



Press Release

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Strong growth in earnings Solid solvency

Key figures 2022:

- Total revenue of 35.3 billion euros
- Net income group share of 1,758 million euros⁷, increasing by +14.8%⁸
- Solvency 2 prudential ratio of 204%

« The year 2022 was marked by the acceleration of the implementation of our social project and our corporate project for 2025, projects for which we have strong ambitions both in terms of both our business development and social issues, particularly in terms of supporting energy transitions. We have announced new commercial partnerships with Banco BPM in Italy and Renault in France, the launch of Crédit Agricole Assurances Retraite, our FRPS as well as numerous investments in the renewable energy sector, both in France and internationally. Our growth is based on three pillars: the strength of our bancassurance model, our partnerships and our financial solidity » says Philippe Dumont, Chief Executive Officer of Crédit Agricole Assurances.

In 2022, Crédit Agricole Assurances has accelerated the implementation of its strategic plan for 2025, through which it intends to continue to develop its core businesses in France and internationally, and diversify its offerings and services to cover all of its customers' needs, particularly in the areas of health and retirement.

To achieve this, Crédit Agricole Assurances has continued, in 2022, to:

- accelerate in **property and casualty** with a **revenue up by +8.3%**¹ compared to the end of 2021, to reach **5.2 billion¹ euros**, including a +22.2% increase in Italy. The portfolio of non-life contracts amount to nearly **15.3 million contracts, up +3.5%**¹ over one year, with a net addition of nearly **520,000 contracts**. **Equipment rate of retail customers** in French Regional Banks is **stable** (42.6%² at the end of 2022, -0.1 point year-on-year), increases in LCL (27.1%² at the end of 2022, +0.5 point year-on-year), as well as in CA Italia (21.2%³ at the end of 2022, +2.2 points year-on-year, and 16.8% with Creval). The **Combined ratio**⁴ amounts **98.5%** at the end of 2022, marked by several major climatic events in France. Pacifica, Crédit Agricole Assurances' non-life insurance entity, has signed a **commercial partnership for motor insurance** with Mobilize Financial Services, a subsidiary of Renault Group specialising in services to facilitate access to

¹ Constant perimeter excluding La Médicale

² Percentage of customers having at least one contract in automotive, multi-risk household, healthcare, legal, all mobiles or accident insurance.

³ Percentage of CA Italia's customers having at least one contract marketed by CA Assicurazioni, non-life insurance subsidiary of Crédit Agricole Assurances.

⁴ Ratio of (claims + operating expenses + commissions) to premium income, net of reinsurance, Pacifica scope

cars. Through this partnership, Pacifica will become, from the end of 2023, the motor insurer of Mobilize Financial Services in France, for the supply of insurance contracts backed by the distribution of new and used vehicles to individuals.

- accelerate personal protection with a **revenue increase of +6.4%¹** compared to the end of 2021, in France and internationally, to reach **4.7 billion¹ euros**; with a creditor insurance activity that remains supported by a favourable real estate market (+8%) and a good performance in consumer credit (+6%) ;
- **diversifies its savings solutions**, with a **very high unit-linked rate of gross inflows at 41.2% in 2022, including a record level of 44.3% in the fourth quarter of 2022** and a **very good level of net unit-linked inflows at +6.1 billion euros over the year**. **Life insurance outstandings amount to 321 billion euros⁵** at the end of 2022, including **82 billion euros in unit-linked**, and 239 billion euros of Euro-denominated. **Unit-linked products outstandings represent 25.6% of total outstandings** at the end of 2022.
At the end of 2022, the **average profit-sharing rate of Predica's Euro-denominated contracts** is increasing by **+106 bp to 2.32%**. The **policyholder participation reserve (PPE)**, amounts **12 billion euros** at the end of 2022, representing **5.7% of Euro outstandings⁶**.
- develop new responsible and accessible savings solutions : 21.7 billion euros of responsible unit-linked products outstandings labelled at the end of 2022 ;
- develop its international activities through the **signing of a memorandum of understanding for the establishment of a long-term bancassurance partnership between Banco BPM and Crédit Agricole Assurances**. The latter aims to provide non-life insurance products and related services through Banco BPM's distribution networks. In this partnership, Banco BPM will bring its leading banking experience and distribution capabilities in Italy. Crédit Agricole Assurances will bring its expertise in innovative insurance products and services, offering customised non-life (property and casualty, health, etc.) and creditor insurance solutions to Banco BPM's customers in Italy, as well as the efficiency of the European leader in bancassurance ;
- continue its digitalisation by integrating new insurance features into the new Crédit Agricole "Ma Banque" application.

In order to diversify its offers and services to cover all its customers' needs, in 2022 Crédit Agricole Assurances has:

- **created Crédit Agricole Assurances Retraite, its « fonds de retraite professionnelle supplémentaire »**. Crédit Agricole Assurances Retraite will offer comprehensive, dedicated solutions, in particular individual and group retirement savings plans (PER), with the aim of increasing outstandings from 19 to 23 billion euros by 2025. Crédit Agricole Assurances Retraite will also set up a digital platform to anticipate, raise awareness and provide advice on preparing for retirement. The creation of Crédit Agricole Assurances Retraite is accompanied by a regulatory transfer of pension commitments currently recorded on Predica's balance sheet for a total of 18.1 billion euros in net book value at 31 December 2021.
- **launched its new home insurance at a single rate of €6/month for young tenants, in line with the Crédit Agricole Group's Societal Project, to give everyone access to everyday insurance**

⁵ Savings, Retirement and Death and Disability

⁶ Life France scope

In this context, at the end of December 2022, the **net income group share** of Crédit Agricole Assurances will reach **1,758 million euros**⁷, **up +14.8%**⁸ compared to 2021.

Crédit Agricole Assurances also demonstrates its **solidity** with a **Solvency 2 prudential ratio of 204%** at 31 December 2022.

The Standard & Poor's rating for Crédit Agricole Assurances main operating subsidiaries is **A / stable outlook**.

In accordance with changes in accounting regulations, Crédit Agricole Assurances will present its financial statements in 2023 under IFRS 9 & 17. The IFRS 17 standard will significantly change the balance sheet view of insurance liabilities by introducing the concepts of:

- **Best Estimate, a better assessment of future cash flows**, all activities combined, based on the company's experience and including the costs associated with the contracts;
- **Contractual Service Margin (CSM) (~20 to 25 billion euros)**, corresponding to the profits expected by the insurer on the insurance activity, over the duration of the contract, for profitable contracts, for Savings, Retirement, Death and Disability and Creditor products;
- **Risk Adjustment (RA) (~3 to 4 billion euros)** corresponding to a prudence margin on the technical assumptions used to calculate the Best Estimate

In addition, **a positive impact of over 1 billion euros is expected on equity** at the end of 2022.

The transition to IFRS 17 will not significantly change the profitability profile of insurance activities. On the other hand, in accounting terms, the earnings will henceforth consist, mainly, of the gradual relaxation of the CSM and the RA and will take into account the linking of the costs attributable to insurance contracts. As a result, the cost/income ratio will mechanically fall sharply, but remain unchanged from the objective published in the Ambitions 2025 strategic plan (~15% by 2025).

The expected result impact is limited, despite a structurally higher volatility, but controlled by the methodological choices made to assets and liabilities.

In addition, no impact to be expected regarding:

- the weight of each business line in the activity indicators (premiums, outstandings, net inflows and equipment rates);
- the importance of each business line in terms of turnover and earnings;
- the combined ratio;
- the solvency ratio.

Finally, IFRS 17 will apply to all geographies, with no impact on the respective weight of activities.

⁷ The contribution to the net income group share of Crédit Agricole S.A. amounts to €1,673 million. The difference with Crédit Agricole Assurances' net income group share is mainly due to analytical restatements affecting to the Insurance business line i) analytical expenses of Crédit Agricole S.A. (mainly general operating expenses invoiced by Crédit Agricole SA for €13 million) and ii) subordinated (RT1) debt coupons for €76 million.

⁸ Excluding specific items in 2021 and 2022, the net income Group share increase by +11.8%. In 2021, these elements include a monetary compensation of €56 million paid to Crédit Agricole S.A. In 2022, it is the capital gain of disposal of the Medical for €101 million.

About Crédit Agricole Assurances

Crédit Agricole Assurances, France's largest insurance Group, unites together Crédit Agricole's insurance subsidiaries. The Group offers a range of savings, retirement, health, personal protection and property insurance products and services. They are distributed by the Crédit Agricole's banks in France and in nine other countries around the world by financial advisers and multi-line insurance agents. The Crédit Agricole Assurances companies serve individuals, professionals, farmers and businesses. Crédit Agricole Assurances has 5,700 employees. Its premium income at the end of 2023 amounted to €35.3 billion (IFRS).

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