

- exclusion of insurance companies deemed to be non-material in the IFRS scope of consolidation, namely ICM LIFE SA, ACM Belgium SA, and Sérénis Assurances SA;
- integration of several property companies in the IFRS scope of consolidation, while only the significant property companies Foncière Masséna SA and SCI ACM remain consolidated in the prudential balance sheet.

All data presented in the “Business and performance” section below is based on the IFRS scope of consolidation.

c. Workforce of Groupe des Assurances du Crédit Mutuel

GACM SA and its French entities pool their material, technical and human resources within GIE ACM (Economic Interest Grouping), the sole employer entity on behalf of its various members.

Management powers are exercised by the chairman of GIE ACM, who is also the effective manager of GACM, as well as by the functional line management set up within the GIE ACM.

(average full-time equivalent workforce)	12/31/2024	12/31/2023
France	3,259	3,153
International	45	34
Total	**3,304**	**3,187**

3. The company's business

The insurance business carried out through Groupe des Assurances du Crédit Mutuel (GACM) has been fully integrated, both commercially and technically, within Crédit Mutuel Alliance Fédérale for more than 50 years.

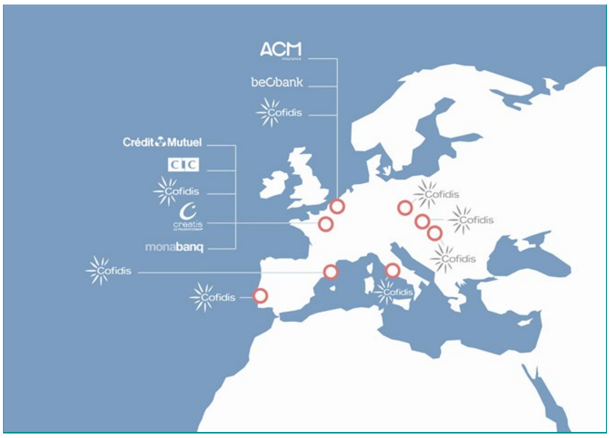
GACM companies design and manage a complete range of insurance products for individuals, professionals, companies, farmers and associations:

- property & casualty and liability insurance;
- health, protection & creditor insurance;
- savings & retirement insurance.

The banking networks of Crédit Mutuel Alliance Fédérale are at the heart of GACM's business in France and abroad.

The insurance products of GACM's entities are also marketed to targeted customers through brokers or through the networks of agencies specific to certain Group companies (the ACM Insurance agency networks in Belgium, for example).

At December 31, 2024, GACM acquired 85% of the share capital of Crédit Mutuel Épargne Salariale (see *Highlights*). In this way, GACM will be able to offer global collective savings solutions to corporate customers of the banking networks and their employees.



At the end of 2024, the Groupe des ACM operated internationally in the following countries:

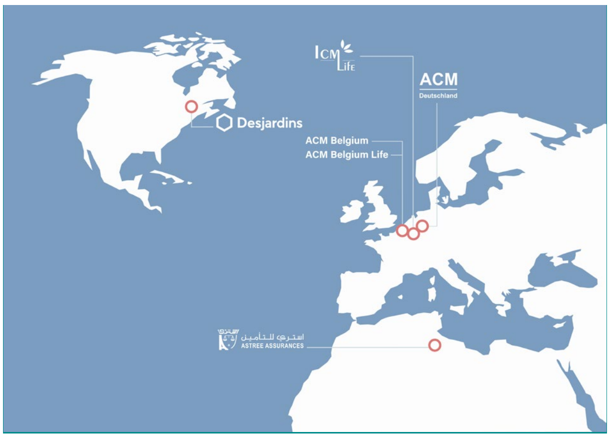
- Freedom to Provide Services (FPS), in most European countries where COFIDIS is present (Belgium, Spain, Portugal, Italy, Hungary and Slovakia);
- in Belgium, with ACM Belgium SA and ACM Belgium Life SA, wholly-owned subsidiaries of GACM;
- in Luxembourg, with ICM Life SA, a wholly-owned subsidiary of GACM SA.

To strengthen the Group's presence in Germany, in 2023, GACM set up ACM Deutschland AG, a holding company for life and non-life insurance companies, which will distribute their contracts in the TARGOBANK Deutschland network. The requests for approval from German prudential authority (BaFin) are in progress, with the aim of obtaining the authorizations in 2025.

As a reminder, GACM España was sold by GACM in July 2023. In order to better reflect the evolution of GACM's activity in 2024, certain 2023 data in the rest of the document are presented at constant scope, *i.e.* without taking into account the activity of GACM España prior to its disposal.

Groupe des ACM also holds financial stakes in insurance companies abroad:

- in Canada, with a 10% stake in the holding company Desjardins Groupe d'Assurances Générales (DGAG);
- in Tunisia, where GACM holds 30% of the share capital of the insurance company Astree SA.



B. UNDERWRITING PERFORMANCE

1. Gross written premiums

Gross written premiums presented correspond to the gross written premiums of the consolidated insurance companies.

(in € millions)	12/31/2024			12/31/2023			Changes %
	France	International*	Total	France	International*	Total	
Property & casualty insurance	2,596	62	2,657	2,406	58	2,464	7.9%
Motor	*1,367*	*38*	*1,405*	*1,265*	*37*	*1,302*	*7.9%*
Property damage & liability	*879*	*22*	*901*	*812*	*19*	*831*	*8.4%*
Other property and casualty	*349*	*2*	*351*	*329*	*2*	*330*	*6.2%*
Health, protection & creditor insurance	3,472	192	3,665	3,334	189	3,523	4.0%
Health	*912*	*-*	*912*	*832*	*-*	*832*	*9.5%*
Protection	*698*	*4*	*703*	*691*	*4*	*695*	*1.1%*
Creditor	*1,863*	*188*	*2,050*	*1,811*	*185*	*1,996*	*2.7%*
Savings & retirement insurance	8,614	26	8,640	7,369	61	7,430	16.3%
External reinsurance accepted	-	283	283	-	277	277	1.9%
Total at constant scope	**14,682**	**563**	**15,245**	**13,110**	**585**	**13,695**	**11.3%**
Total including GACM España	**14,682**	**563**	**15,245**	**13,110**	**778**	**13,888**	**9.8%**

** Including gross written premiums generated by French companies outside France under the Freedom to Provide Services (FPS) and accepted reinsurance broken down by country of origin.*

Changes in gross written premiums are commented below at constant scope, *i.e.* without taking into account the GACM España business sold in July 2023.

Savings & retirement insurance

GACM's gross premiums were up by 16.3% compared to the end of 2023 and reached €8,640 million at the end of 2024.

Almost all of the gross premiums are generated in France. Gross premiums amounted to €8,614 million, up 16.9%, in a market that has become more attractive in 2024 (+14%) in a context of economic and political uncertainties. The increase concerned both euro-denominated funds (€6,171 million, +17.9%) and unit-linked products (€2,443 million, +14.5%). The share of unit-linked products in gross premiums was stable at 28.4% in 2024.

The increase in gross premiums and the relative stability of outflows resulted in an increase of €1,170 million (+74%) in GACM's net inflows in France. These reached a record €2,757 million. They were down on unit-linked products to €522 million (compared to €837 million at the end of December 2023), but conversely up sharply on the euro-denominated fund to €2,235 million (compared to €750 million at the end of December 2023).

At €26 million, gross premiums from foreign entities were down by 57%. This change is due to a high level of activity in Belgium in 2023 following a commercial initiative carried out in the first half of 2023.

Property & casualty insurance

At the end of 2024, property & casualty and liability insurance gross written premiums amounted to €2,657 million, up 7.9% year-on-year. These were mainly generated in France (€2,596 million, +7.9%) in motor insurance for €1,367 million and in property damage & liability insurance for €879 million. In these two business units, the increase in gross written premiums (+8.1% and +8.2% respectively) is due to the growth in portfolios and tariff increases.

The portfolio of insurance contracts for property and professional activities continued to grow in 2024, in particular multi-risk insurance for professionals, leading to an increase in gross written premiums of 11.7%.

Outside France, gross written premiums from property & casualty and liability insurance amounted to €62 million

(+6.7%), driven by motor and property damage & liability insurance, which accounted for 97% of the total.

Health, protection & creditor insurance

Health, protection & creditor insurance gross written premiums amounted to €3,665 million at the end of 2024, up 4.0% compared to 2023.

In France, they amounted to €3,472 million (+4.1%). The increase of 1.1% in protection and 2.8% in creditor insurance was due to portfolio growth. In health, the more marked increase of 9.5% is also linked to tariff changes decided in a context of increased health expenditure and the transfer of social security costs to complementary organizations.

The gross written premiums generated outside France amounted to €192 million, up by +1.9%. They are mainly composed of creditor insurance (98%) distributed in the networks of Beobank in Belgium and Cofidis in various European countries.

External reinsurance accepted

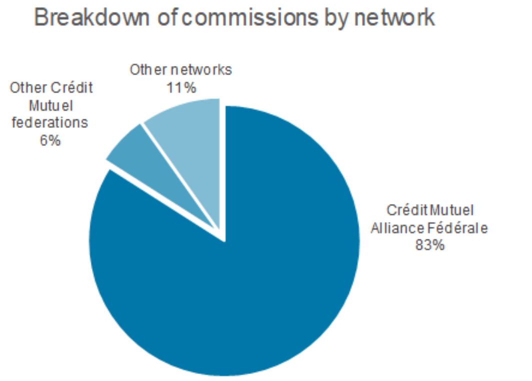
External reinsurance accepted concerns the creditor insurance portfolio marketed by the TARGOBANK networks in Germany, ceded under a quota-share agreement to GACM entities by the Talanx group. Their gross written premiums amounted to €283 million, up slightly (+1.9%) compared to 2023.

2. Overheads and commissions

(in € millions)	12/31/2024	12/31/2023	Changes %
Employee benefits	296	289	2.3%
Other current operating expenses	366	349	5.0%
Taxes	54	49	11.1%
Depreciation and amortization	8	7	22.3%
Total overheads	**724**	**693**	**4.5%**
Commissions - Crédit Mutuel Alliance Fédérale	1,682	1,661	1.2%
Commissions - Other Crédit Mutuel federations	123	121	1.9%
Commissions - Other networks	196	227	-13.6%
Total commissions	**2,001**	**2,009**	**-0.4%**

The overheads increased by 4.5%, from €693 million in 2023 to €724 million in 2024. Restated for exceptional items[3] which impacted the year (€58 million, including €32 million related to the development project in Germany), the increase in overheads was limited to +2.9% compared to 2023. It was mainly due to the increase in personnel costs and IT costs, linked to business growth.

At constant scope excluding GACM España, commissions paid to the networks increased by 0.8%. At the end of 2024, they amounted to €2,001 million, including €1,682 million for the Crédit Mutuel Alliance Fédérale entities.



[3] Exit from the Spain scope (€27 million in fees in 2023), increase in fees in Germany (€32 million, *i.e.* +€21 million), transfer of the MTRL portfolio and related costs to ACM IARD (+€7 million), Donations paid to the CMAF foundation as part of the societal dividend (€19 million, *i.e.* +€11 million compared to 2023).

3. Underwriting performance analysis

The GACM insurance result presented in the table below is an alternative performance indicator with regard to the ESMA guidelines and the AMF position published in 2015.

This metric is used to analyze the Group's underwriting income.

The insurance result corresponds to the insurance service result as it appears in the income statement (€1,084 million at December 31, 2024), to which are added a portion of the non-attribuable overheads related to the insurance activities (-€96 million), other operating income and expenses (€59 million), and of which is restated the amount of the experience adjustment on commissions on savings & retirement insurance outstandings and retrocessions (-€35 million). Indeed, the latter is neutralized in the financial result, and therefore has no impact on GACM SA's net profit.

(in € millions)	12/31/2024				12/31/2023	Changes
	Property & casualty and insurance	Health, protection & creditor insurance	Savings & retirement insurance	Total		
Short-term activities	59	277		336	154	182
Insurance revenue	*2,647*	*2,309*		*4,956*	*4,561*	*395*
Insurance expenses	*-2,609*	*-2,005*		*-4,614*	*-4,401*	*-213*
Other insurance income and expenses	*21*	*-27*		*-6*	*-7*	*-*
Long-term activities	2	251	497	751	727	24
Recognition of CSM in profit or loss	*-*	*170*	*456*	*626*	*613*	*13*
*Change in risk adjustment (RA) for risk expired**	*-*	*73*	*52*	*125*	*117*	*8*
Experience adjustments	*2*	*63*	*5*	*70*	*49*	*21*
Losses and reversals of future losses	*-*	*-40*	*-*	*-40*	*-16*	*-25*
Other insurance income and expenses	*-*	*-15*	*-15*	*-30*	*-37*	*7*
Net profit (loss) arising from reinsurance contracts	-65	-9	-	-74	-33	-41
Insurance service result of GACM España					3	-3
IFRS insurance result	**-4**	**519**	**497**	**1,013**	**851**	**162**

** Net of the charge for current claims.*

At December 31, 2024, GACM's total insurance result amounted to €1,013 million, up by €165 million compared to December 31, 2023 excluding GACM España.

Property & casualty insurance

In property & casualty and liability insurance, almost entirely composed of annual tacit renewal contracts valued according to the simplified PAA model, the insurance result increased by €45 million. This improvement is mainly due to a significantly lower expense for climate events than the previous two years (€237 million before reinsurance in 2024, compared to €338 million in 2023 and €469 million in 2022).

However, the insurance result remains slightly negative, due to the continued high sector inflation, particularly in motor insurance.

As of December 31, 2024, the combined ratio of GACM property & casualty insurance under IFRS, net of reinsurance, is near equilibrium, at 100.2% compared to 102.1% in 2023.

Health, protection & creditor insurance

In health, protection & creditor insurance, the insurance result amounted to €519 million, an improvement of €75 million in one year.

The insurance result from short-term activities, measured under the simplified PAA accounting model (health, personal accidents, consumer loan insurance) improved by €101 million compared to the end of 2023, at €277 million, mainly driven by the increase in positive changes in fulfillment cashflows relative to the liability for incurred claims in personal protection insurance.

The insurance result from long-term activities measured according to the general IFRS 17 model (long-term care, funeral, and creditor excluding consumer credit) was down by €20 million compared to 2023, at €251 million. This decrease is mainly due to the increase in the frequency of work disability observed in the creditor insurance portfolio associated with home loans. The amount of CSM recognized in the income statement thus decreased by €11 million compared to the previous year and future losses increased by €25 million compared to 2023.

The CSM amounted to €987 million at December 31, 2024, compared to €1,047 million at December 31, 2023.

Savings & retirement insurance

Savings & retirement insurance contracts are valued according to the VFA accounting model. The insurance result amounted to €497 million, up by €46 million compared to 2023. It is essentially composed of the recognition of CSM. This amounted to €456 million compared to €432 million in December 2023, an increase of 5.5%, in line with the increase in savings & retirement insurance outstandings over the period. The CSM was stable compared to 2023, with the effect of the increase in outstandings being offset by the weaker performance of financial markets in 2024. It amounted to €5,663 million, compared to €5,673 million at December 31, 2023.

In addition, the change in risk adjustment (RA) was up by €11 million, due to the increase in the opening stock of RA related to the increase in equity markets in 2023.

4. Outlook

Underwriting performance should benefit from continued portfolio growth. More frequent or more serious natural events could nevertheless have a negative impact on expected profitability.

C. INVESTMENT PERFORMANCE

1. Financial result for the year

GACM's financial result presented in the table below is an alternative performance indicator with regard to the ESMA guidelines and the AMF position published in 2015.

The financial result is equal to the net financial result as it appears in the IFRS income statement (€373 million), from which is deducted the amount that neutralizes the experience adjustment on commissions on savings & retirement insurance outstandings and retrocessions (-€35 million) included in the insurance service result.

GACM's financial result amounted to €408 million at December 31, 2024, up by €128 million compared to December 31, 2023. At constant scope, excluding GACM España, it increased by €117 million, mainly due to the dividends received from the Desjardins group, which were up by €64 million in 2024 compared to the previous financial year.

By type of asset

	12/31/2024					12/31/2023	Changes
(in € millions)	Other bonds and fixed income securities	Equities and other variable income securities	Property	Other	Total		
Interest income calculated using the effective interest rate method	1,508	-	-	31	1,539	1,413	125
Other investment income	599	2,580	-180	182	3,180	4,570	-1,390
Investment income	*159*	*985*	*244*	*37*	*1,425*	*1,340*	*85*
Other financial income and expenses	*-*	*-*	*-*	*102*	*102*	*65*	*37*
Changes in fair value	*445*	*1,596*	*-424*	*43*	*1,660*	*2,899*	*-1,239*
Derecognition of financial instruments	*-5*	*-1*	*-1*	*-*	*-7*	*266*	*-273*
Credit-related loss of value	-	-	-	-18	-18	-2	-17
Financial result from investments	2,107	2,580	-180	195	4,700	5,982	-1,281
Finance income/expenses from insurance and reinsurance*					-4,293	-5,702	1,409
Financial result					**408**	**279**	**128**

** Excluding experience adjustments on commissions on savings & retirement insurance outstandings.*

At December 31, 2024, the financial result related to investments amounted to €4,700 million, down by -€1,281 million compared to 2023. This change was mainly due to a lower increase in the market value of securities classified at fair value through profit or loss (€1,660 million in 2024 compared to €2,899 million in 2023), particularly in the equity portfolio held directly and invested in the French market (decrease in the CAC 40).

These securities mainly support the portfolios of savings & retirement insurance contracts.

Current income was up by €210 million compared to 2023. On the one hand, interest income increased by €125 million, as a result of the rise in the average actuarial rate of return on bond portfolios. On the other hand, income from other investments was up by €85 million, due in particular to the increase in dividends paid by DGAG.

By segment

The financial result related to the underlying investments of the savings & retirement insurance contracts is neutralized in accordance with IFRS 17. Thus, only the financial result related to the investments backing the equity and P&C and protection insurance portfolios has a direct impact on the net profit of the financial year.

	12/31/2024					12/31/2023	Changes
(in € millions)	Property & casualty and liability insurance	Health, protection & creditor insurance	Savings & retirement insurance	Other	Total		
Financial result from investments	66	85	4,190	359	4,700	5,982	-1,282
Finance income/expenses from insurance and reinsurance*	-48	-59	-4,186	-	-4,293	-5,702	1,409
Financial result	**18**	**26**	**4**	**359**	**408**	**279**	**129**

** Excluding experience adjustments on commissions on savings & retirement insurance outstandings.*

In addition to neutralizing the financial result from savings & retirement insurance, the financial income or expenses from insurance also include the accretion expense calculated in accordance with IFRS 17 and which reflects the expected return on discounted liabilities. This expense of €107 million at the end of 2024 was up by €32 million year-on-year, notably as a result of an increase in insurance liabilities.

Financial result recognized in equity

	12/31/2024					12/31/2023	Changes
(in € millions)	Other bonds and fixed income securities	Equities and other variable income securities	Property	Other	Total		
Financial result from investments	-14	180	1		167	3,892	-3,725
Finance income/expenses from insurance and reinsurance					-61	-3,269	3,208
Net financial result recognized in equity					**106**	**623**	**-517**

The net financial result recognized directly in equity amounted to €106 million at December 31, 2024, down by €517 million compared to 2023. This decrease is due to a less favorable change in the equity, P&C and protection portfolios, long rates on the bond pocket and the financial markets on the portfolio of equities classified as OCI that may not be reclassified to profit or loss.

Securitization investments

GACM did not have any securitization investments as of December 31, 2024.

D. PERFORMANCE OF OTHER ACTIVITIES

The company's main sources of income and expenses, other than those relating to underwriting and investments, are as follows:

- other income and expenses;
- financing expenses, which mainly consists of the interest expense on financial debt issued;
- taxes, consisting of all taxes levied on profit, whether payable or deferred.

E. OTHER INFORMATION

1. Intercompany transactions

GACM lists the following intra-group transactions:

- reciprocal assets and liabilities;
- reinsurance transactions;
- intra-group securities and the associated dividend distribution;
- cost sharing.

The same approach is applied under IFRS and Solvency II although the scope of consolidation is different.

Intra-group exchanges of assets and liabilities mainly concern tax debts and shareholders' current accounts.

Reinsurance transactions are transactions relating to the various reinsurance agreements entered into between GACM entities.

GIE ACM ensures the distribution of costs. This entity is particularly responsible for re-invoicing all of its members for employee benefits and information system expenses. The amount of these services was €601 million for 2024.

2. Information subsequent to the closing of financial statements

Revision of Desjardins financial instruments

Since 1989, GACM SA has been in partnership with Desjardins, the largest integrated cooperative financial group in Canada.

GACM holds a 10% interest in ordinary shares in the non-life insurance holding company of Desjardins (DGAG). Until December 31, 2024, GACM also held preferred shares issued for a total value of CAD 114 million (€77 million) as well as a subordinated debt of CAD 14 million (€9 million).

Desjardins redeemed in full the subordinated debt and the aforementioned preferred shares. At the same time, GACM subscribed for CAD 200 million (€134 million) in new preferred shares.

Impact of the 2025 Finance Act

The 2025 Finance Act introduced an exceptional contribution on the profits of large companies with gross written premiums exceeding €1 billion. The tax consolidation group, in which GACM is a member, is liable for this contribution, the amount of which is equal to 41.2% of the average corporate income tax for the 2024 and 2025 financial years. This exceptional contribution will impact the financial statements in 2025. As the Group's parent company, GACM will recognize an expense corresponding to the effects of the tax consolidation contribution.

II. SYSTEM OF GOVERNANCE

A. GENERAL INFORMATION ON THE SYSTEM OF GOVERNANCE

1. Governance structure

In accordance with the requirements of the Solvency II Directive, GACM SA has set up governance rules based on a clear division of responsibilities in support of an effective risk management system.

GACM SA is a dualist structure. The dual system results, through the Management Board, in effective management guaranteeing the respect of the "four eyes principle".

The company's governance revolves around:

- its General Meeting;
- its Supervisory Board and its Audit and Risk Committee;
- its Management Board;
- its operations management;
- its committees;
- its key function holders.

a. General Meeting

The principal shareholder of GACM SA is Banque Fédérative du Crédit Mutuel. GACM SA is also owned by Crédit Industriel et Commercial (CIC), Fédération du Crédit Mutuel Centre Est Europe, Caisse de Crédit Mutuel du Sud-Est and by various regional and federal banks of Crédit Mutuel.

b. The Supervisory Board and its Audit and Risk Committee

The Supervisory Board

The Supervisory Board supervises and exercises permanent control over the company's management. In particular, it ensures that this management is in line with the strategic orientations of GACM SA. This supervision is enabled, in particular, by the communication of various reports, prepared by the effective management, the operational department and the key function holders, to the Supervisory Board.

The composition of the Supervisory Board is based on diversity and complementarity of experience and knowledge. Each member has specific technical skills that enable the Board to collectively fulfill its missions.

As of December 31, 2024, the Supervisory Board was chaired by Ms. Isabelle Chevelard, chairwoman, and Ms. Isabelle Pitto, vice-chairwoman. The Supervisory Board consists of 12 members.

In order to enable the Supervisory Board, which is a non-executive body, to carry out its permanent control mission, the Management Board sends it a quarterly report on the company's performance and, within three months of the end of the financial year, a report on the annual and consolidated financial statements.

The Supervisory Board sets out the strategic guidelines for GACM SA and ensures they are implemented.

It is notably responsible for:

- approval of any significant transactions involving major investment or divestment projects, acquisitions, disposals, restructuring, strategic alliances and cooperation agreements;
- assessment of the system of governance;
- monitoring the process of preparing financial information and reviewing financial condition;
- active management of the internal assessment of risks and solvency, the definition of the risk profile and the validation of the ORSA (Own Risk and Solvency Assessment) report;
- preparation of the corporate governance report;
- monitoring the activities of the key functions and the supervision of the activity by the effective managers;
- monitoring the efficiency of internal control and risk management systems;
- approval of the written policies noted in Article L.354-1 of the French Insurance Code;
- defining and assessing the system of governance by approving the collection of organizational rules and periodically reviewing its effectiveness and adapting it.

The roles and operating rules of the Supervisory Board are specified in a set of internal rules which stipulate:

- rules relating to the composition of the Board;
- procedures for organizing Board meetings (frequency, duration, location of meetings, rules of quorum and majority);
- the rules relating to information provided to the members of the Board;
- the roles of the Board;
- the general obligations of Board membership (confidentiality, attendance, diligence, conflict of interest management and independence).

The Audit and Risk Committee

The Audit and Risk Committee, created by GACM SA's Supervisory Board, operates in accordance with Articles L.821-67 *et seq*. of the French Commercial Code and L.322-3-1 of the French Insurance Code.

Insurance subsidiaries governed by French law, ACM VIE SA, ACM IARD SA, Sérénis Assurances and the related entity ACM VIE SAM, benefit from the exemption from setting up an audit and risk committee provided for by Article L.823-20 of the *Code de commerce* (French Commercial Code). However, the aforementioned entities rely on the opinion of GACM SA's Audit and Risk Committee for matters falling within the remit of such a committee. This committee is composed exclusively of members of the Supervisory Board of GACM SA.

Mr. Alexandre Saada serves as chairman of the Audit and Risk Committee.

The key function holders are invited to the meetings of the Audit and Risk Committee.

The following may also attend meetings of the Audit and Risk Committee, without voting rights:

- the effective managers of GACM SA and the entities concerned;
- the chairman and/or vice-chairman of the Supervisory Board of GACM SA;
- the General Secretary of the ACMs;
- the Accounts and Reinsurance Director;
- the Chief Risk Officer of Crédit Mutuel Alliance Fédérale;
- the Modeling and Risk Manager of GACM SA;
- the Head of Controls and Financial Security of GACM SA;
- the Head of Internal Audit of Crédit Mutuel Alliance Fédérale;
- the Statutory Auditors;
- any invited employee.

The Audit and Risk Committee meets as often as necessary to carry out its duties.

The committee appoints a secretary, who may or may not be a member of the committee, who is responsible for preparing notices of meetings, drafting the minutes, opinions and reports of the committee, as well as for preparing its meetings.

The committee performs the following duties in particular:

- audit-related assignments;
- assignments related to risk management;
- approval of the following reports (by delegation):
    - Solvency and Financial Condition Report (SFCR);
    - Regular Supervisory Report (RSR);
    - report on the internal control of the anti-money laundering and anti-terrorist financing system.

The Audit and Risk Committee has internal rules that specify its composition, operating rules and the scope of its roles.

c. Effective management

The Management Board

As of December 31, 2024, the Management Board, an executive body which collectively assumes the effective management of GACM SA, was composed of four members.

It is vested with the broadest powers to act in all circumstances on behalf of GACM SA. It exercises these powers within the limits of the company's corporate purpose and subject to the powers expressly granted by law to the Supervisory Board and the General Meeting.

Without being comprehensive, the list includes the following powers:

Concerning the general operations of GACM SA:

- determine and oversee the implementation of GACM SA's strategic orientations, in accordance with its corporate interest, taking into consideration the social and environmental challenges of its activity and its corporate purpose;
- manage and coordinate the activities of GACM SA;
- ensure the effective management of GACM SA and represent it in its relations with third parties;
- prepare a quarterly report on the performance of GACM SA, which it presents to the Supervisory Board;
- prepare business development proposals to submit to the Supervisory Board and provide it with the relevant information to establish an appropriate general policy and strategy for GACM SA;
- convene General Meetings.

Concerning the financial condition of GACM SA:

- prepare and present to the Supervisory Board the financial condition and cash position;
- approve the financial statements and the management report and submit them to the Supervisory Board;

- prepare and approve the provisional management documents and commitments as well as the annual financial statements at the level of the company and the consolidated financial statements and submit them to the Supervisory Board;
- validate the quarterly and annual Solvency II reports;
- organize a permanent control system to provide reasonable assurance of the reliability of the financial reporting process.

Concerning risk management and governance rules:

- prepare and propose to the Audit and Risk Committee and the Supervisory Board a definition of GACM SA's risk profile;
- implement an effective risk management system adapted to GACM SA's risk profile and integrated into its organizational structure and GACM SA's decision-making procedures;
- implement an internal control system and business continuity plans.

The Management Board is assisted in the effective management by:

- operations management;
- committees;
- key function holders.

By centralizing all its employees and technical resources within the GIE ACM, GACM SA and its subsidiaries or related French entities have adopted a cross-functional and common approach, ensuring sound and transparent management.

d. Operations management

The Management Board is assisted by the operations management in effective management of GACM SA.

An Executive Committee has been set up and aims to steer and closely coordinate the businesses of GACM SA and its entities.

It is at the level of GACM SA that the strategic areas of development of the businesses for the Group are determined. The effective management of the GACM SA structures is based on a principle of cross-functionality. Each director is responsible for their business that they manage for all GACM SA entities, which ensures a constant quality of service to all entities.

The directors manage the activities for which they are responsible thanks to the reports produced by the managers of the businesses they supervise. They themselves report directly to the chairperson of the Management Board.

GACM SA thus has an organizational and operational structure designed to support the achievement of its development and strategic objectives. The adopted organization also guarantees, for all GACM SA players, an appropriate knowledge and consideration of the organization and business model of the different entities, of the links and relationships between them and therefore of the risks that could arise in order to allow a better anticipation and an optimized handling of them.

e. Committees

The Executive Committee, chaired by the chairman of the Management Board, meets at least every two weeks to study GACM SA's strategic and topical issues.

The management team may also establish committees to review and advise on technical issues.

f. Key function holders

Appointed by the Supervisory Board, the key functions are independent and reinforce the management structure and risk management procedures.

Employees of GIE ACM, the key function heads are responsible for their respective function for GACM SA and for the French insurance entities. This mode of operation allows them to coordinate their actions and be ready to take into account the specificities of each of them.

In accordance with the DORA regulation, an information security function is outsourced to Crédit Mutuel Alliance Fédérale. A contact person within GACM SA has been appointed.

Key functions are separated from the operational business over which they have control, thus guaranteeing their independence. To perform their duties, the key function holders rely on technical skills acquired during their curriculum and through regular training sessions. They also benefit from the professional experience developed within GACM SA, which gives them a perfect knowledge of the inner workings and organization of the various entities.

The key function holders can also rely on teams composed of people with the necessary qualifications and skills to enable them to carry out their assignments. They thus have a structural organization and technical resources enabling them to carry out their duties in complete independence.

The key function holders report directly to the effective management to which they can directly communicate any useful information. They have access to the control body through the Audit and Risk Committee, in which they participate.

The Board has the opportunity to hear the key function holders, if necessary without the presence of the effective management if the Board considers it necessary and/or if the key function holders so request.

The operations of the key functions are detailed in written policies reviewed annually by the Supervisory Board. The Supervisory Board receives reports from the key functions, and at least one annual report, on their missions, the conclusions they draw from the controls carried out and any proposed changes to the procedures that they recommend.

2. Delegation of responsibilities, assignment of duties, reporting lines

a. Delegation of responsibilities, assignment of duties

In application of the “four eyes principle” resulting from the Solvency II Directive, the effective management of GACM SA is made up of a Management Board which is vested with the broadest powers to act on behalf of the company.

Delegations of power may be issued by the effective management to operational managers.

b. Reporting lines

GACM SA’s entities have set up a reporting system that ensures that the information communicated is consistent with the requirements defined by the regulations in force, as well as the quality of the data. To this end, a reporting policy was set up within GACM SA.

Various information from the reporting lines is sent to the effective management.

3. Compensation policy and practices

GACM SA’s compensation policy is part of the general compensation policy enacted by Crédit Mutuel Alliance Fédérale, which aims, above all, to be reasoned and responsible, seeking as a priority to align the interests of GACM SA and those of its employees and to preserve the interests of its members and customers.

In this context, GACM SA and its insurance entities have adopted as a rule the absence of compensation for a person in respect of their corporate office.

The compensation principles are developed in a dedicated policy adopted by GACM SA and its insurance entities.

Compensation is subject to clear, transparent and effective governance, in particular with regard to the supervision of the compensation policy.

The company refrains from any compensation scheme that would be liable to influence or impact on the activity of its employees to the detriment of social and environmental aspects or the interests of its customers. GACM SA favors prudence, a behavior inspired by the mutualist values of Crédit Mutuel Alliance Fédérale.

In addition, the principles laid down in this policy are established in a manner and to an extent appropriate and proportionate to the size of GACM SA and its entities, their internal organization as well as their nature and complexity of the activities of these institutions.

In accordance with the requirements in terms of sustainability risk, GACM SA and its entities endeavor to take into account the sustainability risk within the compensation policy in accordance with the general policy enacted by Crédit Mutuel Alliance Fédérale and in particular the CSR policy. In addition, the assessment of individual performance incorporates these elements in relation to sustainability risks in both the investment process and risk monitoring.

Lastly, GACM SA and its entities are consistent with the objectives of Crédit Mutuel Alliance Fédérale’s compensation policy on climate and environmental risks.

GACM SA and its French insurance entities have chosen, in accordance with Article 275 1.f) of Delegated Regulation 2015/35 of October 10, 2014 and its internal organization, to refer to the Compensation Committee set up within Caisse Fédérale de Crédit Mutuel, the umbrella organization.

The Compensation Committee analyzes and monitors the compensation principles and compensation policy of Groupe des Assurances du Crédit Mutuel entities. Internal regulations specify its missions, operating procedures and scope of application.

4. Significant transactions concluded with shareholders, with persons exercising significant influence on the company or with members of the administrative, management or supervisory bodies

None.

5. Consolidation principles and methods

The consolidation principles and methods mentioned below apply to the IFRS consolidated financial statements. They also apply to the consolidated prudential reporting.

a. 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 entities under the Group's direct or indirect control are consolidated using the full integration method.

IFRS 10 defines the concept of control based on 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 when 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 entered into an affiliation agreement with ACM VIE SAM, the Group's established mutual life insurance company regulated under 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 in view of 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.

b. Reporting date

The consolidated financial statements ends on December 31.

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 some 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 accounted in the statement of profit and loss for the following financial year.

c. Transactions between companies within the scope of consolidation

The significant transactions between fully consolidated companies have been eliminated in the prudential scope of consolidation, including:

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

d. Foreign currency translation of financial statements

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

B. COMPETENCE AND GOOD REPUTATION REQUIREMENTS

A written policy on the application of the competence and good reputation requirements has been put in place within GACM SA.

This policy describes the procedures for assessing and implementing by the bodies responsible for their appointment, the competence and good reputation of the effective managers, key function holders, members of the control bodies and, where appropriate, any other staff members not subject to the requirements of Article 42 of the Solvency II Directive when their profile is reviewed for a specific position, as well as on an ongoing basis (Guideline 13 EIOPA – European Insurance and Occupational Pensions Authority).

It also describes the procedures for submitting to the *Autorité de contrôle prudentiel et de résolution* (French Prudential Supervisory and Resolution Authority) the information relating to the competence and good reputation of the persons to whom these requirements apply in accordance with ACPR No. 2018-I-09.

It is annually reviewed.

1. Description of skills, knowledge, expertise and reputational requirements

Individual skills

The profile of each member of the management, control and supervisory body must meet some criteria set by regulations. These criteria relate to:

- good reputation;
- skills;
- experience;
- knowledge;
- availability;
- conflicts of interest;
- honesty, integrity and ability to think independently.

The assessment of individual skills within GACM SA thus takes into account, relative to their roles and duties, the knowledge and experience of the persons concerned. The qualifications, training, experience and results obtained are all factors in assessing this skill. The training available to interested persons during their term of office is also taken into account in the assessment. Where terms of office have been previously held, skill is presumed to be based on the experience acquired.

In addition, the effective managers have sufficiently broad individual expertise about the company's businesses and risks, as well as a good knowledge of the regulatory and prudential framework. They have management skills and an aptitude for strategic thinking. They all have personal knowledge of GACM SA's organization, the business model of its various entities, and the links and relationships between them. They have sufficient availability to perform their duties.

If necessary, the company can offer training to the members of its Board and its regulatory committees, through the Crédit Mutuel Alliance Fédérale training system, which GACM SA has joined, so that they constantly meet the prudential requirements of competence and good reputation.

In addition, the concerned persons may inform the GACM SA legal department their need for training at any time.

Collective skills

Managers and members of the supervisory body have collectively the qualifications, skills, aptitudes and the professional experience necessary for the performance of their duties and terms of office. It is understood that within a collegial body, the assessment of the competence of a member and the contribution that he or she can make to the work, including, where appropriate, within specialized committees, is carried out based on the knowledge and experience of other members. In a collegial body, competence must be held collectively and it is not required of each individual member to master all the subjects.

Knowledge required

The assessment of skill relates to the following points, including:

- market knowledge;
- corporate strategy;
- insurance techniques;
- legal framework (in particular the regulation regarding insurance, its scope of practice, intermediation and taxation);
- finance;
- risk management;
- actuarial science.

The company is committed to having members of the control and supervisory body, effective managers and key function holders who demonstrate the highest personal integrity. Moreover, proof of good reputation is a condition to hold the office and necessary, where applicable, for the registration of the executives and members of the supervisory body in the company's trade and companies register.

Executives, members of the control and supervisory body, and key function holders are subject to compliance with the Crédit Mutuel Alliance Fédérale code of ethics.

2. Implementation of the verification of competence and good reputation

In order to ensure compliance with the requirements of competence and good reputation, GACM SA and its French insurance entities have referred to the Appointments Committee set up at the level of the umbrella company Caisse Fédérale de Crédit Mutuel since January 1, 2018.

The main tasks of this committee are:

- identifying and recommending to the Board suitable candidates for the duties of administrator/member of the Supervisory Board, non-voting board member or effective manager, with a view to proposing their candidacy to the competent body;
- ensuring that candidates have the necessary good reputation as well as the knowledge, skills and experience to perform their duties;
- assessing the balance and diversity of knowledge, skills and experience, both individually and collectively, of the members of the Supervisory Board and of the Board of Directors;
- specifying the duties and qualifications required for positions held within the Board, and assessing the time to be devoted to these positions.

This committee meets at least four times a year and as often as necessary.

The committee's opinions take the form of minutes.

The organization, duties and functioning of this committee are specified in the internal rules of the Board of Directors of Caisse Fédérale de Crédit Mutuel.

Prior to an appointment or renewal, the company thus ensures that the qualifications, training and experience acquired make the prospective candidate suitable for the position envisaged. Throughout the performance of their duties, the effective manager, member of the control body or key function holder shall make every effort to meet the requirements of GACM SA's competence and good reputation policy at all times, in particular by attending training courses to maintain the level of expertise required by the position held.

C. RISK MANAGEMENT SYSTEM

GACM's risk management system aims to:

- guarantee compliance with commitments to policyholders;
- ensure business continuity;
- develop the business while protecting shareholders' own funds and solvency;
- safeguard and optimize the accounting profit (loss).

The risk appetite framework, defined to meet these objectives, takes several forms:

- level of risk measures that GACM wishes to protect, which corresponds to the risk appetite limits;
- defining the intensity of the stress test scenarios planned corresponding to the occurrence of the major risks.

The quarterly monitoring of the risk appetite framework and the annual ORSA analysis make it possible to review whether the risk appetite limits set were met at a given date as well as in a base case forward-looking scenario, and in adverse scenarios.

If the risk appetite limits are not met in one of the scenarios considered, solutions are reviewed to remedy the situation.

Alert thresholds are also monitored by the risk management function.

The risk management system is based on risk mapping, supplemented by risk indicator dashboards.

These risks, as well as the way in which they are assessed, managed and monitored, are described in more detail in the risk management policy and in the investment risk management policy.

1. Risk management

a. Technical risk management

Technical risk management covers all the risks that an insurer takes when marketing insurance contracts:

- underwriting risk;
- provisioning risk;
- disaster risk.

Technical risk management is based around the following main pillars:

- business units that handle sales development and pricing;
- S1-IFRS 17 actuarial-technical provisions department, which coordinates the calculation of reserves for the corporate and consolidated balance sheets;
- SII & IFRS 17 team, which is responsible for regulatory calculations and related sensitivity analyses;
- management control including reporting and substantive analyses to monitor this technical risk throughout its term across all business lines;
- reinsurance department, which identifies all the risks to be outsourced, defines the appropriate coverage program and places it on the market;
- key actuarial function, which is responsible for the actuarial coordination of the various business, coordinating the calculation of prudential technical provisions and issuing an opinion on the global underwriting policy and on the adequacy of reinsurance arrangements;
- key risk management function.

b. Financial risk management

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 and management rules and limits set are the first step in managing financial risks. This set of rules is described in the investment risk management policy. This policy is accompanied by a "limits file" providing a framework of investment limits.

The financial risk management covers all of the following risks:

- interest rate risk;
- equity and other volatile asset risks;
- property risk;
- credit risk;
- counterparty risk;
- liquidity risk;
- foreign exchange risk.

It is based around several services:

- asset managers, who define tactical allocations and manage asset portfolios while taking into account the set constraints;

- management of cross-functional strategic issues for the finance department, in charge of proposing the strategic allocation;
- key risk management function through the following three divisions:
  - financial risk management division, which is responsible for monitoring financial risks, measuring exposure to asset-liability risks, testing the resilience of the balance sheet to stress scenarios and proposing internal limits;
  - financial risk control division, which ensures *a posteriori* compliance with the limits set;
  - ESG division, which is dedicated to the development of the ESG approach in investments and ensures its implementation;

c. Operational and non-compliance risk management

Operational risks

Operational risks are the risks of losses resulting from an inadequacy or failure attributable to:

- non-compliance with internal procedures;
- human factors;
- malfunctioning of the IT systems;
- external events including legal risk.

The operational risk department, which operates across all GACM companies, is responsible for identifying and managing all operational risks. It coordinates a network of contributors within the business units, who report all the risks detected.

The operational risk department monitors and ensures the implementation of risk reduction plans by acting both on the causes of risks to reduce the probability of occurrence (preventive actions), as well as on their consequences in order to mitigate their severity (protective actions).

Risk mapping

Business line operational risk mapping is carried out for each business unit. They are supplemented by regulatory mapping of risks of corruption and conflicts of interest. The data collected from the various departments and businesses is then consolidated at the global level of GACM in order to obtain an overall view of risks.

This system is completed by an identification of operational risks, which is understood according to two axes: frequency and severity.

Frequency risks

Frequency risks are managed by the operational risk department in collaboration with its network of correspondents within the business units. The latter act as relays to raise the awareness of the management teams about the importance of controlling operational risks and report incidents or claims *via* a specific tool dedicated to this information (RISKOP). This tool is used to build historical loss databases.

Severity risks

The assessment of severity risks is based on modeling work based on consultations with internal or external experts. All of the conducted studies are formalized and make it possible to evaluate and quantify the impact of these risks. The models are regularly updated based on new facts or actual experience. Depending on the nature of the results, actions to reduce risk exposure can be undertaken.

Business continuity plan

Business continuity plans (BCPs) are drawn up for all GACM SA subsidiaries and tested periodically.

They aim to meet:

- complete unavailability of premises;
- unavailability of human resources;
- unavailability of IT systems.

The plans describe:

- essential businesses assumed by the service;
- definition of operation in degraded mode;

and determine the resources necessary to operate the business.

The BCPs prioritize the use of remote working. In this context, the activities defined as essential are provided with the necessary resources to maintain a quality service for policyholders.

Within each subsidiary, the list of teams to be mobilized in the event of activation of the relevant BCPs is regularly updated.

Disaster recovery plan

Annually, a disaster recovery plan (PRA) is completed. This IT disaster recovery plan makes it possible to resume activity within a short period of time in the event of a serious incident.

The simulation of a major computer failure makes it possible to verify that the data considered essential are correctly recovered and that the major applications restart as quickly as possible while functioning normally.

The financial security and controls director periodically reports to executive management and the Audit and Risk

Committee on the results of the work carried out by the operational risks department and on the highlights of the year.

Cybersecurity risk

Cybersecurity risk is identified in the IT risk mapping and analyzed through a specific “information systems security” risk sheet, which lists all IS security threats adapted to the insurance sector and presents IT defenses and best practices to prevent cyber risks.

Model risk

Model risk is an operational risk that may appear during the life cycle of models and may be the source of errors in the assessment of risks that may result in financial losses.

Focus on data quality

Monitoring the quality of the data used in the calculation of provisions and the Solvency II reporting is an issue and a permanent concern for GACM SA and its entities. The purpose of the data quality process put in place within the framework of Solvency II is to ensure that the data used for pricing, commitment calculations and, more generally, solvency ratio calculations are appropriate and reliable.

The management of the quality of the data of GACM SA and its entities is part of a favorable context which is based on the centralization of data within the GACM information system, limiting transformations and favoring their accounting origin.

In addition, GACM SA and its entities have adopted a demanding “data quality policy” based on a governance that empowers the business units that provide the data, certified community operational and decisional information systems, as well as a set of resources (data dictionary, control system, comitology) contributing to the continuous improvement approach.

A diagnostic of the data quality is carried out annually, including in particular control dashboards, the analysis of any anomalies and their impact on the commitments as well as action plans and remedial action.

Non-compliance risk

Non-compliance risk is understood as the risk of judicial, administrative or disciplinary sanctions, financial loss or damage to reputation, resulting from non-compliance with the provisions specific to the activities.

GACM ensures that each of its subsidiaries implements an organization specifically dedicated to the management of non-compliance risks.

The guidelines are defined in a compliance policy, implemented at the instigation of the Head of compliance.

The key risk management function is kept informed of any significant non-compliance risk and actively participates in the analysis and validation of any new insurance product.

d. Management of other risks

Sustainability risk

Risks in terms of sustainability, resulting from events or situations in the environmental, social or governance field, have an influence on the valuation of the portfolio (transition risk), commitments (physical risk) as well as on the underwriting policy.

Environmental, social and governance (ESG) risks on investments are addressed in an ESG policy. These risks relating to assets held directly by the main entities of GACM SA are identified annually.

The business units take into account the sustainability risk when designing or revising products.

Studies are also carried out with the aim of assessing the potential impact of global warming in the medium and long term on the portfolio’s claims ratio.

Reputational or image risk

Reputational risk is the risk of a negative perception resulting in a breach of trust that modifies the behavior of the various partners (customers, investors, suppliers, employees, regulators, etc.) towards GACM SA.

Risks related to information and communication technologies (ICT, DORA regulations) and the security of networks and information systems

The ICT risk concerns an event that, if it occurs, will endanger the security of the IS with negative effects both in the digital environment and in the physical environment.

Responsibility for the management and monitoring of ICT risk is assigned to a control function, ensuring an appropriate level of independence. This control function is outsourced to Crédit Mutuel Alliance Fédérale. A contact person has been appointed within the modeling and risk management department of GACM SA.

e. Cross-functional risk management

The ORSA process aims to manage GACM’s risks cross-functionally in the short and medium term.

Stress test scenarios relating to the risks identified as major for GACM are considered. These stress tests may bear on a risk or on a combination of risks. The results are analyzed with regard to the risk appetite criterion.

This work is transcribed in an annual report or in an additional *ad hoc* report whenever circumstances require.

Each complete ORSA process is presented to the Audit and Risk Committee, then to the Supervisory Board, which must validate the main assumptions and conclusions and express its opinion on the main risks to which GACM is exposed.

2. Internal organization

The risk management system organization has three levels:

- 1st level corresponds to control, by each operational or functional department, of the risks falling within its area of expertise;
- 2nd level of control is carried out by the key actuarial function, the permanent control department, the key compliance function, as well as the key risk management function, which is also in charge of coordinating the entire system;
- 3rd level of risk monitoring is carried out by the key internal audit function, which verifies on an occasional basis the effectiveness of the risk management system through periodic controls.

Final responsibility for the risk management system lies with the Supervisory Board and the effective management.

The Audit and Risk Committee, an offshoot of the Supervisory Board, is the committee for monitoring the risks incurred by GACM SA.

The key risk management function handles the coordination of the risk management system. It relies on a network of contributors to work in close cooperation with the operational departments or services, which remain directly responsible for monitoring the risks to which they may be exposed.

D. INTERNAL CONTROL SYSTEM

As subsidiaries of a banking group, GACM companies implement risk identification and monitoring procedures that are similar to those imposed on credit institutions by the Order of November 3, 2014, modified by the Order of February 25, 2021, with regard to the control organization and objectives (Article 12).

The internal control system is therefore part of the general organization of controls within Crédit Mutuel Alliance Fédérale. The permanent control of GACM reports functionally to the Crédit Mutuel Alliance Fédérale business line permanent control.

1. General internal control system

Each GACM entity has set up an internal control system adapted to its size, its operations and the importance of the risks to which its activities expose it.

Each GACM company ensures that its internal control and risk measurement system covers all of its activities comprehensively.

2. Objectives

In accordance with the definition of the "COSO" internal control framework, the internal control process consists of implementing and continuously adapting appropriate management systems to provide administrators and officers with reasonable assurance that the following objectives are achieved:

- reliability of financial information;
- compliance with legal and internal rules;
- efficiency of the main company processes and data quality;
- prevention and control of the risks to which GACM is exposed;
- application of instructions from the administrative body;
- protection of assets and persons.

Like any control system, however, it cannot provide an absolute guarantee that the risks of error or fraud are entirely eliminated or controlled. Nevertheless, it provides reasonable assurance that the aforementioned objectives are being satisfactorily met.

Each of the GACM entities ensures that its internal control system is based on a set of procedures and operational limits that comply with regulatory requirements and Group standards.

Permanent control ensures that the actions of management or execution of transactions as well as the behavior of people fall within the framework defined by applicable laws and regulations and that they comply with the Group's ethics and internal rules.

Consistency between the objectives assigned to internal control and the resources allocated to it is constantly being sought.

3. General organization

The internal control system consists of permanent control, periodic control and compliance. The permanent control department is independent of the operational and financial entities it is responsible for controlling and has freedom of investigation and assessment in carrying out its mission.

The permanent control department works closely with the compliance and financial security departments, which are components of the internal control system, by implementing procedures to ensure that businesses are carried out in compliance with legal and regulatory requirements, professional standards and the commitments entered into by the Group.

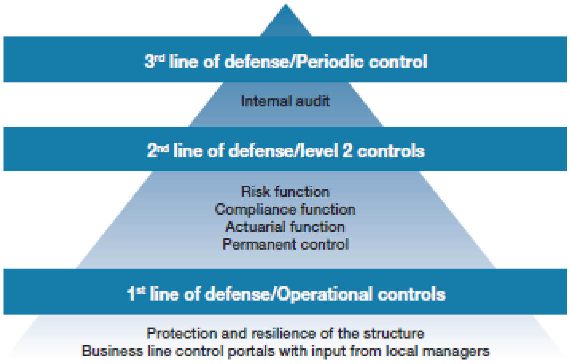
Permanent control ensures the consistency of the internal control system in force within the Group and that it is properly calibrated in relation to risks. It is based on the mapping of activities carried out by the operational risks department and on a regular review of the controls intended to cover the risks inherent in the businesses, by showing the controls in internal control portals. Through its actions, permanent control seeks to promote internal control and to create a culture of risk management within the various businesses and subsidiaries.

Permanent control has several aspects:

- control activity, which consists of ensuring the consistency and effectiveness of the internal control system within the company and the compliance with regulations;
- risk management activity: identification of the nature of the risks faced and updating of the control plan according to the update of the risk mapping;
- supervision of the business lines and authorizations related to the information system;
- support and consolidation of the control work of the subsidiaries.

The system in place is designed to ensure that all of the Group's businesses are periodically monitored by a control organization.

Within the company, controls are organized in three distinct levels:



First level controls

These are all the controls implemented within the operational departments of each company that aim to guarantee the regularity, security and proper completion of the transactions carried out, as well as compliance with the due diligence required to monitor the risks associated with the transactions.

Second level controls

Second level controls are those carried out by permanent control and compliance functions that are independent of the operational departments. Permanent control ensures the effectiveness and efficiency of controls carried out by operational staff and their superiors as part of the control plan.

At the same time, the permanent control department monitors and supervises the controls carried out in the subsidiaries. In a complementary way, this service also permanently carries out:

- controls on all activities (production, claims, flows);
- interventions in the business units and subsidiaries to assess their management and compliance with internal and legal rules.

Third level controls

The audit function performs the third level of control and ensures the quality and effectiveness of the internal control system in place with regard to the risks incurred by the company in the course of its business.

Permanent control takes the form of daily consistency checks, which are performed by the management of the operational departments within the subsidiaries. In this respect, a functional relationship has been established between the permanent control and compliance departments and the operational departments through an internal control charter for the following areas:

- permanent control;
- financial security;
- authorizations;
- operational risks;
- compliance.

Controls implemented within each subsidiary are designed to control the risks inherent in their businesses. This system is based on highly automated control tools and on a set of management procedures and operational limits that comply with GACM SA's regulations and standards.

Furthermore, through a charter, GACM's French companies delegate controls concerning insurance distribution to bank distributors. The network control bodies operationally implement the permanent control plan drawn up by the insurer and verify compliance with procedures and ensure the effectiveness of controls. The results of these controls are reported to the insurer at least once a year.

The permanent control department and the compliance department report periodically to Executive Management and to the Audit and Risk Committee on the results of the work undertaken during the financial year and the effectiveness of the internal control system deployed at both company level and the distribution networks.

Permanent control may be required to carry out specific assignments in order to verify the proper functioning of the risk management system and to assess the relevance and reliability of risk coverage. For this, it relies on the internal control portals in force and it supervises the control tasks delegated to the operational entities, and even performs reliability tests.

4. Compliance system

GACM, as a Group company, ensures the deployment of a compliance system within each of its subsidiaries. Each GACM insurance company appoints a Head of compliance, who manages the system and has the independence, integrity and resources necessary to accomplish his or her mission.

Compliance: a system at the service of the company and customers

The purpose of the compliance system is to support the company's departments so that activities are carried out with the best legal certainty and in compliance with customer protection rules.

The players in the compliance system check respect for the legislation, regulations and Group directives as well as the ethical commitments that govern the activities.

The compliance system ensures regulatory monitoring and helps to assess the impact of the texts.

It endeavors to identify and assess non-compliance risks.

Through their actions, the players in the compliance system therefore serve the interests of the company, which they strive to protect against any risk of sanction and, more broadly, image and reputation, and of its customers, policyholders and beneficiaries, by monitoring compliance with customer protection rules.

Main areas of action

The GACM Head of compliance drives and ensures the implementation, within each subsidiary, of procedures and actions contributing to the accomplishment of his/her mission, which includes:

- ensure that a regulatory watch is carried out and that new requirements are taken into account;
- ensure product and service compliance;
- ensure compliance with the rules and the effectiveness of the anti-money laundering and anti-terrorist financing system;
- ensure the quality of information provided to customers;
- ensure compliance with insurance distribution and subcontracting rules;
- raise employee awareness of compliance requirements, particularly through training on topics such as personal data protection and ethics;
- ensure that complaints are taken into account and handled efficiently;
- provide proof, in all countries where such requirements have been introduced, of an organization and means to identify unclaimed savings & retirement insurance contracts with a view to paying the beneficiaries the funds due to them. For the French entities, further details can be found in the report on the steps taken and the resources implemented in this area, which can be consulted on the Internet (http://www.acm.fr/).

Control and reporting

As a player in internal control, the compliance department contributes, along with permanent control, to the implementation of the insurer's control plan.

The Head of compliance of each Group company prepares a quarterly activity report, the highlights of which are presented to the Compliance Committee. This committee monitors the work and compliance issues, contributes to risk awareness and drives the compliance approach.

The compliance function of GACM reports to the Compliance Committee, which monitors the work and compliance issues, contributes to risk awareness and drives the compliance approach.

Finally, the Head of compliance reports, at least annually, to the company's supervisory body, which is required to assess the quality of the work and the management of non-compliance risk.

E. INTERNAL AUDIT FUNCTION

The internal audit function conducts its work in compliance with the international internal audit standards issued by the French Institute for Internal Audit and Control (IFACI), and in particular with standard 2.1 which specifies that "internal auditors must ensure their professional objectivity in all circumstances, […] and formulate judgments based on a balanced assessment of all relevant elements".

1. Independence

GACM SA's internal audit function is independent of the operational and financial entities it is responsible for auditing and, in carrying out its mission, enjoys freedom of investigation and assessment, in accordance with the internal audit policy. The internal audit function is hierarchically attached to the effective management to which it reports directly.

The head of the key internal audit function reports to the effective management at all times, and at least once a year to the Audit and Risk Committee, on the results of the controls carried out by all the periodic control bodies operating within the scope of GACM SA, on the overall level of control of operations and on the progress made in implementing the recommendations. It also reports on significant problems observed in risk management, control, corporate governance or organizational processes. In addition, an activity report on the key internal audit function prepared by the head of said function is submitted annually to the Supervisory Board.

If the key internal audit function notes the existence of a systemic risk, it first informs the Audit and Risk Committee and, where applicable, the effective management. In a second step, it may send a report on these findings to the *Autorité de contrôle prudentiel et de résolution* (French Prudential Supervisory and Resolution Authority, ACPR), after first informing the Management Board or the Audit and Risk Committee of this process.

2. Objectivity

Auditors demonstrate the highest degree of professional objectivity in collecting, evaluating and communicating information about the business or process under review. Auditors make a fair assessment of all relevant factors and are not influenced in their judgment by their own interests or those of others.

They inform the audit manager of any situation that places them, or may reasonably be expected to place them, in a position of conflict of interest or bias. As such, for a period of one year, they are prohibited from auditing a business in which they have participated or for which they have exercised responsibilities.

3. Operation

The Supervisory Board of GACM SA validates and reviews the audit policy annually, which governs internal audit operations. It sets the guiding and expected principles of internal audit that apply to all GACM SA entities. Furthermore, this policy refers to the professional standards and the internal audit code of ethics which are distributed in France by IFACI and which constitute the international reference framework for internal audit on the following points:

- independence of the internal audit function;
- conflicts of interests within the internal audit function;
- internal audit policy;
- internal audit plan;
- internal audit documentation;
- tasks of the internal audit function.

The company's internal audit policy complies with guidelines 40 to 45 of the European Insurance and Occupational Pensions Authority (EIOPA) in this area.

4. Activity planning

The internal audit function prepares and implements a plan taking into account all the businesses of GACM SA as well as their expected developments. For operational reasons, audit assignments relating to distribution businesses within the Crédit Mutuel and CIC networks are delegated to the Crédit Mutuel Alliance Fédérale network periodic control, and assignments relating to service businesses (IT, desktop publishing, etc.) performed by entities belonging to Crédit Mutuel Alliance Fédérale are delegated to the Crédit Mutuel Alliance Fédérale business line periodic control.

The methodology for determining the audit plan is based on a risk-based mapping approach assessed both quantitatively and qualitatively, so that the frequency of auditing of businesses is correlated with their degree of risk exposure. The basis of analysis used to assess and rank the risks of GACM SA is the regulatory capital requirement, calculated in the Solvency II prudential regime by the SCR (Solvency Capital Requirement). This analysis is supplemented by a risk approach, carried out by integrating operational risks and risks related to information and communication technologies. The audit plan is determined each year, for a five-year period, in order to define priorities consistent with Crédit Mutuel Alliance Fédérale's strategy and to provide GACM SA with reasonable assurance that its risks are under control. The annual internal audit plan is also prepared in coordination with the chairperson of the

Management Board, the Crédit Mutuel Alliance Fédérale business line periodic control and the Inspectorate General of the Confederation. The audit plan is subject to approval by the Supervisory Board.

5. Conducting the assignments

The objectives of the planned assignments are to identify the strengths and weaknesses of the businesses or structures audited and to make recommendations. They contribute to refining the risk assessments and improving the functioning and efficiency of the structures.

At the end of each assignment, the internal audit function prepares a report which traces all the weaknesses identified and makes recommendations to remedy them. The audited entity has the opportunity to comment on the formulated recommendations.

The report, which is drafted at the end of an assignment, is sent to the entity and to the director of the business unit concerned in order to plan the implementation of the recommendations. As soon as the schedule of recommendations is agreed between the audited entity and the internal audit function, the report is sent to the effective management of the audited structure.

The entities are responsible for the implementation of the recommendations. For all assignments carried out, recommendations are monitored using a dedicated tool. The objective is to formulate a general assessment of the progress of the action plan and the achievement of results by the audited entity. This is formalized in a follow-up report issued within one to two years after the initial audit report is issued and following the expiration of the recommendations.

F. ACTUARIAL FUNCTION

The GACM actuarial function policy, approved by the Supervisory Board, defines the governance of GACM's actuarial function. This policy sets out the principles applying to GACM SA and all French and foreign entities.

In accordance with the responsibilities of the actuarial function described in Article 48 of Directive 2009/138/EC of November 25, 2009 on access to and exercising the insurance and reinsurance activities (Solvency II), the duties of the actuarial function within GACM are broken down into five main areas:

- coordination of the calculation of prudential technical provisions and the validation of Solvency II valuation models;
- coordination of the actuarial issues of GACM's various business units, in particular by issuing opinions on new products and new guarantees, and by analyzing the global underwriting policy;
- analysis of the broad strategic guidelines of reinsurance;
- participation in the data quality system;
- contribution to the implementation of the risk management system.

The annual report of the actuarial function presents the analysis and conclusions of these various missions.

G. OUTSOURCING

GACM favors direct control of its businesses. For the most part, the tasks specific to the insurance business are carried out by the Group's insurance companies themselves.

Outsourcing will primarily mobilize the structures and expertise of Crédit Mutuel Alliance Fédérale's dedicated subsidiaries for the performance of some essential activities.

This essentially means:

- provision and maintenance of the information system by Euro-Information;
- digitization and electronic archiving by Euro-TVS, a subsidiary of Euro-Information;
- controls and audits delegated to the Crédit Mutuel Alliance Fédérale and Confédération Nationale du Crédit Mutuel control bodies. These controls relate to insurance distribution, mainly by the Crédit Mutuel and CIC networks. They also cover the services provided by the Group's business lines.

The insurance intermediaries of the Crédit Mutuel and CIC networks are also responsible for some day-to-day management tasks of insurance contracts and the entities of the Cofidis Group benefit from a delegation of contract and claims management in creditor and protection insurance.

Dedicated control bodies in Crédit Mutuel Alliance Fédérale and Confédération Nationale du Crédit Mutuel carry out the control of these service providers.

The subcontracting of activities to external entities not under the supervision of Crédit Mutuel Alliance Fédérale or Confédération Nationale du Crédit Mutuel remains exceptional.

The only company that stands out in this respect is Sérénis Assurances SA, whose activity is focused on brokerage and which delegates the management of insurance contracts and claims to its partners.

The control system is adapted to the nature of the services subcontracted. It shall ensure the same quality of service, whether implemented by the company itself or by its subcontractor.

H. OTHER INFORMATION

No additional information on GACM SA's system of governance is required.

III. RISK PROFILE

A. INTRODUCTION

The Solvency Capital Requirement (SCR) corresponds to the amount of own funds necessary to limit the probability of the company's bankruptcy to 0.5% within one year.

The table below shows the SCR calculated by risk module according to the Solvency II standard formula as of December 31, 2024:

(in € millions)	12/31/2024
Market SCR	*4,530*
Counterparty SCR	*171*
Life underwriting SCR	*2,354*
Health underwriting SCR	*1,420*
Non-life underwriting SCR	*1,062*
BSCR	6,538
Operational SCR	584
Tax adjustment	-573
SCR	**6,549**
SCR ot	243
Final SCR	**6,792**

GACM SA benefits from a good diversification between its risks due to the variety of its activities.

The SCRot (other related undertakings) comprises the capital requirements of non-insurance companies and insurance companies over which GACM SA does not exercise significant influence.

All data presented in the "Risk profile" section is based on the prudential scope of consolidation (Solvency II).

B. UNDERWRITING RISK

1. Description of the main risks

Through its businesses in savings, retirement, creditor insurance, protection, non-life and health insurance, GACM SA is exposed to savings & retirement, non-life and health insurance underwriting risks.

Mortality and longevity risks

Mortality and longevity risks correspond to the risk of loss due to an unforeseen change in claims. Mortality risk is a particular risk for the protection and creditor insurance businesses. Longevity risk is present in the annuity, dependency and retirement portfolios.

Disability and invalidity risk

This risk corresponds to the risk of loss due to an unforeseen variation in disability benefits for creditor and protection insurance contracts.

Lapse risk

In savings, the lapse risk corresponds to the loss of earnings on the redeemed contracts. For euro-denominated contracts, which benefit from a capital guarantee, it may also result in financial losses following the large-scale sale of assets at a potentially unfavorable time on the financial markets.

Lapse risk on the creditor insurance portfolio corresponds to the loss of earnings due to early repayment or a change in insurer.

Lapse risk on the non-life portfolio corresponds to the loss of earnings due to early termination of the insurance contract.

Underwriting risks for non-life and health (similar to non-life)

Premium risk

Premium risk is the risk that the amount of claims that will occur in the coming year will exceed the earned premiums collected during the period.

Reserve risk

Reserve risk relates to the liabilities of insurance policies covering previous years, *i.e.* claims that have already occurred. This risk is related to the uncertainty of both the amounts paid and the rate of settlement of these amounts.

Expense risk

Expense risk is a sudden and sustainable deterioration in costs.

Disaster risk

Disaster risk corresponds to the occurrence of an extreme event resulting in significant losses.

2. Risk exposure

a. Exposure

Life underwriting SCR

The following table details the life underwriting SCR:

(in € millions)	12/31/2024
Mortality SCR	597
Longevity SCR	145
Disability/morbidity SCR	35
Lapse SCR	1,505
Expense SCR	540
Revision SCR	4
Disaster SCR	724
Life underwriting SCR	**2,354**

The main life underwriting risks are lapse, disaster, morbidity and expense risks.

Non-life underwriting SCR

The following table details the non-life underwriting SCR:

(in € millions)	12/31/2024
Premium and reserve SCR	962
Lapse SCR	33
Disaster SCR	268
Non-life underwriting SCR	**1,062**

GACM SA's main non-life underwriting risks are the risk of premiums and reserves, in particular on the motor vehicle bodily injury liability cover.

Health underwriting SCR

The following table details the health underwriting SCR:

(in € millions)	12/31/2024
Health SCR similar to life	1,233
Health SCR similar to non-life	306
Disaster SCR	28
Health underwriting SCR	**1,420**

GACM SA's main health underwriting risks are disability and invalidity risks related to the creditor guarantee (health modeled as similar to life).

b. Change in risk

In property & casualty insurance, the increase in the average cost of claims related to high inflation has an impact on the claims ratio. In the absence of a major climate event in 2024, the expense related to natural events net of reinsurance is down.

In savings & retirement, the net inflows have been positive in 2024, including on euro-denominated funds. The lapse rate was stable over the year. In the context of continued high interest rates, the rates paid on euro-denominated funds were stable compared to their levels of 2023, through a partial inclusion of the provision for profit-sharing (PPE), leaving significant reserves for the coming years.

Gross premiums in creditor insurance were up. In addition, the termination rate linked to the sub-annual termination component of the Lemoine law has stabilized.

c. Concentration

Underwriting risks may be heightened if the portfolio is concentrated on a small number of policyholders with significant capital at risk or a high surrender value.

GACM SA manages a wide range of health, protection & creditor insurance, savings insurance, non-life insurance and health products.

The portfolio is mainly comprised of individual customers. It therefore presents a limited concentration risk.

3. Risk management

The risk management policy is based on documented governance and procedures.

a. Risk mitigation policy

Pricing

Each business unit implements the development and pricing policy. Pricing is calibrated to best account for the risks to be covered, and thus ensure the *a priori* adequacy of premiums to cover future claims. All products created and modified undergo an internal validation procedure involving numerous functions. In addition, a Product Committee reviews and assesses the opinions and recommendations of the various expert functions involved in the process, issues an opinion on the marketing of a product and alerts the effective management if it identifies one or more risk(s) justifying it.

Provisioning

The actuarial-technical provisions team and the key actuarial function are responsible for managing the provisioning risk, which corresponds to the risk related to a poor valuation of commitments both in the statutory financial statements and in the prudential standards.

Reinsurance

The reinsurance program is designed to protect the profit (loss) and solvency of GACM SA's entities by limiting the impact of possible technical losses on own funds.

The main risks covered by reinsurance are:

- risks related to natural events, including natural disasters;
- civil liability of motor and multi-risk contracts of individuals and professionals;
- the risk against fire, explosion and attacks;
- disasters that could affect the creditor and protection insurance portfolio;
- dependency contracts;
- 10-year civil liability;
- group protection with compulsory membership.

Lapse risk

In the competitive context of the creditor division, GACM SA has set up a solidarity mechanism to support loyal customers who meet some criteria.

The risk of redemption on the euro-denominated savings portfolio is significant, however this risk is mitigated by the significant amount of the PPE and the ability of the High Council for Financial Stability to limit redemptions over a given period.

b. Risk monitoring

The monitoring of underwriting risks described above is carried out by entity and by business unit.

Risk monitoring indicators fall into two categories: the standard formula SCR, described above, and the operational indicators defined below.

The level of claims of each business unit is closely monitored. The technical indicators monitored on a regular basis by business unit may include monitoring of new business production, cancellations, claim-to-premium ratios and frequency.

The savings portfolio of GACM SA's life insurance entities is regularly monitored both in terms of the breakdown of its outstanding and in terms of incoming and outgoing flows.

This makes it possible to monitor net savings inflows.

4. Risk sensitivity analysis

GACM SA benefits from a good balance and good diversification between underwriting risks. Sensitivity analyses may be carried out from time to time.

C. MARKET RISK

1. Description of the main risks

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

The main market risks for GACM SA are interest rate risk, equity risk and property risk. The following chapter deals with credit risk, including spread risk.

Interest rate risk

In life insurance, interest rate risk mainly concerns savings in euros. It can take two forms:

- *a risk of rising 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 on euro-denominated contracts may initially be below market rates. The phenomenon is all the more important if the rise in rates is sharp and sudden. Policyholders can then decide to surrender their contract to invest their savings in a competing product. These surrenders, if they become significant, may force the insurer to sell its bonds and realize capital losses;
- *a risk of falling interest rates*: if 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 units, the interest rate risk manifests through:

- the emergence of unrealized capital losses *in the event that rates rise*;
- a loss of income on new investments as well as an increase in some technical provisions *if rates fall*.

Equity risk

Equities and similar assets are volatile by nature. Impairment of these assets affects insurance entities' accounts.

Property risk

A first risk may appear at the level of regular income in case of property vacancy or non-payment of rents.

A second risk arises from the impairment of assets, which can have a significant impact on the remuneration of euro-denominated savings contracts and/or on the profit and the solvency ratio of GACM SA entities.

Foreign exchange risk

Foreign exchange risk is the risk of loss due to a change in the conversion rate between the euro and a foreign currency.

Inflation risk

Inflation risk is reflected in the medium-term deterioration in technical or financial results due in particular to:

- the increase in the average cost of property & casualty insurance claims;
- the revaluation of benefits or reserves in protection, savings and retirement;
- an increase in management costs.

Concentration risk

Market risks may be heightened if the asset portfolio is concentrated among a few issuers.

2. Risk exposure

a. Exposure

The financial assets of GACM SA entities consist of interest rate products and, to a lesser extent, equities, property and money market investments.

The following table presents the asset allocation excluding unit-linked contract assets at the end of 2024, according to a risk view:

(net carrying amount)	in € millions	in percentage
Rate products	87,252	78%
Equities and similar	15,272	14%
Property	5,702	5%
Monetary	3,139	3%
Total	**111,365**	**100%**

(market value)	in € millions	in percentage
Rate products	81,957	70%
Equities and similar	24,970	21%
Property	6,357	5%
Monetary	3,027	3%
Total	**116,311**	**100%**

Scope: ACM VIE SA, ACM VIE SAM, ICM LIFE SA, ACM Belgium Life SA, ACM Deutschland Life AG, ACM IARD SA, ACM Belgium SA, Sérénis Assurances SA, ACM Deutschland Non-Life AG.

SCR

Market risk represents 45% of GACM SA's overall SCR.

Market risks are significant, particularly on the portfolio of assets representing the euro-denominated savings contracts of GACM SA's life insurance entities.

(in € millions)	12/31/2024
Rate SCR	501
Equity SCR	2,788
Property SCR	396
Spread SCR	1,304
Currency SCR	227
Concentration SCR	398
Market SCR	**4,530**

The main market risks are equity risk and spread risk.

Foreign exchange risk is low, the investments are mainly in euro-denominated securities.

Spread risk is discussed in the following chapter.

b. Change in risk

The normalization of inflation towards the ECB's 2% target characterized year 2024. With regard to interest rates, the 10-year OAT increased from 2.6% to 3.2%, with an average of 3.0%. The movements on the equity markets are contrasted, equity indices increased overall in 2024, with the notable exception of the CAC 40 (-2.2% compared to December 31, 2023). The asset mix remained stable.

c. Concentration

Concentration risk is low due to diversification rules on the assets described below.

3. Risk management

a. Risk mitigation policy

The financial risk management policy aims to establish an asset structure in line with the liability commitments. Investment management is based on "isolated" or "restricted" assets corresponding to the technical commitments recorded as liabilities on the balance sheet. Commitments are classified by risk type, taking into account regulatory, contractual, technical and financial aspects within GACM SA's entities.

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

Environmental, social, and governance (ESG) criteria are also integrated into the investment policy.

Unit-linked contracts are fully covered on the assets side of the balance sheet by benchmark securities.

Market risk management is organized around:

- individual control of some financial risks deemed major (interest rate risk, equity risk, credit risk, etc.);
- a comprehensive risk analysis aimed at protecting entities against the simultaneous occurrence of several of these risks.

The finance committee, composed of members of management, approves proposals for the 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.

In addition, the high level of PPE reduces exposure to the risk of interest rate increases. GACM SA no longer sells contracts in euros with a guaranteed minimum rate (GMR) in France, which contributes to limiting the risk of a fall in interest rates.

The average GMR of the euro contract portfolios was 0.14% in 2024.

b. Risk monitoring

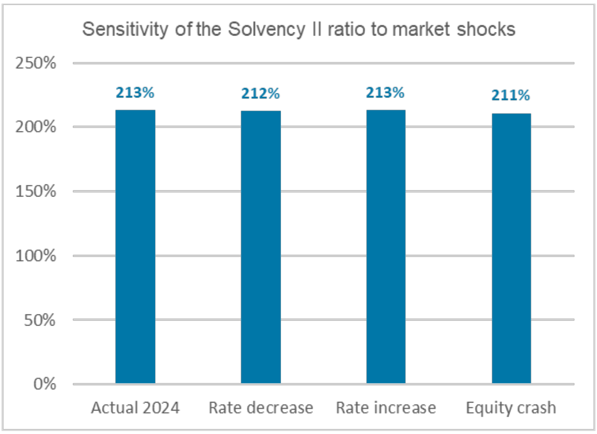
Monitoring and analyses are conducted on a regular basis, by entity and by type of management. They provide information to the investment department to guide its investments such as breakdown of assets, flow projections and maturities on the assets and liabilities side and composition of the bond portfolio by sector and rating.

4. Risk sensitivity analysis

As of December 31, 2024 GACM carried out sensitivity analysis of own capital and the Solvency II ratio for the following scenarios:

- an increase in interest rates of +50 bps;
- a decrease in interest rates of -50 bps;
- an equity market crash of -20% coupled with an increase in volatility.

SENSITIVITY OF THE SOLVENCY II RATIO TO MARKET SHOCKS



D. CREDIT RISK

1. Description of the main risks

Spread risk

Spread risk (considered to represent the credit quality of an asset) corresponds to the risk of an issuer defaulting on its debt.

To measure the credit quality of an issue or an issuer, the Group uses rating agency ratings.

Counterparty risk

Counterparty risk is the risk that one of the counterparties to financial or reinsurance transactions will not honor its commitments.

2. Risk exposure

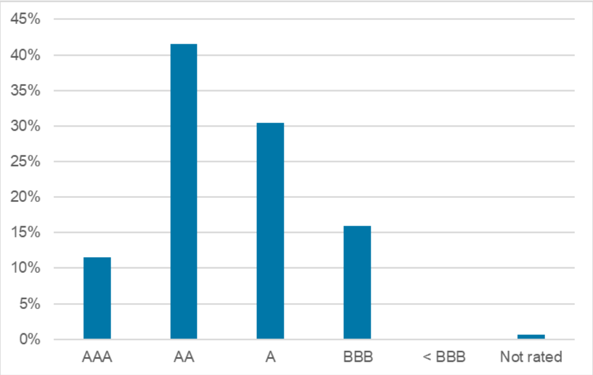
a. Exposure

Directly held bond portfolio

The directly held bond portfolio benefits from good diversification between public and corporate issuers.

The bond portfolio represents 93% of the fixed-income portfolio.

The portfolio securities are of high credit quality. The table below presents the breakdown of assets according to a risk view:



Scope: *ACM VIE SA, ACM VIE SAM, ICM LIFE SA, ACM Belgium Life SA, ACM Deutschland Life AG, ACM IARD SA, ACM Belgium SA, Sérénis Assurances SA, ACM Deutschland Non-Life AG.*

France is the main issuer in the sovereign bond portfolio of the Group's French entities.

Other exposures

The Group uses reinsurance and carries out financial transactions that also generate a counterparty risk.

SCR

(in € millions)	12/31/2024
Market SCR	4,530
Spread SCR	*1,304*
Counterparty SCR	171

Spread SCR is the second most significant risk in the market risk module.

Counterparty SCR represents 2% of the sum of the SCRs per risk module (including operational SCR).

b. Change in risk

The proportion of sovereign bonds and corporate bonds in the portfolio was relatively stable in 2024.

The table below details the change in the breakdown of the bond portfolio in net carrying amount, according to a risk view:

(net carrying amount)	12/31/2024	12/31/2023
Sovereign	31%	29%
Public sector	16%	17%
Financial	24%	25%
Corporate	28%	29%
Total	**100%**	**100%**

Scope: *ACM VIE SA, ACM VIE SAM, ICM LIFE SA, ACM Belgium Life SA, ACM Deutschland Life AG, ACM IARD SA, ACM Belgium SA, Sérénis Assurances SA, ACM Deutschland Non-Life AG.*

The table below details the change in the breakdown of the sovereign bond portfolio by issuing country in net carrying amount:

(net carrying amount)	12/31/2024	12/31/2023
France	84%	81%
Spain	7%	8%
United States	4%	4%
Belgium	2%	2%
Japan	2%	2%
Other	2%	3%
Total	**100%**	**100%**

Scope: *ACM VIE SA, ACM VIE SAM, ICM LIFE SA, ACM Belgium Life SA, ACM Deutschland Life AG, ACM IARD SA, ACM Belgium SA, Sérénis Assurances SA, ACM Deutschland Non-Life AG.*

c. Concentration

Credit risks may be heightened if the asset portfolio or financial and reinsurance transactions are concentrated on a few issuers of lower credit quality.

Exposures are diversified in terms of issuers, rating categories and maturity.

3. Risk management

a. Risk mitigation policy

Spread risk

Spread and concentration risk is managed by:

- 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

Elements contributing to limiting this risk on financial operations are:

- counterparty selection rules;
- position limits by counterparty;
- regular control of the valuations of the products concerned.

The rules for reinsurance are as follows:

- rules for selecting reinsurers;
- criteria on the securities accepted as collateral.

b. Risk monitoring

Monitoring and regular analysis of spread risk

Portfolio spread risk *monitoring* is organized around regular monitoring of portfolio ratings and compliance with internal limits.

Monitoring and regular analysis of counterparty risk

Dedicated committees review the list of counterparties for financial transactions on a regular basis.

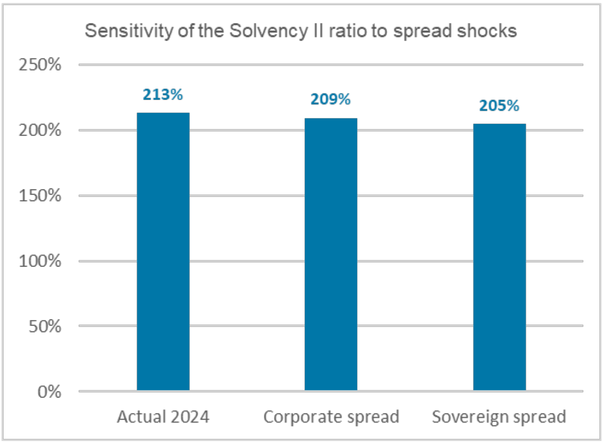
In the context of reinsurance, the finance department carries out a semi-annual control of the securities accepted as collateral.

4. Risk sensitivity analysis

As of December 31, 2024 GACM carried out a sensitivity analysis of the Solvency II ratio in the following scenarios:

- an increase in the corporate spread of +75 bps;
- an increase in the sovereign spread of +75 bps.

The volatility adjustment (VA) is adapted to the size of the spreads in the sensitivities described above.



GACM SA's Solvency II ratio decreased due to the projected increasing spreads (sovereign or corporate). However, the associated loss remains limited.

E. LIQUIDITY RISK

1. Description of the main risks

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

2. Risk exposure

a. Exposure

As of December 31, 2024, the majority of assets, excluding unit-linked assets, held by GACM SA entities were liquid.

SCR

The standard formula of Solvency II does not take into account liquidity risk.

b. Change in risk

The proportion of liquid assets in the portfolio remained broadly stable over the year.

c. Concentration

A set of limits strictly regulate investments in illiquid assets.

3. Risk management

a. Risk mitigation policy

Liquidity risk is managed in several ways:

- a study of long-term liquidity gaps ensures that the projected flows from savings and similar liabilities over the next 10 years are covered by the provisional cash flows generated by the assets;
- liquidity stress tests (in the short or medium term) enabling the analysis of the Group's needs in terms of disposable assets in the event of a stress situation on the liabilities;
- limits on unlisted and illiquid assets.

b. Risk monitoring

In addition to the reviews mentioned, monitoring is organized around:

- daily monitoring of the cash position, enabling asset managers to know the cash position of each management type on a daily basis;
- quarterly monitoring of the degree of liquidity of assets;
- a "liquidity emergency plan" which allows regular monitoring of surrenders on the euro-denominated savings portfolios of the Group's life insurance entities and defines a priority for disposals based on the intensity of surrenders, if this risk occurs.

c. Expected profit in future premiums

In the Solvency II balance sheet, Best Estimate future premiums are taken into account in the calculation of reserves for some contracts. Expected future profit, calculated as the difference between Best Estimate provisions and provisions without taking into account future premiums, is measured each year for the entities concerned.

4. Risk sensitivity analysis

The liquidity calculations used show that in the medium term (three years) the entities' positions in disposable assets are sufficient to cope with a stress situation on liabilities.

The liquidity stress tests also show that GACM SA's life insurance entities can withstand a shock of massive surrenders on euro-denominated savings funds (30% of one-year assets).

F. OPERATIONAL RISKS

1. Description of the main risks

Operational risks are the risks of losses resulting from an inadequacy or failure attributable to:

- non-compliance with internal procedures;
- human factors;
- malfunctioning of the IT systems;
- external events including legal risk.

The operational risk department monitors and ensures the implementation of risk reduction plans by acting on both the causes of risks to reduce the probability of occurrence (preventive actions) and their consequences with the aim of mitigate their severity (protective actions).

Focus on cybersecurity risk

The financial sector is particularly exposed to malicious attacks on its IT systems. Attacks target various computer devices: computers or servers, isolated or in networks, whether connected to the Internet or not.

There are several types of cybersecurity risk with various consequences, directly or indirectly affecting individuals, administrations and companies: cybercrime, reputational damage, espionage, sabotage.

Focus on data quality

As part of its insurance business, GACM SA processes a significant amount of data and uses numerous IT tools. Data quality is therefore an important issue.

Focus on non-compliance risk (including money laundering risk and terrorist financing)

Non-compliance risk is understood as the risk of judicial, administrative or disciplinary sanctions, financial loss or damage to reputation, resulting from non-compliance with the provisions involving insurance businesses, whether of a legislative or regulatory nature, or professional and ethical standards, or instructions issued by the executive body, pursuant to the guidelines of the governing body.

Focus on model risk

Model risk is an operational risk that may appear during the life cycle of models and be the source of errors in the assessment of risks that may result in financial losses.

2. Risk exposure

a. Exposure

The operational SCR represents 6% of the sum of the SCRs per risk module (including operational SCR).

b. Change in risk

The share of operational SCR in the capital requirements of GACM remained stable over 2024.

c. Concentration

The concentration of operational risk could be related to dependence on a service provider, business partners or distribution networks. These risks are very limited for GACM SA.

3. Risk management

a. Risk mitigation policy

A business continuity policy has been drafted. It describes the strategy adopted by GACM, as well as the crisis management system put in place in case of a major incident.

Working closely with its distribution networks, the activity of Assurances du Crédit Mutuel (production management, claims management, etc.) is carried out by the staff of 10 administrative centers spread across France, Belgium and Luxembourg.

The formalization of the framework for remote working, electronic document management, the pooling of incoming telephone calls, and access from each center to all ACM contracts within its scope of activity provide for a dynamic business continuity plan (BCP) by dividing the workload of the impaired center amongst all the other administrative centers. This system has been tested on several occasions at various administrative centers. This test made it possible to test access to specific software used by employees.

GACM SA and its subsidiaries regularly update the business continuity plans in order to ensure that they are comprehensive and operational. The processes selected aim to ensure continuity of operations by maintaining essential activities, where necessary in downgraded mode. They also contribute to the development of a crisis management strategy in order to limit the impact of some events and by adapting critical resources.

Every year, Euro-Information, the IT subsidiary of Crédit Mutuel Alliance Fédérale, tests the disaster recovery plan (DRP). It aims to rebuild the databases and restart the company's essential applications in normal operating mode within a short period of time (the Euro-Information commitment covers 48 hours). The results of the financial year also make it possible to formulate points for improvement for future financial years.

The "security committee" has defined a security strategy incorporating the notion of DICP (availability, integrity, confidentiality, and proof) in all stages of project management: from launch to delivery in operation.

GACM SA has put in place governance and risk mitigation measures around the projection model used for the calculation of IFRS 17 technical provisions, the SII regulatory calculations and risk management.

The definition of a general IT security policy has been formalized, as well as a mapping of operational IT and security risks (including cybercrime risks).

Risk mapping makes it possible to identify, assess and measure the risks incurred.

Modeling of extreme operational risks has been undertaken.

In terms of cybersecurity risk, GACM benefits from the resources of Crédit Mutuel Alliance Fédérale and has set up a governance and risk reduction measures certified SMSI (information security management system).

With regard to data quality, GACM has set up a demanding policy, defining in particular governance, a data flow mapping and a data dictionary, as well as a control and reporting system.

Lastly, in order to manage non-compliance risk, an organization has been set up around the key compliance function. The compliance function works in conjunction with the compliance department of Crédit Mutuel Alliance Fédérale and with the partner channels, and has a network of correspondents within the business lines. The effectiveness of the implementation of regulatory risks is assessed through audit assignments which provide reasonable assurance on the compliance of the systems and which identify areas for improvement.

As part of its fight against corruption, GACM has a corruption risk mapping, ensures the awareness of its employees, as well as the assessment of the corruption risk of its business partners.

b. Risk monitoring

Regular coordination by the operational risk function ensures the awareness and involvement of contributors.

G. OTHER SIGNIFICANT RISKS

GACM SA is exposed to other risks not previously addressed, of which the main risks are detailed below.

1. Sustainability risk

Sustainability risk is an environmental, social or governance (ESG) event or situation that, if it occurs, could have a material real or potential negative impact on GACM SA's performance or reputation.

GACM SA is exposed to sustainability risk, notably through its property & casualty insurance business and its asset portfolio.

GACM SA is committed to an approach to limit global warming, whether in terms of product offering, policy management, investments or as a responsible company.

GACM SA has an ESG policy that is regularly updated, enabling it to assess the sustainability risks to its assets as well as the environmental or social impacts of its investments. It is based in particular on a policy of excluding issuers presenting an excessive ESG risk.

In order to limit its exposure and support to some activities with a high environmental or social impact, GACM SA applies ambitious sectoral policies, in line with Crédit Mutuel Alliance Fédérale. This is particularly the case for the fossil fuel (coal, oil and gas), tobacco and non-conventional weapons sectors.

GACM SA has set itself a target of reducing the carbon footprint of its investments in directly held equities and corporate bonds.

GACM SA's shareholder commitment policy specifies how GACM SA intends to exercise its shareholder rights in the companies in which it invests. In this way, GACM SA intends to defend the financial interests of policyholders on whose behalf it invests while encouraging the companies it finances in their approach to environmental and social responsibility and good governance.

Lastly, GACM SA is fully in line with the actions of Crédit Mutuel Alliance Fédérale, which adopted the status of a benefit corporation (*entreprise à mission*) in 2020.

More information on the entire ESG approach of GACM SA is available in the ESG report, available on the website www.acm.fr.

2. Reputational risk

Reputational risk corresponds to the financial risk that GACM SA may face in connection with its brand image being tarnished by scandals. The main risk factors include the company's ethical standards, integrity, social and environmental practices, or a cyberattack.

Given that it is part of a banking group, GACM SA may be subject to reputational risk related to a deterioration in Crédit Mutuel's image.

3. Risk related to Information and Communication Technologies (ICT)

The risk related to ICT concerns an event that, if it occurs, will endanger the security of the information system with negative effects both in the digital environment and in the physical environment.

In the current context, the impact of cyberattacks continues to grow and the interconnections between the networks of the various players are multiplying.

Responsibility for the management and monitoring of ICT risk is assigned to a control function, ensuring an appropriate level of independence. This control function is outsourced to Crédit Mutuel Alliance Fédérale.

Crédit Mutuel Alliance Fédérale has an ICT risk management framework that aims to describe the risk management system necessary to ensure the digital operational resilience of Crédit Mutuel Alliance Fédérale's critical and important functions and data.

H. OTHER INFORMATION

GACM SA measures its eligible own funds and its capital requirement according to the calculation rules defined by the Solvency II standard formula.

Dependency between risks are assessed using correlation matrices between risk modules and sub-modules. The delegated acts (level 2) of the regulation defines these matrices.

GACM SA benefits from good diversification between the Group's businesses and entities, as demonstrated by the significant diversification effect resulting from the standard formula (see Introduction of the Risk profile).

There is no specific risk at GACM SA level.

IV. VALUATION FOR SOLVENCY PURPOSES

General valuation principles

The Solvency II Directive of Delegated Regulation 2015/35 and the ACPR notices detail the rules for valuing the prudential balance sheet.

In accordance with Article 75 of the Solvency II Directive, insurance and reinsurance undertakings value their assets and liabilities as follows:

- assets are valued at the amount for which they could be exchanged as part of an arm's length transaction between informed and willing parties;
- liabilities are valued at the amount for which they could be transferred or settled as part of an arm's length transaction between informed and willing parties.

In the prudential balance sheet, assets and liabilities are therefore measured at market value (or fair value).

GACM's IFRS financial statements have been prepared in accordance with IAS and IFRS standards and IFRIC interpretations applicable at December 31, 2024 and as adopted by the European Union, of which mainly the IFRS 17 – Insurance Contracts and IFRS 9 – Financial Instruments standards.

IFRS 17 – Insurance Contracts

IFRS 17 aims to harmonize the different types of insurance contracts accounting standards, and to base their valuation on a forward-looking measurement of insurers' commitments. For long-term contracts, such as life 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 is analyzed at each closing.

IFRS 9 – Financial Instruments

IFRS 9 defines principles for the classification and measurement of financial instruments, impairment of financial assets and hedge accounting. It 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.

IFRS standards are generally similar to the Solvency II valuation principles. They are used to value certain categories of assets and liabilities in the prudential balance sheet.

However, there are valuation differences between the Solvency II balance sheet and the consolidated financial statements under IFRS, which are described later in the report.

Scope of consolidation

The scope of consolidation of the prudential balance sheet is presented in part I. Business and performance, A.2.b.

The differences in the scope of consolidation between the prudential balance sheet and the IFRS balance sheet are also detailed in part I. Business and performance, A.2.b.

Consolidation principles and methods

The Solvency II balance sheet consolidation principles and methods are similar to the IFRS consolidation principles and methods detailed in Section II. System of governance A.5.

Presentation of the consolidated Solvency II balance sheet

As of December 31, 2024, GACM SA's consolidated prudential balance sheet was as follows (with 2023 comparison):

(in € millions)	12/31/2024	12/31/2023	Changes
Goodwill	-	-	-
Deferred acquisition costs	-	-	-
Intangible assets	-	-	-
Deferred tax assets	10	3	7
Pension benefit surplus	-	-	-
Property, plant and equipment held for own use	188	192	-4
Investments (other than assets held for index-linked and unit-linked contracts)	118,012	112,995	5,017
Assets held for index-linked and unit-linked contracts	20,600	19,008	1,592
Loans and mortgages	7,237	9,310	-2,074
Reinsurance recoverables	272	306	-35
Deposits to cedants	445	333	113
Insurance and intermediaries receivables	323	301	21
Reinsurance receivables	80	48	32
Receivables (trade, not insurance)	164	352	-188
Own shares (held directly)	-	-	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	-	-	-
Cash and cash equivalents	32	260	-228
Any other assets, not elsewhere shown	46	86	-40
Total assets	**147,409**	**143,194**	**4,215**

Table based on QRT S.02 (prudential scope).

(in € millions)	12/31/2024	12/31/2023	Changes
Technical provisions – non-life	3,429	3,287	142
Technical provisions – life (excluding index-linked and unit-linked)	96,470	91,928	4,542
Technical provisions – index-linked and unit-linked	20,290	18,671	1,619
Other technical provisions	-	-	-
Contingent liabilities	-	-	-
Provisions other than technical provisions	12	11	1
Pension benefit obligations	52	45	7
Deposits from reinsurers	124	124	-1
Deferred tax liabilities	707	849	-142
Derivatives	27	70	-43
Debts owed to credit institutions	7,000	9,400	-2,400
Financial liabilities other than debts owed to credit institutions	523	-	523
Insurance & intermediaries payables	146	126	20
Reinsurance payables	9	10	-1
Payables (trade, not insurance)	429	346	83
Subordinated liabilities	1,781	1,359	422
Any other liabilities, not elsewhere shown	34	86	-52
Total liabilities	**131,032**	**126,312**	**4,720**
Excess of assets over liabilities	**16,377**	**16,882**	**-505**

Table based on QRT S.02 (prudential scope).

The following sections aim to present:

- valuation methods used to prepare the Solvency II balance sheet;
- main differences with those used to prepare the IFRS consolidated financial statements.

The IFRS balance sheet includes reclassifications compared to the published IFRS financial statements in order to present the data in accordance with the Solvency II Directive.

A. ASSET VALUATION

(in € millions)	References	Solvency II	IFRS	Solvency II/IFRS differences in scope of consolidation	Standards differences
Goodwill	A.1	-	65	-	-65
Deferred acquisition costs		-	-	-	-
Intangible assets		-	-	-	-
Deferred tax assets	A.2	10	81	64	-135
Pension benefit surplus		-	-	-	-
Property, plant and equipment held for own use	A.3	188	207	-20	-
Investments (other than assets held for index-linked and unit-linked contracts)	A.4	118,012	117,970	43	-
Assets held for index-linked and unit-linked contracts	A.5	20,600	20,332	268	-
Loans and mortgages	A.6	7,237	7,236	1	-
Reinsurance recoverables	A.7	272	377	11	-116
Deposits to cedants	A.8	445	445	-	-
Insurance and intermediaries receivables	A.9	323	299	24	-
Reinsurance receivables	A.9	80	80	-	-
Receivables (trade, not insurance)	A.9	164	175	2	-14
Own shares (held directly)		-	-	-	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in		-	-	-	-
Cash and cash equivalents	A.9	32	27	5	-
Any other assets, not elsewhere shown	A.9	46	60	-14	-
Total assets		**147,409**	**147,353**	**386**	**-329**

Tables based on QRT S.02.

The differences between the prudential balance sheet and the IFRS balance sheet as of December 31, 2024 are due to:

- differences in scope of consolidation amounted to €386 million;
- differences in standards amounted to -€329 million, mainly related to:
  - elimination of goodwill amounted to -€65 million,
  - deferred tax assets resulting from differences in the valuation of assets and liabilities amounted to -€135 million;
  - revaluation of reinsurance recoverables amounted to -€116 million.

1. Goodwill

In the IFRS consolidated financial statements, business combinations are performed in accordance with IFRS 3 revised, notably through the application of 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 negative, it is recognized directly in the statement of profit or loss.

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 IAS 36 standard.

In the Solvency II balance sheet, goodwill is valued at zero, as it cannot be traded on an active market.

2. Deferred tax assets

Section C.4 details the principles for recognizing and measuring deferred taxes in the Solvency II balance sheet.

3. Property, plant and equipment held for own use

Operating property

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

In the IFRS consolidated financial statements, GACM divides its properties into two distinct groups:

- operating properties underlying investment contracts with discretionary participation features, which are recognized at fair value;
- other operating properties recognized at amortized cost.

In the prudential balance sheet, operating properties are valued at market value, in accordance with the principles of the Solvency II Directive.

Other property, plant and equipment held for own use

In the IFRS consolidated financial statements, 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 3 years for IT equipment to 10 years for fixtures and fittings.

These fixed assets are not revalued in the prudential balance sheet, as the value in the IFRS consolidated financial statements constitutes a satisfactory assessment of the fair value.

4. Investments

(in € millions)	Solvency II	IFRS	Solvency II/IFRS differences in scope of consolidation	Standards differences
Property (other than for own use)	2,363	2,868	-505	-
Holdings in related undertakings, including participations	3,608	3,749	-142	-
Equities	16,605	16,074	531	-
Bonds	77,653	77,456	196	-
Collective Investments Undertakings	17,783	17,818	-35	-
Deposits other than cash equivalents	1	4	-4	-
Derivatives	-	-	-	-
Other investments	-	-	-	-
Total investments	**118,012**	**117,970**	**43**	**-**

Table based on QRT S.02.

Valuation method

The methods used to determine the fair value of investments in the Solvency II balance sheet are similar to those defined by IFRS 13.

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 level 1 fair value 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 level 2 fair value are 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. The determination of the fair values of these instruments takes liquidity risk and counterparty risk into account.

Property (other than for own use)

Investment property includes rental properties.

In the IFRS consolidated financial statements, GACM divides its properties into two distinct groups:

- investment properties underlying investment contracts with discretionary participation features which are recognized at fair value;
- other investment properties, which are recognized at amortized cost.

In the prudential balance sheet, investment property is valued at market value, in accordance with the principles of the Solvency II Directive.

Investments excluding property

In GACM's IFRS consolidated financial statements, financial assets excluding property subject to IFRS 9 are valued at market value.

The valuation of investments is similar in the prudential balance sheet.

5. Assets held for index-linked and unit-linked contracts

The financial risk relating to assets held for unit-linked and index-linked insurance contracts is borne by policyholders.

These assets are valued at market value in the prudential balance sheet, as well as in the IFRS balance sheet.

6. Loans and mortgages

In the IFRS consolidated financial statements, loans are mainly valued according to the fair value principle (or equivalent).

This item is not revalued in the prudential balance sheet, as the value in the IFRS consolidated financial statements constitutes a satisfactory assessment of the Solvency II value.

It mainly consists of receivables related to repurchase agreements.

7. Reinsurance recoverables

Reinsurance recoverables correspond to the reinsurers' share of the technical provisions.

The valuation rules for ceded technical provisions are similar to those for gross provisions (see Section B. Valuation of technical provisions).

8. Deposits to cedants

These deposits are linked to inward reinsurance.

They are valued at nominal value in the statutory balance sheet.

This item is not revalued in the prudential balance sheet, as the value in the statutory financial statements constitutes a satisfactory assessment.

9. Other assets

The other asset items are not subject to any major restatement under Solvency II, as the value in the IFRS consolidated financial statements constitutes a satisfactory assessment of the Solvency II value.

B. VALUATION OF TECHNICAL PROVISIONS

The value of prudential technical provisions is equal to the sum of the Best Estimate and the risk margin.

Best Estimate

In the prudential balance sheet, technical provisions are valued according to the Best Estimate method.

The best estimate corresponds to the probability-weighted average of future cash flows taking into account the time value of money estimated on the basis of the relevant risk-free yield curve, *i.e.* the expected present value of future cash flows. The calculation of the best estimate is based on up-to-date and credible information and realistic assumptions and uses appropriate, applicable and relevant actuarial and statistical methods. The cash flow projection used in the calculation of the best estimate takes into account all cash inflows and outflows necessary to meet the insurance and reinsurance obligations, during their entire term.

Risk margin

In addition to this best estimate of technical provisions, there is a risk margin, the amount of which corresponds to a risk premium that an insurance company would require to assume the obligations of the insurer.

1. Summary table by business

The gross technical provisions for reinsurance in GACM's Solvency II prudential balance sheet are broken down as follows:

(in € millions)	Best Estimate provisions	Risk margin	Total SII provisions
Non-life	2,738	257	2,995
NSLT Health	361	73	434
SLT Health	1,579	345	1,924
Life (excluding SLT Health and Unit-linked)	92,870	1,676	94,546
Unit-linked	20,103	188	20,290
Total	**117,650**	**2,539**	**120,189**

GACM's Best Estimate provisions comprise the sum of Best Estimate provisions by entity, after elimination of intra-group reinsurance.

GACM's risk margin is the sum of the risk margins of the consolidated entities.

2. Calculation methods used for technical provisions

The main principles of the calculation methods used are detailed in the regular reports to the controller of the entities that make up GACM SA.

3. Main assumptions

The assumptions were defined in accordance with the *Code des assurances* (French Insurance Code).

Volatility adjustment

The yield curve and the volatility adjustment (VA) used are those published by EIOPA in January 2025.

The adjustment for volatility is 23 bps. The following table shows the sensitivity analysis of technical provisions, own funds, SCRs and MCRs to this parameter:

(in € millions)	With VA	Without VA	Difference (in amount)	Difference (in percentage)
SII technical provisions gross of reinsurance	120,189	120,576	387	0.3%
Available own funds	14,469	14,622	153	1.1%
Eligible own funds to meet the SCR requirement	14,469	14,622	153	1.1%
Eligible own funds to meet the MCR requirement	13,812	13,990	179	1.3%
SCR	6,792	7,127	335	4.9%
SCR coverage ratio	**213%**	**205%**	**-8 pts**	**-3.7%**
MCR	2,645	2,771	127	4.8%
MCR coverage ratio	**522%**	**505%**	**-17 pts**	**-3.3%**

The SCR coverage ratio decreased from 213% to 205%, *i.e.* a decrease of 8 points compared to the SCR coverage ratio calculated with the volatility adjustment.

The MCR coverage ratio decreased from 522% to 505%, *i.e.* a decrease of 17 points compared to the MCR coverage ratio calculated with the volatility adjustment.

4. Uncertainty level related to technical provisions

Uncertainties related to GACM's technical provisions are those observed for the entities that make up the Group. These are detailed in the regular reports to the controller of the entities that make up GACM SA.

5. Differences between prudential balance sheet provisions and statutory technical provisions

(in € millions)	IFRS provisions	Best Estimate provisions	Risk margin	Total SII provisions
Non-life	2,882	2,738	257	2,995
NSLT Health	404	361	73	434
SLT Health	2,291	1,579	345	1,924
Life (excluding SLT Health and Unit-linked)	100,183	92,870	1,676	94,546
Unit-linked	20,298	20,103	188	20,290
Total	**126,058**	**117,650**	**2,539**	**120,189**

In the IFRS consolidated financial statements, 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 life 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.

In the Solvency II prudential balance sheet, technical provisions are valued using the best estimate method.

6. Simplifications used to calculate prudential balance sheet technical provisions

The simplifications used to calculate the technical provisions of the Group's prudential balance sheet are those observed for the entities that make up GACM SA. These are detailed in the regular reports to the controller of the entities that make up GACM SA.

C. VALUATION OF OTHER LIABILITIES

(in € millions)	References	Solvency II	IFRS	Solvency II/IFRS differences in scope of consolidation	Standards differences
Contingent liabilities		-	-	-	-
Provisions other than technical provisions	C.1	12	18	-7	-
Pension benefit obligations	C.2	52	52	-	-
Deposits from reinsurers	C.3	124	124	-	-
Deferred tax liabilities	C.4	707	-	40	667
Derivatives	C.5	27	27	-	-
Debts owed to credit institutions	C.6	7,000	7,034	-34	-
Financial liabilities other than debts owed to credit institutions	C.7	523	511	-	13
Insurance & intermediaries payables	C.8	146	135	11	-
Reinsurance payables	C.8	9	16	-8	-
Payables (trade, not insurance)	C.8	429	437	-26	18
Subordinated liabilities	C.7	1,781	1,908	-	-127
Any other liabilities, not elsewhere shown	C.8	34	51	-17	-
Total other liabilities		**10,843**	**10,312**	**-39**	**571**

Table based on QRT S.02.

The differences between the prudential balance sheet and the IFRS balance sheet as of December 31, 2024 are due to:

- differences in scope of consolidation amounted to -€39 million;
- differences in standards amounted to €571 million, mainly related to:
  - deferred taxes resulting from differences in the valuation of assets and liabilities amounted to €667 million;
  - revaluation of subordinated liabilities amounted to -€127 million.

1. Provisions other than technical provisions

In the IFRS balance sheet, this item corresponds to provisions for contingencies and expenses, which refers to liabilities for which the due date or amount is not precisely determined.

This item is not revalued in the prudential balance sheet, as the value in the IFRS consolidated financial statements constitutes a satisfactory assessment of the Solvency II value.

2. Pension benefit obligations

In the IFRS balance sheet, pension benefit obligations are recognized in accordance with IAS 19 – Employee Benefits, in the same way as in the prudential balance sheet.

3. Deposits from reinsurers

These deposits correspond to the amounts paid by the reinsurer or deducted by the reinsurer in accordance with the reinsurance contract.

They are valued at nominal value in the IFRS balance sheet.

This item is not revalued in the prudential balance sheet, as the value in the IFRS consolidated financial statements constitutes a satisfactory assessment of the Solvency II value.

4. Deferred tax liabilities

In the presentation of the Solvency II balance sheet, the company has offset deferred tax assets and liabilities in accordance with the provisions of IAS 12 – Income Tax.

Under the same standard, deferred tax liabilities are the amounts of income tax payable in future periods in respect of taxable temporary differences.

Deferred tax assets are the amounts of income tax recoverable in future periods in respect of:

- deductible temporary differences;
- carry forward of unused tax losses;
- and carry forward of unused tax credits.

These temporary differences between the prudential value and the tax basis of assets and liabilities result in particular from fair value measurement.

As IAS 12 is applied in both the Solvency II balance sheet and the IFRS balance sheet, the accounting and valuation principles for deferred taxes are identical. The differences recorded on the balance of deferred taxes result from differences in the valuation of assets and liabilities, the basis for calculating deferred taxes.

GACM is the parent company of the French tax group.

The tax consolidation agreements between GACM and its consolidated subsidiaries provide that each consolidated company is required to recognize corporate income tax as if it was not part of the tax consolidation group. Following amendments signed on November 25, 2019, the tax consolidation agreements stipulate that subsidiaries in deficit will receive from GACM an amount equal to the tax savings obtained by the latter by taking into account the subsidiaries' losses.

As of December 31, 2024, GACM's prudential balance sheet showed a net deferred tax recognized as a liability of €707 million.

The residual deferred tax asset of €10 million corresponds to the tax of German companies ACM Deutschland AG and its subsidiaries that are not consolidated into the French tax group.

The rate used for the recognition of deferred taxes is the effective tax rate per independent tax entity, except for special tax provisions:

- French companies: 25.825%;
- Belgian companies: 25%;
- German companies: 31.225%;
- Luxembourg companies: 24.94%.

5. Derivatives

Derivative financial instruments are valued at their market value in the Solvency II balance sheet as well as in the IFRS balance sheet.

6. Debts owed to credit institutions

Debts owed to credit institutions are measured at amortized cost in the IFRS consolidated financial statements.

This item is not revalued in the prudential balance sheet, as the value in the IFRS consolidated financial statements constitutes a satisfactory assessment of the Solvency II value.

7. Other financing debts

Subordinated debts and financial debts other than those to credit institutions are valued at their fair value in the Solvency II balance sheet while they are valued at amortized cost in GACM's IFRS balance sheet.

The table below lists the debt issued by GACM's entities:

(in € millions)	Issuance date	Type	Maturity	Amount at issue	Solvency II valuation
ACM VIE SA	12/04/2015	Fixed-term subordinated debt	10 years	100	99
ACM VIE SA	03/23/2016	Fixed-term subordinated debt	10 years	50	50
ACM VIE SA	12/18/2019	Fixed-term subordinated debt	10 years	500	455
GACM SA	10/21/2021	Redeemable subordinated note	20.5 years	750	654
GACM SA	04/30/2024	Redeemable subordinated note	20.5 years	500	522
GACM SA	04/30/2024	Senior unsecured bonds	5 years	500	523
Total				**2,400**	**2,304**

Subordinated debt is eligible as Tier 2 capital.

8. Payables and other liabilities

The other liability items are not subject to any major restatement under Solvency II, as the value in the IFRS consolidated financial statements constitutes a satisfactory assessment of the Solvency II value.

D. ALTERNATIVE METHODS FOR VALUATION

In order to value financial instruments in the Solvency II balance sheet, GACM applies the fair value hierarchy introduced by IFRS 13.

Level 1, which corresponds to the fair value of financial instruments listed on an active market, represents the majority of financial assets in the Solvency II prudential balance sheet. Residual assets, classified as IFRS 13 fair value level 2 or 3 (mentioned in Section A.4. Asset valuation – Investments), are valued using alternative methods.

E. OTHER IMPORTANT INFORMATION

1. Assumptions about future management decisions

The regular reports to the controller of GACM's subsidiaries present the assumptions relating to future management decisions.

2. Assumptions about policyholder behavior

The regular reports to the controller detail the assumptions about the behavior of policyholders.

V. CAPITAL MANAGEMENT

A. OWN FUNDS

Under Solvency II, own funds correspond to the excess of assets over liabilities of the balance sheet valued according to the Solvency II principles, plus subordinated liabilities and less foreseeable dividends and non-available restricted own funds items.

The company's own funds are classified into three categories (Tiers). This classification is made according to the nature of these own funds, assessed in relation to their availability, degree of subordination and duration.

The definitions of the three levels of tiering are as follows:

- level 1 (Tier 1) corresponds to the best quality and includes basic own funds elements that are continuously and immediately callable, fully available and subordinated. It identifies the so-called restricted elements and the so-called unrestricted elements;
- level 2 (Tier 2) includes less liquid basic own funds items;
- level 3 (Tier 3) includes basic own funds that cannot be classified in the previous levels as well as ancillary own funds.

1. Own funds management policy

The own funds of GACM SA and its entities must comply with the tiering rules as defined in Article 82 of European Delegated Regulation 2015/35, namely:

- Tier 1 own funds must cover at least 50% of the SCR;
- Tier 1 restricted own funds must not exceed 20% of total Tier 1;
- the sum of Tier 2 and Tier 3 own funds cannot exceed 50% of the SCR;
- Tier 3 own funds must not exceed 15% of the SCR;
- Tier 1 own funds must cover at least 80% of the MCR;
- Tier 2 own funds must not exceed 20% of the MCR;
- Tier 3 own funds are not eligible to cover the MCR.

When a new own funds item appears (subordinated debt issue, ancillary own funds, etc.), several analyses are carried out:

- in-depth analysis of its characteristics to determine the category in which to classify it;
- verification that the own funds tiering rules are respected;
- verification of the compatibility with the capital management plan;
- update of the capital management policy if necessary.

Each time the Solvency II own funds are recalculated, their quality is reviewed and compliance with the tiering rules imposed by Solvency II is verified. If a tiering rule is not met, the portion of own funds exceeding the limit is restated from the own funds eligible to cover the MCR and/or SCR.

If there is a change in the own funds structure during the quarter, these calculations are validated by the head of the SII & IFRS 17 actuarial team.

In the event of an issue of a subordinated debt item, the analyses mentioned above are carried out by the modeling & risks department.

2. Structure and amounts of available own funds

The available SII own funds amounted to €14,469 million at the end of 2024, compared to €13,994 million at the end of 2023.

The table below details the own funds structure:

(in € millions)	12/31/2024	12/31/2023	Changes	%
Share capital	1,241	1,241	-	-
Share capital premiums	1,038	1,038	-	-
Mutual insurance company establishment funds	93	95	-2	-2.4%
Reconciliation reserve	10,156	10,674	-518	-4.9%
Subordinated liabilities	1,781	1,359	422	31.0%
Non-available subordinated liabilities	-605	-742	137	18.5%
Surplus funds	3,083	3,120	-37	-1.2%
Non-available surplus funds	-2,356	-2,826	471	16.7%
Eligible minority interests	66	59	7	11.7%
Deduction for participations	-37	-26	-10	-39.9%
Net positive deferred tax assets	10	3	7	N/A
Available SII own funds	**14,469**	**13,994**	**475**	**3.4%**

Share capital

The fully called-up share capital of GACM SA amounted to €1,241 million at the end of 2024, unchanged from the end of 2023.

Share capital premiums

GACM SA's share capital premiums amounted to €1,038 million at the end of 2024, unchanged compared to the end of 2023.

Mutual insurance company establishment funds

Establishment funds are linked to the ACM VIE SAM mutual insurance company and amounted to €93 million at the end of 2024, down €2 million compared to the end of 2023 due to the transformation of the MTRL into a common law company.

Reconciliation reserve

The reconciliation reserve amounted to €10,156 million at the end of 2024, down by €518 million compared to the end of 2023. The main items comprising it are:

- **IFRS reserves net of the mutual insurance company establishment funds** comprising the cumulative previous earnings, the gains and losses recognized directly in other comprehensive income (OCI) and the profit (loss) for the financial year, amounting to €8,611 million at the end of 2024, compared to €8,691 million at the end of 2023;

- **economic valuation of assets and liabilities.** In 2024, this amounted to €2,309 million net of deferred tax liabilities and excluding the reclassification of provisions for surpluses compared to €2,695 million at the end of 2023.

Article 70 of Delegated Regulation 2015/35 requires the reconciliation reserve to be reduced by various items affecting the availability and transferability of own funds, which the main ones are as follows:

- **restatements of restricted funds:** in the statutory financial statements, there are several regulatory contracts for collective retirement such as L441, PERE and PERP. These contracts were considered immaterial within GACM SA. The future profit of the contracts was €41 million in 2024. They are an integral part of Solvency II capital but are not eligible to cover GACM's SCR and MCR;

- **other non-available own funds**: following the set-up of the affiliation agreements, the mutual insurance companies' own funds are considered available for the GACM, except for 10% of the contribution to the Group SCR of ACM VIE SAM, which was deducted from the Group's available own funds in the amount of €87 million in 2024;

- **distribution of dividends**: the Management Board approved, subject to the resolutions to be submitted to the Annual General Meeting of GACM SA, a proposal for the payment of dividends in respect of the appropriation of net profit for 2024 financial year, in cash, in the amount of €4.16 per share for a total of €336 million.

Reminder of dividends paid:

		Dividend per share (in €)	Dividend paid (in € millions)
2024	for the 2023 financial year	4.07	1,326
	exceptional dividend	12.49	
2023	for the 2022 financial year	6.17	1,114
	exceptional dividend	7.74	
2022	for the 2021 financial year	5	400

Subordinated liabilities

Subordinated liabilities amounted to €1,781 million at the end of 2024, compared to €1,359 million at the end of 2023.

The non-eligible portion of subordinated liabilities in the own funds of GACM SA amounts to €605 million. This amount corresponds to non-available items for the Group which are capped from own funds when they are higher than the share of the contributory SCR in the Group SCR.

Surplus funds

The decree on life insurance surplus funds was published in the Official Journal on December 28, 2019. It establishes new conditions under which the PPE may be included in the SII own funds.

For the calculations as of December 31, 2024, the €3,076 million provision for profit sharing was eligible in own funds.

A portion of this amount is ineligible in the GACM own funds covering the Solvency Capital Requirement (SCR), in the amount of €2,356 million in 2024. This amount corresponds to "non-available" items for the Group which are capped from own funds when they are higher than the share of the contributory SCR in the Group SCR.

Available surplus funds were therefore €727 million in 2024.

Non-controlling interests

Non-controlling interests SII amounted to €293 million at the end of 2024. They were up by €131 million compared to 2023.

The share of non-controlling interests in equity exceeding the contribution of the solo SCR to the Group SCR is ineligible. In 2024, this share amounted to €228 million.

Eligible minority interests were therefore €66 million in 2024.

Capital of non-consolidated subsidiaries

GACM SA has a non-consolidated non-EU equity investment in an insurance company in a third country: ASTREE SA (Tunisia).

The market value of the ASTREE SA equity securities is deducted from available own funds for €25 million.

GACM SA has a non-consolidated investment in Crédit Mutuel Épargne Salariale.

The market value of the CMES equity securities is deducted from own funds for €11 million.

Net positive deferred tax assets

As of December 31, 2024, the amount of deferred tax assets amounted to €10 million, compared to €3 million in 2023.

A recoverability test was carried out and showed that the deferred tax asset was fully recoverable. It is consequently recognized on the balance sheet and presented as a Tier 3 Solvency II own funds item.

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3. Reconciliation of IFRS equity with SII own funds

The table below shows the reconciliation of IFRS equity with the economic value of assets and liabilities under Solvency II principles.

Consolidated statement of changes in equity from IFRS to Solvency II

(in € millions)	12/31/2024	12/31/2023	Changes
Share capital	1,241	1,241	-
Share capital premiums	1,038	1,038	-
Other equity items	8,704	8,785	-81
Total IFRS equity	**10,983**	**11,064**	**-81**
Technical provisions remeasurement	3,074	3,439	-364
Surplus funds reclassification	3,076	3,120	-44
Other adjustments	18	109	-91
Deferred taxes recognition	-802	-933	131
IFRS/SII differences in scope of consolidation	28	83	-55
SII excess of assets over liabilities	**16,377**	**16,882**	**-505**
Foreseeable dividends	-336	-326	-10
Subordinated liabilities	1,781	1,359	422
Non-available subordinated liabilities	-605	-742	137
Ring-fenced funds adjustments	-41	-78	36
Non-available minority interests	-228	-104	-124
Deduction for participations	-37	-26	-10
Other non-available own funds	-87	-146	58
Non-available surplus own funds	-2,356	-2,826	471
Available SII own funds	**14,469**	**13,994**	**475**

4. Structure, quality and eligibility of own funds

Available SII own funds

GACM's available SII own funds amounted to €14,469 million as of December 31, 2024. Almost all of GACM's own funds are classified as unrestricted Tier 1 own funds.

(in € millions)	Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
Capital in ordinary shares and establishment funds	2,371	2,371			
Reconciliation reserve	10,156	10,156			
Subordinated liabilities	1,176			1,176	
Eligible surplus funds	727	727			
Eligible minority interests	66	66			
Deduction for participations	-37	-37			
Net positive deferred tax assets	10				10
Available SII own funds	**14,469**	**13,283**	**-**	**1,176**	**10**

Eligible SII own funds eligible to meet the SCR

As of December 31, 2024, the eligible own funds to meet the SCR amounted to €14,469 million.

There is no difference between the eligible own funds to meet the SCR and the available own funds. Indeed, the rules of limitation by Tier for the SCR have no impact on available SII own funds.

(in € millions)	Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
Capital in ordinary shares and establishment funds	2,371	2,371			
Reconciliation reserve	10,156	10,156			
Subordinated liabilities	1,176			1,176	
Eligible surplus funds	727	727			
Eligible minority interests	66	66			
Deduction for participations	-37	-37			
Net positive deferred tax assets	10				10
SCR eligible SII own funds	**14,469**	**13,283**	**-**	**1,176**	**10**

Eligible SII own funds to meet the MCR

As of December 31, 2024, the eligible own funds to meet the MCR amounted to €13,812 million.

The difference between the eligible own funds to meet the MCR and the eligible own funds to meet the SCR is explained by the Tier limitation rules for eligible Solvency II own funds to cover the MCR.

(in € millions)	Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
Capital in ordinary shares and establishment funds	2,371	2,371			
Reconciliation reserve	10,156	10,156			
Subordinated liabilities	529			529	
Eligible surplus funds	727	727			
Eligible minority interests	66	66			
Deduction for participations	-37	-37			
Net positive deferred tax assets	0				0
MCR eligible SII own funds	**13,812**	**13,283**	**-**	**529**	**0**

B. SOLVENCY CAPITAL REQUIREMENT (SCR) AND MINIMUM CAPITAL REQUIREMENT (MCR)

The Solvency Capital Requirement (SCR) corresponds to the amount of own funds necessary to limit the probability of the company's bankruptcy to 0.5% within one year.

The minimum capital requirement (MCR) corresponds to the amount of own funds to be held permanently and below which the company could not continue to operate.

1. Solvency ratios

The following tables show the ratios of SCR and MCR coverage by eligible SII own funds:

(in € millions)	12/31/2024
Eligible SII own funds to meet the SCR	14,469
SCR	6,792
SCR coverage ratio	**213%**

(in € millions)	12/31/2024
Eligible SII own funds to meet the MCR	13,812
MCR	2,645
MCR coverage ratio	**522%**

The MCR amounted to €2,645 million, representing 39% of the SCR.

2. Methodological points

a. Method used

GACM SA calculates its capital requirement (SCR) using the Solvency II standard formula.

b. Equity transitional measures

GACM did not use the transitional measure for equities in the calculation of the equity SCR. The shock applied is therefore -39% + *dampener* for Tier 1 equities and -49% + *dampener* for Tier 2 equities.

The *dampener* is a symmetrical adjustment mechanism allowing the mitigation of the equity shock in the event of a decline in the equity market.

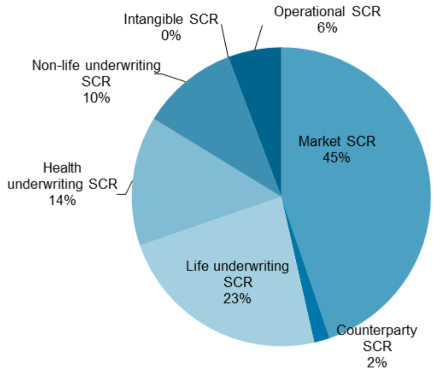
c. Tax adjustment

GACM adopted a prudent method for taking into account the tax adjustment in the calculation of the SCR. This adjustment corresponds to the corporate tax rate, applied to the sum of the net BSCR and the operational SCR. It is limited to the net deferred tax liability of the initial balance sheet.

3. Results

The SCR amounted to €6,792 million as of December 31, 2024:

(in € millions)	12/31/2024
Market SCR	*4,530*
Counterparty SCR	*171*
Life underwriting SCR	*2,354*
Health underwriting SCR	*1,420*
Non-life underwriting SCR	*1,062*
Intangible SCR	*-*
BSCR	6,538
Operational SCR	584
Tax adjustment	-573
Diversified SCR	**6,549**
SCR ot	243
Final SCR	**6,792**



The $SCR_{diversified}$ of GACM consists mainly of the market SCR and the underwriting SCR.

C. USE OF THE DURATION-BASED EQUITY RISK SUB-MODULE IN THE CALCULATION OF THE SOLVENCY CAPITAL REQUIREMENT

The use of this sub-module does not affect GACM's SCR calculation.

D. DIFFERENCES BETWEEN THE STANDARD FORMULA AND ANY INTERNAL MODELS USED

This part is not applicable because GACM uses the standard formula.

E. NON-COMPLIANCE WITH THE MINIMUM CAPITAL REQUIREMENT AND NON-COMPLIANCE WITH THE SOLVENCY CAPITAL REQUIREMENT

Not applicable.

VI. APPENDICES

Public Statements	Titles
D_S020102	Balance sheet
D_S050102	Premiums, claims and expenses by line of business
D_S220122	Impact of long term guarantees measures and transitionals
D_S230122	Own funds
D_S250122	Solvency Capital Requirement – for group on Standard Formula
D_S320122	Undertakings in the scope of the group

Balance sheet

		Solvency II value
		C0010
Assets		
Intangible assets	R0030	
Deferred tax assets	R0040	10 045
Pension benefit surplus	R0050	0
Property, plant & equipment held for own use	R0060	187 532
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	118 012 442
Property (other than for own use)	R0080	2 362 773
Holdings in related undertakings, including participations	R0090	3 607 724
Equities	R0100	16 605 466
Equities - listed	R0110	14 929 239
Equities - unlisted	R0120	1 676 227
Bonds	R0130	77 652 543
Government Bonds	R0140	33 729 668
Corporate Bonds	R0150	41 675 980
Structured notes	R0160	2 246 895
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	17 783 313
Derivatives	R0190	121
Deposits other than cash equivalents	R0200	503
Other investments	R0210	0
Assets held for index-linked and unit-linked contracts	R0220	20 600 122
Loans and mortgages	R0230	7 236 855
Loans on policies	R0240	64 151
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	7 172 704
Reinsurance recoverables from:	R0270	271 572
Non-life and health similar to non-life	R0280	122 183
Non-life excluding health	R0290	117 482
Health similar to non-life	R0300	4 701
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	149 389
Health similar to life	R0320	98 594
Life excluding health and index-linked and unit-linked	R0330	50 794
Life index-linked and unit-linked	R0340	0
Deposits to cedants	R0350	445 428
Insurance and intermediaries receivables	R0360	322 746
Reinsurance receivables	R0370	80 050
Receivables (trade, not insurance)	R0380	164 042
Own shares (held directly)	R0390	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0
Cash and cash equivalents	R0410	31 832
Any other assets, not elsewhere shown	R0420	46 410
Total assets	R0500	147 409 075
Liabilities		
Technical provisions - non-life	R0510	3 428 920
Technical provisions - non-life (excluding health)	R0520	2 994 722
TP calculated as a whole	R0530	0
Best Estimate	R0540	2 737 867
Risk margin	R0550	256 854
Technical provisions - health (similar to non-life)	R0560	434 198
TP calculated as a whole	R0570	0
Best Estimate	R0580	360 843
Risk margin	R0590	73 355
Technical provisions - life (excluding index-linked and unit-linked)	R0600	96 470 015
Technical provisions - health (similar to life)	R0610	1 924 088
TP calculated as a whole	R0620	0
Best Estimate	R0630	1 578 885
Risk margin	R0640	345 203
Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	94 545 927
TP calculated as a whole	R0660	0
Best Estimate	R0670	92 870 155
Risk margin	R0680	1 675 772
Technical provisions - index-linked and unit-linked	R0690	20 290 211
TP calculated as a whole	R0700	0
Best Estimate	R0710	20 102 631
Risk margin	R0720	187 580
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	11 746
Pension benefit obligations	R0760	51 786
Deposits from reinsurers	R0770	123 560
Deferred tax liabilities	R0780	707 270
Derivatives	R0790	26 946
Debts owed to credit institutions	R0800	7 000 222
Financial liabilities other than debts owed to credit institutions	R0810	523 281
Insurance & intermediaries payables	R0820	145 896
Reinsurance payables	R0830	8 572
Payables (trade, not insurance)	R0840	428 865
Subordinated liabilities	R0850	1 781 166
Subordinated liabilities not in BOF	R0860	0
Subordinated liabilities in BOF	R0870	1 781 166
Any other liabilities, not elsewhere shown	R0880	33 882
Total liabilities	R0900	131 032 336
Excess of assets over liabilities	R1000	16 376 739

S.05.01.02 - 01
Premiums, claims and expenses by line of business

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written																		
Gross - Direct Business	R0110	919 323	272 154	0	541 707	838 898	6 658	982 758	120 755	270	79 125	0	162 931					3 924 580
Gross - Proportional reinsurance accepted	R0120	0	0	0	0	0	0	0	0	0	0	0	27 431					27 431
Gross - Non-proportional reinsurance accepted	R0130													0	0	0	0	0
Reinsurers' share	R0140	267	4 970	0	3 829	26 655	164	49 711	7 335	0	0	0	274	0	0	0	0	93 204
Net	R0200	919 056	267 184	0	537 879	812 243	6 495	933 047	113 420	270	79 125	0	190 088	0	0	0	0	3 858 807
Premiums earned																		
Gross - Direct Business	R0210	917 412	272 552	0	537 788	835 169	6 612	980 353	120 219	270	78 861	0	162 628					3 911 864
Gross - Proportional reinsurance accepted	R0220	0	0	0	0	0	0	0	0	0	0	0	14 472					14 472
Gross - Non-proportional reinsurance accepted	R0230													0	0	0	0	0
Reinsurers' share	R0240	266	4 970	0	3 705	26 647	164	49 529	7 336	0	0	0	274	0	0	0	0	92 890
Net	R0300	917 146	267 582	0	534 084	808 523	6 448	930 824	112 883	270	78 861	0	176 825	0	0	0	0	3 833 446
Claims incurred																		
Gross - Direct Business	R0310	686 802	127 448	0	473 334	720 508	4 775	534 693	54 119	-6	46 707	0	43 931					2 692 309
Gross - Proportional reinsurance accepted	R0320	0	0	0	0	0	0	1	0	0	0	0	3 280					3 281
Gross - Non-proportional reinsurance accepted	R0330													0	-1 445	0	0	-1 445
Reinsurers' share	R0340	98	6 314	0	-5 004	1 586	0	34 252	4 050	0	0	0	3	0	0	0	0	41 299
Net	R0400	686 704	121 134	0	478 337	718 922	4 775	500 442	50 069	-6	46 707	0	47 208	0	-1 445	0	0	2 652 847
Expenses incurred	R0550	209 614	58 785	0	119 472	201 614	2 137	320 748	36 911	254	36 944	0	83 435	0	0	0	0	1 069 916
Balance - other technical expenses/income	R1210																	-27 432
Total technical expenses	R1300																	1 042 484

S.05.01.02 - 02
Premiums, claims and expenses by line of business

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	R1410	642 931	6 555 063	2 456 632	1 518 101	0	0	0	255 270	11 427 997
Reinsurers' share	R1420	9 403	3 814	0	9 363	0	0	85	0	22 666
Net	R1500	633 528	6 551 249	2 456 632	1 508 738	0	0	-85	255 270	11 405 332
Premiums earned										
Gross	R1510	642 730	6 555 064	2 456 632	1 518 118	1	0	0	255 270	11 427 815
Reinsurers' share	R1520	9 447	3 814	0	9 363	0	0	85	0	22 709
Net	R1600	633 284	6 551 250	2 456 632	1 508 755	1	0	-85	255 270	11 405 106
Claims incurred										
Gross	R1610	434 806	4 439 046	2 035 785	475 296	46 677	6 972	10	76 272	7 514 865
Reinsurers' share	R1620	1 946	1 435	0	2 639	10 248	1 991	289	0	18 546
Net	R1700	432 860	4 437 611	2 035 785	472 657	36 429	4 981	-279	76 272	7 496 318
Expenses incurred	R1900	170 835	473 711	227 965	701 452	685	318	-16	56 831	1 631 780
Balance - other technical expenses/income	R2510									1 683
Total technical expenses	R2600									1 633 463
Total amount of surrenders	R2700	205	1 994 265	1 767 992	2 100	0	0	0	51 674	3 816 236

S.22.01.22

Impact of long term guarantees measures and transitionals

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	120 189 146	0	0	387 101	0
Basic own funds	R0020	14 469 127	0	0	153 355	0
Eligible own funds to meet Solvency Capital Requirement	R0050	14 469 127	0	0	153 355	0
Solvency Capital Requirement	R0090	6 792 468	0	0	334 855	0

S.23.01.22 - 01
Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction						
Ordinary share capital (gross of own shares)	R0010	1 241 035	1 241 035			
Non-available called but not paid in ordinary share capital to be deducted at group level	R0020					
Share premium account related to ordinary share capital	R0030	1 037 509	1 037 509			
Iinitial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	92 515	92 515			
Subordinated mutual member accounts	R0050					
Non-available subordinated mutual member accounts to be deducted at group level	R0060					
Surplus funds	R0070	3 082 537	3 082 537			
Non-available surplus funds to be deducted at group level	R0080	2 355 571	2 355 571			
Preference shares	R0090					
Non-available preference shares to be deducted at group level	R0100					
Share premium account related to preference shares	R0110					
Non-available share premium account related to preference shares at group level	R0120					
Reconciliation reserve	R0130	10 155 792	10 155 792			
Subordinated liabilities	R0140	1 781 166		0	1 781 166	0
Non-available subordinated liabilities to be deducted at group level	R0150	604 929			604 929	
An amount equal to the value of net deferred tax assets	R0160	10 045				10 045
The amount equal to the value of net deferred tax assets not available to be deducted at the group level	R0170					
Other items approved by supervisory authority as basic own funds not specified above	R0180					
Non available own funds related to other own funds items approved by supervisory authority	R0190					
Minority interests	R0200	293 255	293 255			
Non-available minority interests to be deducted at group level	R0210	227 668	227 668			
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	R0230					
whereof deducted according to art 228 of the Directive 2009/138/EC	R0240					
Deductions for participations where there is non-availability of information (Article 229)	R0250	36 559	36 559			
Deduction for participations included via Deduction and Aggregation method (D&A) when a combination of methods are used	R0260					
Total of non-available own fund items to be deducted	R0270	3 188 168	2 583 239		604 929	
Total deductions	R0280	3 224 727	2 619 798		604 929	
Total basic own funds after deductions	R0290	14 469 127	13 282 845	0	1 176 237	10 045
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Non available ancillary own funds to be deducted at group level	R0380					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Own funds of other financial sectors						
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies – total	R0410					
Institutions for occupational retirement provision	R0420					
Non regulated undertakings carrying out financial activities	R0430					
Total own funds of other financial sectors	R0440					
Own funds when using the D&A, exclusively or in combination with method 1						
Own funds aggregated when using the D&A and combination of method	R0450					
Own funds aggregated when using the D&A and a combination of method net of IGT	R0460					
Total available own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	14 469 127	13 282 845	0	1 176 237	10 045
Total available own funds to meet the minimum consolidated group SCR	R0530	14 459 082	13 282 845	0	1 176 237	
Total eligible own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	14 469 127	13 282 845	0	1 176 237	10 045
Totaleligible own funds to meet the minimum consolidated group SCR	R0570	13 811 768	13 282 845	0	528 923	
Minimum consolidated Group SCR	R0610	2 644 616				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	5,2226				
Total eligible own funds to meet the total group SCR (including own funds from other financial sector and from the undertakings included via D&A)	R0660	14 469 127	13 282 845	0	1 176 237	10 045
Total Group SCR	R0680	6 792 468				
Ratio of Total Eligible own funds to Total group SCR - ratio including other financial sectors and the undertakings included via D&A	R0690	2,13				

S.23.01.22 - 02

Own funds

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	16 376 739
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	335 783
Other basic own fund items	R0730	5 756 897
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	41 124
Other non available own funds	R0750	87 143
Reconciliation reserve	R0760	10 155 792
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	743 077
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	118 633
Total Expected profits included in future premiums (EPIFP)	R0790	861 710

S.25.01.22

Solvency Capital Requirement - for groups on Standard Formula

		Gross solvency capital requirement	Simplifications	USP
		C0110	C0120	C0090
Market risk	R0010	15 490 767		
Counterparty default risk	R0020	171 270		
Life underwriting risk	R0030	6 999 306		0
Health underwriting risk	R0040	1 419 615		0
Non-life underwriting risk	R0050	1 062 070		0
Diversification	R0060	-5 836 079		
Intangible asset risk	R0070			
Basic Solvency Capital Requirement	R0100	19 306 948		

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	584 056
Loss-absorbing capacity of technical provisions	R0140	-12 768 607
Loss-absorbing capacity of deferred taxes	R0150	-573 191
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency Capital Requirement calculated on the basis of Art. 336 (a) of Delegated Regulation (EU) 2015/35, excluding capital add-on	R0200	6 549 206
Capital add-on already set	R0210	
of which, capital add-ons already set - Article 37 (1) Type a	R0211	
of which, capital add-ons already set - Article 37 (1) Type b	R0212	
of which, capital add-ons already set - Article 37 (1) Type c	R0213	
of which, capital add-ons already set - Article 37 (1) Type d	R0214	
Consolidated Group SCR	R0220	6 792 468
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	
Minimum consolidated group solvency capital requirement	R0470	2 644 616
Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520	
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non- regulated undertakings carrying out financial activities	R0530	
Capital requirement for non-controlled participation	R0540	243 262
Capital requirement for residual undertakings	R0550	
Capital requirement for collective investment undertakings or investments packaged as funds	R0555	
Overall SCR		
SCR for undertakings included via D&A method	R0560	
Total group solvency capital requirement	R0570	6 792 468

S.32.01

Undertakings in the scope of the group

							Criteria of influence						Inclusion in the scope of group supervision		Group solvency calculation
Identification code of the undertaking	Country	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/969500FJJPUJ5SLH8W79	FR	SCI ACM SAINT AUGUSTIN	10	Société civile immobilière	2		99,83%	0,00%	99,83%		1	0,00%	3	30/06/2023	9
LEI/5299004L0457UE6GER62	BE	ACM BELGIUM LIFE	4	Société anonyme	2	Banque nationale de Belgique	100,00%	100,00%	100,00%		1	100,00%	1		1
LEI/969500H50Z78KWH04A17	FR	FONCIERE MASSENA	10	Société anonyme	2		99,74%	100,00%	99,74%		1	99,74%	1		10
LEI/969500EUJS9LOE1KHG05	FR	ASSURANCES DU CREDIT MUTUEL VIE	4	Société anonyme	2	Autorité de contrôle prudentiel et de résolution	100,00%	100,00%	100,00%		1	100,00%	1		1
LEI/969500KGP4B6AQ2O3H11	FR	SERENIS ASSURANCES	2	Société anonyme	2	Autorité de contrôle prudentiel et de résolution	99,97%	100,00%	99,97%		1	99,97%	1		1
LEI/969500A7PV8JMFH22O61	FR	ACM PREVENTION ET SOLIDARITE	10	Mutuelle relevant du livre III du Code de la mutualité	1		100,00%	0,00%	100,00%		1	0,00%	3	31/12/2024	9
LEI/96950090CGKLVXEKWF10	FR	GROUPE DES ASSURANCES DU CREDIT MUTUEL	5	Société anonyme	2		0,00%	0,00%	0,00%			0,00%	1		1
LEI/9695008C6TADE3OTRV68	FR	ASSURANCES DU CREDIT MUTUEL -IARD	2	Société anonyme	2	Autorité de contrôle prudentiel et de résolution	96,53%	100,00%	96,53%		1	96,53%	1		1
LEI/96950097SXRZBURGKA86	FR	ASSURANCES DU CREDIT MUTUEL SAM	1	Société d'assurance mutuelle	1	Autorité de contrôle prudentiel et de résolution	100,00%	100,00%	100,00%		1	100,00%	1		1
LEI/549300JWXGG82YCEWW94	BE	ACM BELGIUM	2	Société anonyme	2	Banque nationale de Belgique	100,00%	100,00%	100,00%		1	100,00%	1		1
LEI/222100NG1Q4NNDENOS14	LU	INTERNATIONAL CREDIT MUTUEL LIFE	1	Société anonyme	2	Commissariat aux assurances	100,00%	100,00%	100,00%		1	100,00%	1		1
LEI/969500TTNS4ZTZW0JH89	FR	GIE ACM	10	Groupement d'intérêt économique	2		100,00%	0,00%	100,00%		1	0,00%	3	30/06/2023	9
LEI/529900BHR9UTEN060W89	DE	ACM DEUTSCHLAND AG	10	Société anonyme	2		51,00%	100,00%	51,00%		1	51,00%	1		1
LEI/529900V9R8J4XYNT1841	DE	ACM DEUTSCHLAND LIFE AG	10	Société anonyme	2		51,00%	100,00%	51,00%		1	51,00%	1		1
LEI/969500VDQMIAWSF8RN51	FR	ACM CAPITAL	10	Société civile de portefeuille	2		99,70%	100,00%	99,70%		1	99,70%	1		1
LEI/9695003QLU0K1WJ8Z890	FR	SCI ACM TOMBE ISSOIRE	10	Société civile immobilière	2		100,00%	0,00%	100,00%		1	0,00%	3	30/06/2023	9
LEI/969500PPNEOJLCE7I175	FR	SCI ACM PROVENCE LA FAYETTE	10	Société civile immobilière	2		99,83%	0,00%	99,83%		1	0,00%	3	30/06/2023	9
LEI/969500MF9HVMPU856S64	FR	SCI ACM 14 RUE DE LONDRES	10	Société civile immobilière	2		99,83%	0,00%	99,83%		1	0,00%	3	30/06/2023	9
LEI/969500AHUYR6N0H1EN40	FR	SOCIETE CIVILE IMMOBILIERE ACM	10	Société civile immobilière	2		99,57%	100,00%	99,57%		1	99,46%	1		10
LEI/529900TW278P9KB86J07	DE	ACM DEUTSCHLAND NON LIFE AG	10	Société anonyme	2		51,00%	100,00%	51,00%		1	51,00%	1		1
LEI/9695006QMUU5TLAWA151	FR	SCI ACM COTENTIN	10	Société civile immobilière	2		100,00%	0,00%	100,00%		1	0,00%	3	30/06/2023	9
LEI/9695000CG7B84NLR5984	FR	IMMOBILIERE ACM	10	Société par actions simplifiées	2		99,31%	0,00%	99,31%		1	0,00%	3	31/12/2016	9
SC/519531834	FR	REPARTIM	10	Société par actions simplifiées	2		100,00%	0,00%	100,00%		1	0,00%	3	30/09/2024	9
SC/913100905	FR	AUTO MOBILITE SERVICES	10	Société par actions simplifiées	2		100,00%	0,00%	100,00%		1	0,00%	3	30/06/2023	9
SC/432710135	FR	ASSURANCES CREDIT MUTUEL SERVICES ACM-SERVICES	10	Société anonyme	2		100,00%	0,00%	100,00%		1	0,00%	3	30/06/2023	9
SC/353933492	FR	ACM COURTAGE	10	Société par actions simplifiées	2		100,00%	0,00%	100,00%		1	0,00%	3	30/06/2023	9
SC/491333464	FR	PRESTA'TERRE	10	Société à responsabilité limitée	2		100,00%	0,00%	100,00%		1	0,00%	3	30/09/2024	9
SC/9695003TIV4MV1624T61	FR	CREDIT MUTUEL EPARGNE SALARIALE	8	Société anonyme	2	Autorité de contrôle prudentiel et de résolution	85,00%	0,00%	85,00%		2	0,00%	1		8
SC/B120481997	TN	ASTREE ASSURANCES	4	Société anonyme	2	Comité général des assurances	30,00%	0,00%	30,00%		2	0,00%	1		8
SC/937805992	FR	ADB ECOSYSTEM HOLDING	10	Société par actions simplifiées	2		100,00%	0,00%	100,00%		2	0,00%	3	31/12/2024	9
SC/903805232	FR	EXPERTIZEN	10	Société par actions simplifiées	2		100,00%	0,00%	100,00%		1	0,00%	3	30/06/2023	9