

# FULL YEAR 2020 RESULTS GROUPAMA

*Analysts Conference Call – 12 March 2021*

## Groupama in 2020

# GROUPAMA ABSORBED THE SHOCK OF COVID-19 AND DEMONSTRATED RESILIENCE

<b>Premium income</b>	<ul style="list-style-type: none"><li>• Measures to support customers (premium reductions) and cost of unpaid payments valued at €168m in France</li><li>• Tariff reductions estimated at €26m in international subsidiaries</li></ul>
<b>Claim experience</b>	<ul style="list-style-type: none"><li>• Increase in operating losses due to business interruption in France (€105m net of reinsurance) and work stoppages,</li><li>• “Health tax” in France (€91m) which counterbalanced the drop in demand for group health care</li><li>• Positive impact on some businesses (motor frequency and home claims)</li></ul>
<b>Solidarity measures</b>	<ul style="list-style-type: none"><li>• Contribution to the Solidarity Fund in support of VSEs and self-employed workers for €27m</li><li>• Citizen actions (donations to research organizations, etc.)</li></ul>
<b>Investments</b>	<ul style="list-style-type: none"><li>• Participation in the Sustainable Recovery investment programme for approximately €80m</li><li>• No defaults in the fixed income portfolio: high quality bonds, mainly sovereign, with an average rating of AA</li><li>• Lower dividends received on certain equity investments</li><li>• Limited rent losses</li></ul>

## Groupama in 2020 KEY FIGURES

**€14.4bn**  
Premium Income

**€306mn**  
Economic Operating Income

**€10.7bn**  
Group's IFRS Equity

**€177mn**  
Net income

**98.7%**  
Non Life Combined Ratio

**152%**  
Solvency Margin  
(244% with transitional measure)

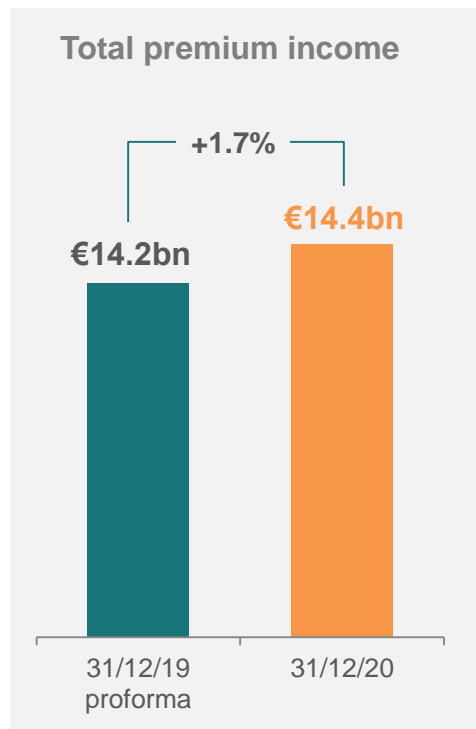
**29 September 2020: Fitch Ratings affirmed Groupama at IFS 'A', outlook 'Stable'**

# GROUPAMA GROUP FY 2020 RESULTS

1. **Business performance**
2. Financial strength
3. Appendices

## Business performance

# PREMIUM INCOME



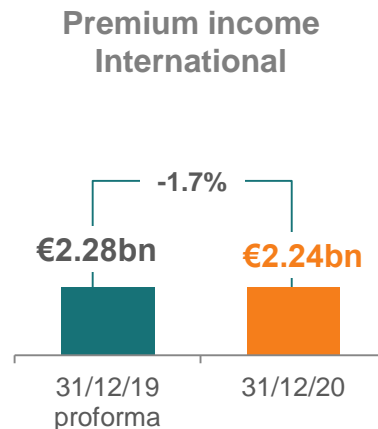
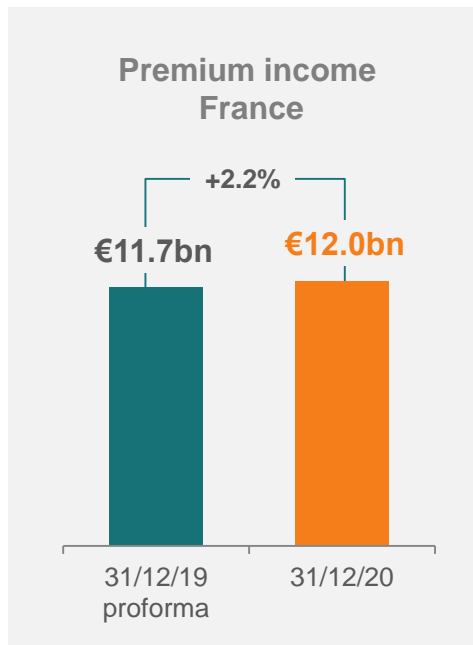
## Premium income breakdown

Premium income in millions of euros	31/12/19	31/12/20	Like-for-like Δ
	Proforma		
<b>P&amp;C</b>	<b>7,225</b>	<b>7,233</b>	<b>+0.1%</b>
France	5,652	5,692	+0.7%
International	1,573	1,540	-2.1%
<b>L&amp;H</b>	<b>6,814</b>	<b>7,024</b>	<b>+3.1%</b>
France	6,102	6,319	+3.6%
International	712	705	-1.0%
<b>Total Insurance</b>	<b>14,039</b>	<b>14,256</b>	<b>+1.6%</b>
Financial businesses	168	189	+12.7%
<b>Total – Groupama</b>	<b>14,206</b>	<b>14,445</b>	<b>+1.7%</b>

P&C : Property & Casualty  
L&H : Life & Health

**Business performance**

**PREMIUM INCOME – GEOGRAPHIC BREAKDOWN**



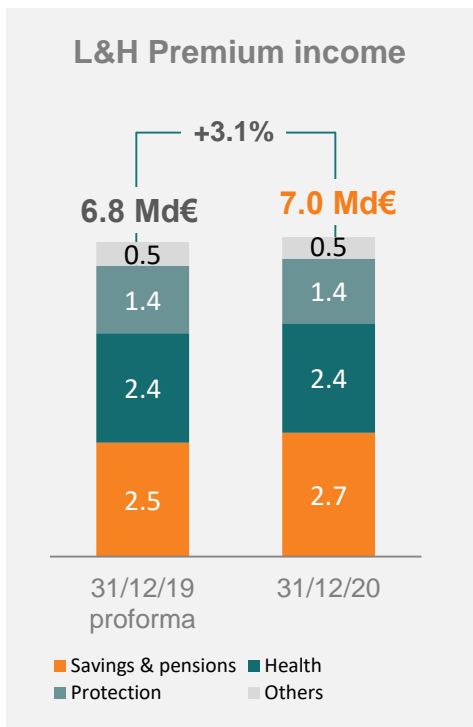
International premium income breakdown

In millions of euros	31/12/20	Like-for-like Δ
Italy	1,247	-6.5%
CEEC (Hungary, Romania, Bulgaria)	608	+3.7%
Other countries <sup>(1)</sup>	390	+6.8%
<b>Total Insurance - International</b>	<b>2,245</b>	<b>-1.7%</b>

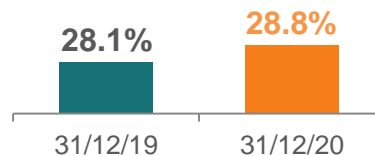
(1) mainly Turkey and Greece

**Business performance**

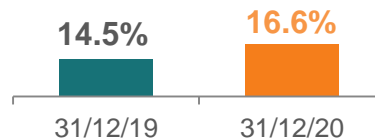
**LIFE & HEALTH INSURANCE**



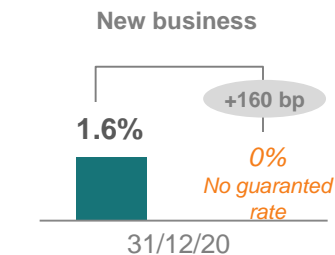
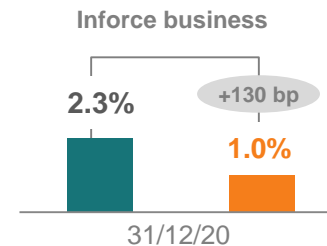
**Share of unit-linked in individual savings reserves (France)**



**Share of unit-linked in group pensions reserves (France)**



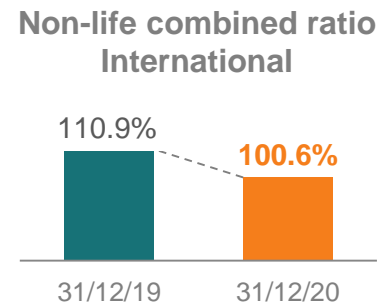
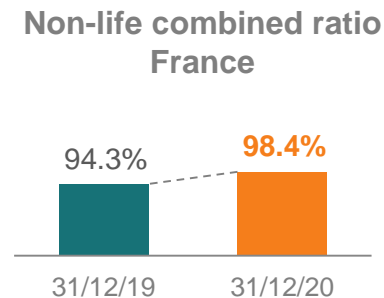
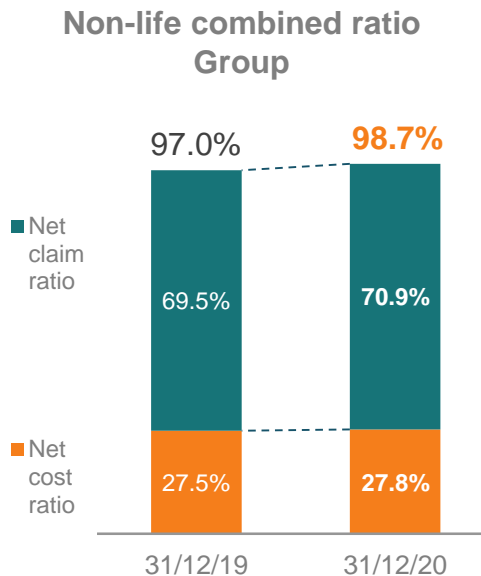
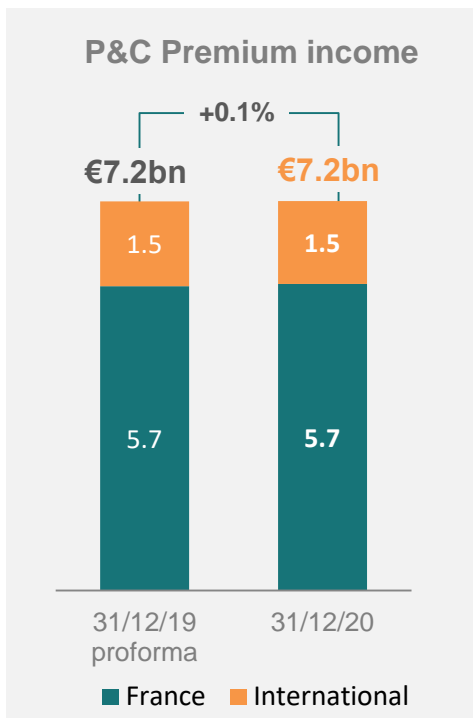
**Financial Leeway (Groupama Gan Vie)**



■ Asset yield (GGVie)  
■ Average guaranteed rate

**Business performance**

**PROPERTY & CASUALTY INSURANCE**





**Group results**

# ECONOMIC OPERATING INCOME

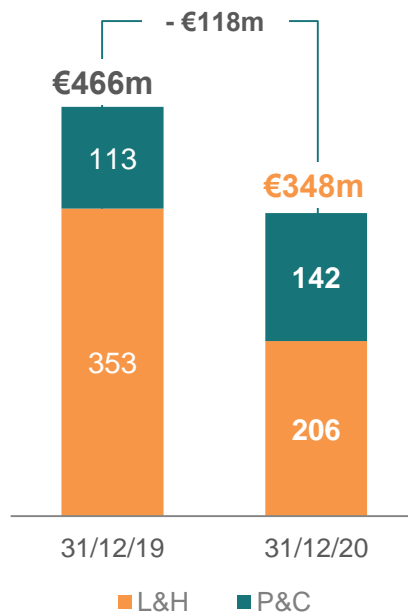
## P&C - operating income

In €m	France	Int'l	Total P&C
31/12/19	223	-110	113
<b>31/12/20</b>	<b>134</b>	<b>8</b>	<b>142</b>

## LH - Operating income

In €m	France	Int'l	Total L&H
31/12/19	339	14	353
<b>31/12/20</b>	<b>191</b>	<b>15</b>	<b>206</b>

## Insurance operating result

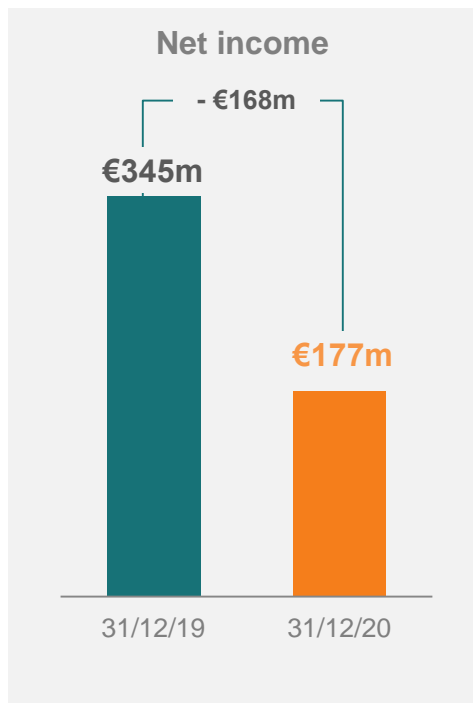


## Breakdown of Groupama operating income

In €m	31/12/19	31/12/20
Insurance	466	<b>348</b>
Financial activities	38	<b>43</b>
Holdings	-90	<b>-86</b>
<b>TOTAL</b>	<b>413</b>	<b>306</b>

**Group results**

**NET INCOME**



**Breakdown of Groupama net income**

In €m	31/12/19	31/12/20
<b>Economic operating income</b>	<b>413</b>	<b>306</b>
Net realised capital gains <sup>(1)</sup>	354	118
Long-term impairment losses on financial instrument <sup>(1)</sup>	-71	-32
Gains or losses on financial assets booked at fair value <sup>(1)</sup>	9	45
Financing expenses	-63	-49
Net profit from disposal activities	-4	0
Goodwill impairment	-183	-125
Other costs and income	-110	-85
<b>Net income</b>	<b>345</b>	<b>177</b>

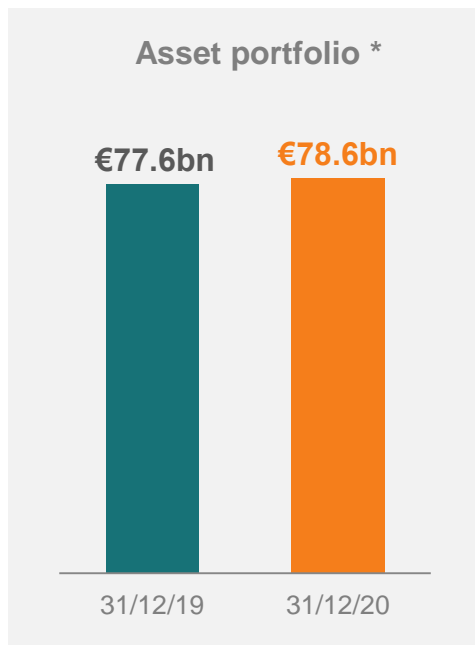
<sup>(1)</sup> amounts net of profit sharing and tax

# GROUPAMA GROUP FY 2020 RESULTS

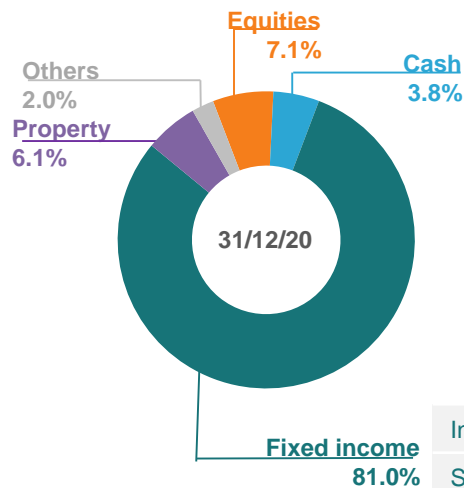
1. Business performance
- 2. Financial strength**
3. Appendices

**Balance sheet**

**ASSET BREAKDOWN**



Asset portfolio breakdown\*



Unrealised capital gains

In €bn	31/12/19	31/12/20
Fixed income	7.4	<b>8.5</b>
Equities	1.2	<b>1.1</b>
Properties	2.3	<b>2.2</b>
<b>Total</b>	<b>10.9</b>	<b>11.8</b>

Investment grade	94,4%
Sovereign debts	62,0%

\* Fair value, excluding unit linked, repurchase agreements and minorities

## Balance sheet

# RESPONSIBLE INVESTOR

### Financing the real economy

Nearly **€2bn commitment**:  
private equity, loan funds, transportation  
infrastructure, energy-environment, commercial real  
estate projects...

Nearly €200m in 2020 directly dedicated to  
**financing energy transition**

**Around €80m committed to the State's  
Sustainable Recovery Investment Programme**,  
benefiting mainly midcaps and SMEs, the tourism  
and health sectors

**1<sup>st</sup> social impact investment, venture  
philanthropy**, in favour of education and integration  
of young people from modest backgrounds

### Property and forest assets

**22,000 ha of sustainably managed forests allowing  
to store 10.5 Mt of carbon**

**ISO 9001 et ISO 14001 certification  
of our property activities**

**Launch of the «Booster of Re-employment»**,  
favouring the reuse of materials in the building industry

### Product offers

**€300m collected on the sustainable profile** in the  
Delegated Management offers in U/L

Launch of a new U/L offer, G Fund New Deal Europe, which  
has been awarded the 'Relance' Label, enabling  
policyholders to participate in the economic recovery

Expansion of green or sustainable debt offerings

**Balance sheet**

## COAL POLICY

After several strong actions in 2018,  
in 2020, the Group is strengthening its coal policy

**No new investment in and a progressive exit from any company:**

- whose turnover or energy production mix is based more than 20% on coal;
- whose annual production of coal exceeds 20 million tons;
- whose installed capacity in coal-fired power plants exceeds 10GW;
- that is developing new coal capacities.

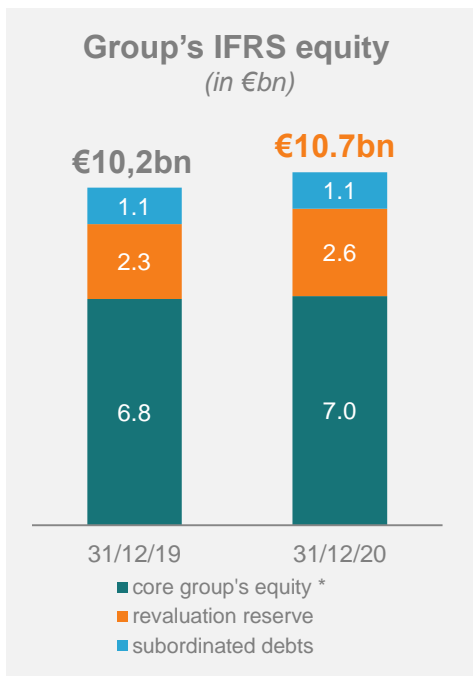
**Zero exposure in thermal coal in its investment portfolios**

- by 2030 at the latest for corporate issuers in European Union and OECD countries
- by 2040 for the rest of the world

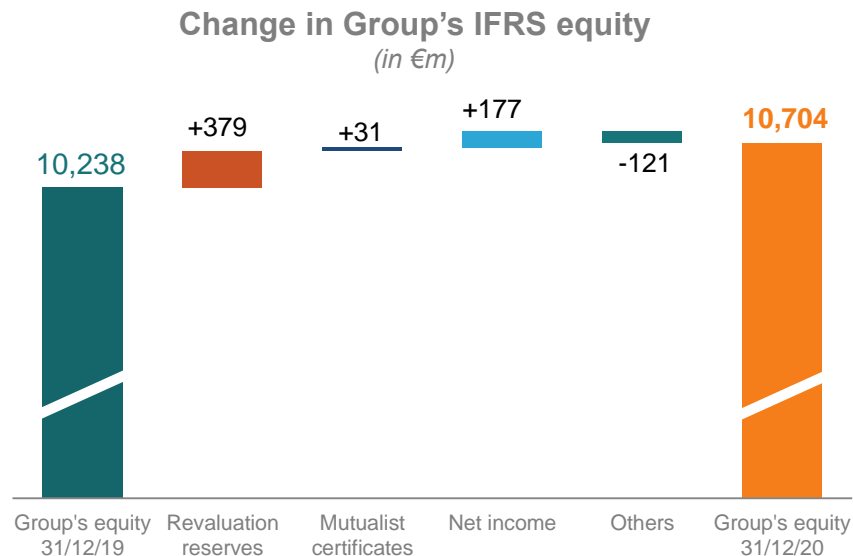
Those commitments are in line with the Paris Agreement objectives.

**Balance sheet**

**GROUP'S EQUITY**



\* Core Group's equity: initial capital, retained earnings

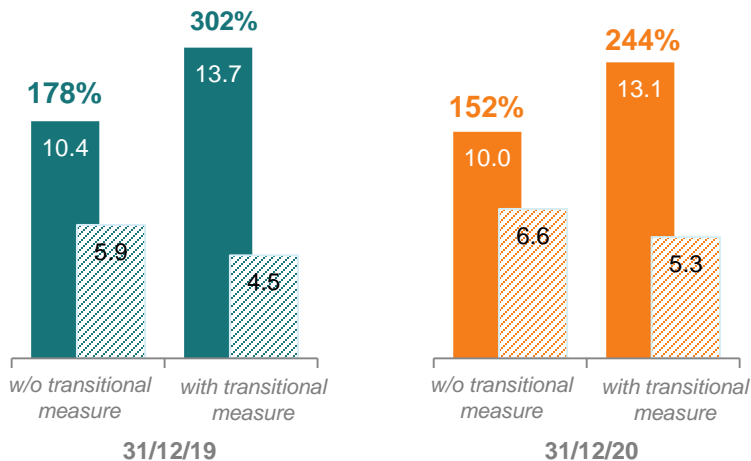


Mutual Certificates: outstanding amount of €632m at 31/21/2020

**Balance sheet**

# SOLVENCY RATIO

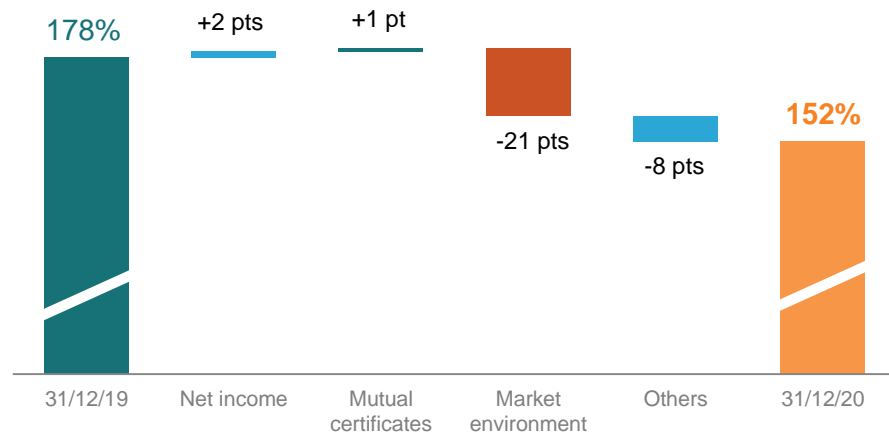
**Solvency ratio**  
with and without transitional measure  
on technical reserves  
*In €bn*



■ eligible own funds  
■ capital requirement



**Solvency ratio roll-forward**  
*ratio w/o transitional measure*



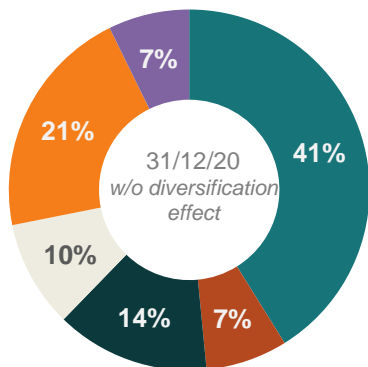


**Balance sheet**

# CONTRIBUTION TO SCR, ELIGIBLE OWN FUNDS AND SENSITIVITIES

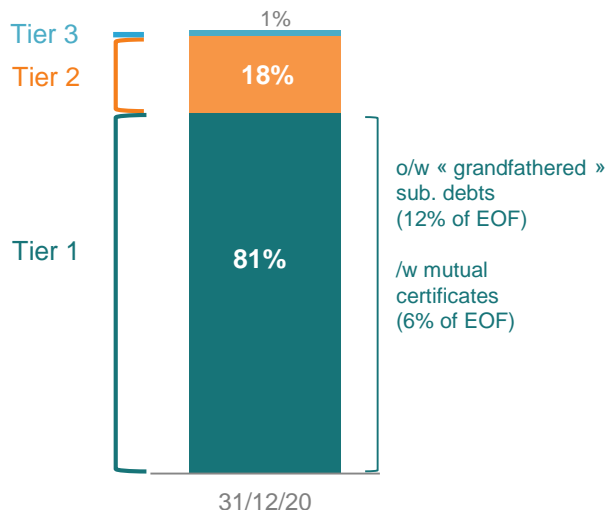
(DATA W/O TRANSITIONAL MEASURE)

**Contribution to SCR  
by risk**



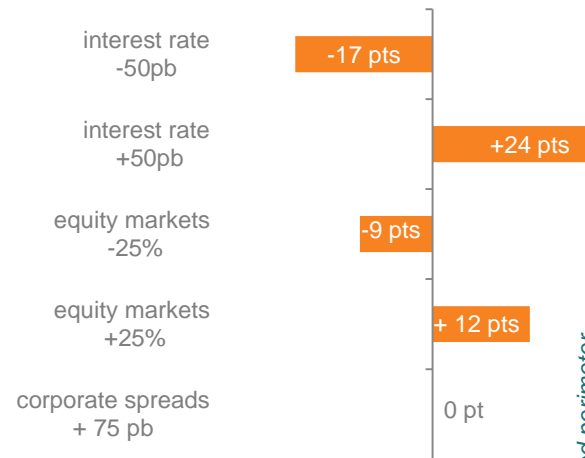
- Market risk
- Counterparty default risk
- Life underwriting risk
- Health underwriting risk
- Non-life underwriting risk
- Operational risk

**Eligible Own Funds (1)**



(1) Scope w/o financial activities

**Sensitivities  
31/12/2020**



## Groupama's 2020 Results

# GROUPAMA ABSORBED THE SHOCK OF THE COVID-19 PANDEMIC AND DEMONSTRATED ITS RESILIENCE

### Strong measures taken by the group

- Strong measures to support employees, customers and the communities in which the Group operates
  - Homeworking available to more than 90% of employees
  - Contribution to the Solidarity Fund
  - Non-contractual commercial measures
  - Investment for sustainable recovery

### Results that confirm our financial and operational resilience

- Premium income of €14.4bn
- Non-life combined ratio of 98.7%
- Operating income of €306m
- Net income of €177m

### Solid balance sheet

- Solvency ratio of 152%, without transitional measure
- IFS Rating 'A', outlook 'Stable' affirmed by Fitch Ratings

# GROUPAMA GROUP FY 2020 RESULTS

1. Business performance
2. Financial strength
- 3. Appendices**

## Appendices

# RANKING IN FRANCE



1<sup>ST</sup>

IN AGRICULTURAL  
INSURANCE  
(% of total premiums)



1<sup>ST</sup>

INSURER OF  
LOCAL AUTHORITIES  
(number of towns insured)



1<sup>ST</sup>

IN INDIVIDUAL  
HEALTH  
(revenue – w/o Mutuelles 45)



2<sup>ND</sup>

IN HOME  
INSURANCE  
(revenue)



3<sup>RD</sup>

IN INDIVIDUAL  
PROTECTION  
(revenue)



4<sup>TH</sup>

IN MOTOR  
INSURANCE  
(revenue)

9<sup>TH</sup>

MULTI-LINE INSURER

3<sup>RD</sup>

PROPERTY & CASUALTY  
INSURER

14<sup>TH</sup>

LIFE & HEALTH INSURER

6.5 MILLION  
MEMBERS AND CUSTOMERS

25,000

EMPLOYEES

Sources: Groupama, Argus de l'Assurance, FFA

**Appendices**

# RANKING IN THE INTERNATIONAL MARKETS

## 3 major markets



**Italy**

9<sup>th</sup> insurer in non life



**Romania**

5<sup>th</sup> insurer in non life



**Hungary**

4<sup>th</sup> insurer in non life  
1<sup>st</sup> player in bancassurance  
with the partnership with  
OTP Bank

## Other markets



Turkey



Greece



Bulgaria



Slovakia



Tunisia



China

**9**

**COUNTRIES OUTSIDE FRANCE**

**5 MILLION  
CUSTOMERS**

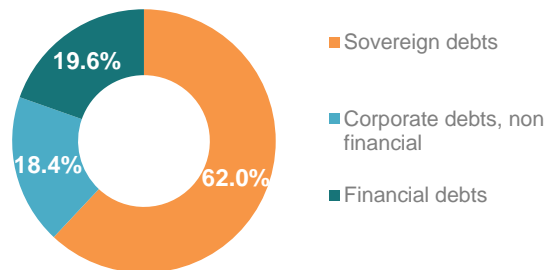
**6,000  
EMPLOYEES**

## Appendices

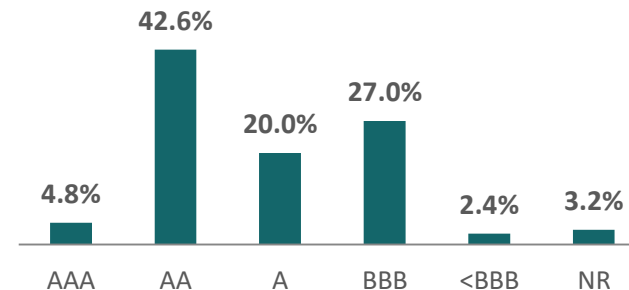
# FIXED INCOME PORTFOLIO AT 31/12/2020

Market value

### Breakdown by type of issuer

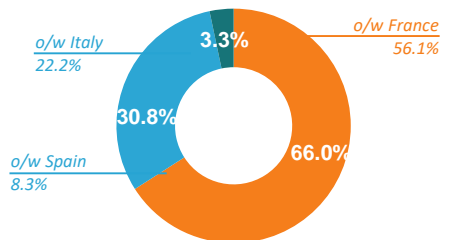


### Breakdown by issuer's rating

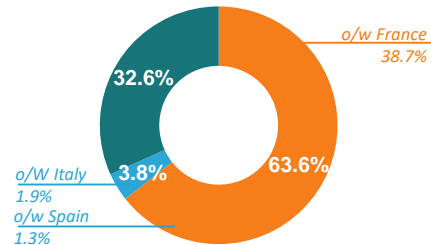


### Breakdown by geographic area

#### Sovereign debts

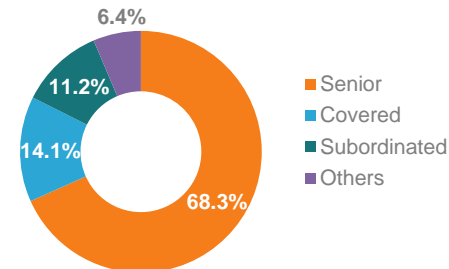


#### Corporate debts, non financial



### Breakdown by subordination

#### Financial debts



"Core"  
(France, Germany, Netherlands, Belgium...)

Other € zone countries    Rest of the world

## Appendices

# EXPOSURE TO € ZONE SOVEREIGN DEBTS

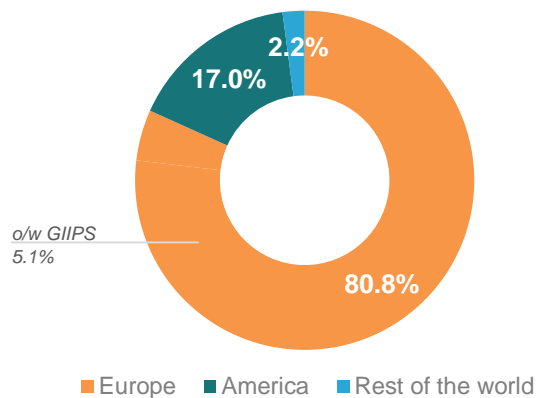
En M€	31/12/19				31/12/20			
	Cost value gross amount	Fair value gross amount	Unrealised capital gains or losses gross amount	Unrealised capital gains or losses net amount*	Cost value gross amount	Fair value gross amount	Unrealised capital gains or losses gross amount	Unrealised capital gains or losses net amount
Spain	2,207	3,076	869	132	2,212	3,118	906	162
Ireland	16	17	1	0	7	7	0	0
Italy	6,947	8,634	1,687	314	6,536	8,601	2,065	431
Portugal	6	6	0	0	17	17	0	1
Greece	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9,176</b>	<b>11,733</b>	<b>2,557</b>	<b>446</b>	<b>8,772</b>	<b>11,743</b>	<b>2,971</b>	<b>594</b>

## Appendices

# EQUITY PORTFOLIO AT 31/12/2020

*In market value*

### Breakdown by geographical area



### Issuer breakdown

<i>En valeur de marché</i>	31/12/20
Consumer goods, cyclical	11,2%
Industrials	9,9%
Commodities	3,1%
Energy	1,8%
Health	7,8%
Utilities	3,5%
Consumer goods, non cyclical	2,8%
Financials	43,8%
Technology	13,1%
Telecommunications	1,7%
Others	1,3%
<b>Total Equity Portfolio</b>	<b>100%</b>



## Appendices

# PROPERTY PORTFOLIO

### Breakdown by geographical area

<i>Market value</i>	<b>31/12/2020</b>
Paris	<b>79%</b>
Paris area	<b>13%</b>
Province	<b>8%</b>
<b>Total property portfolio * (France)</b>	<b>100%</b>

\* Assets managed by Groupama Immobilier

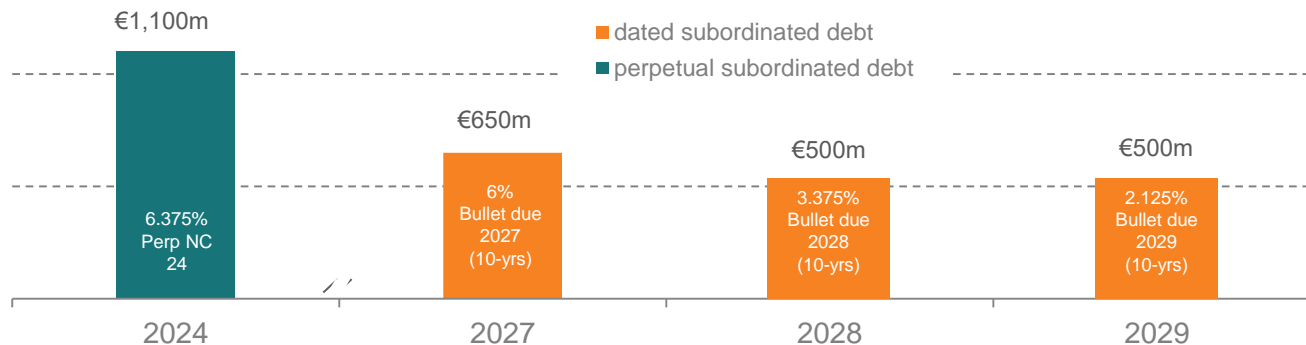
### Breakdown by geographical area

<i>Market value</i>	<b>31/12/2020</b>
Commercial	<b>77%</b>
Résidentiel	<b>19%</b>
Forests	<b>4%</b>
<b>Total property portfolio * (France)</b>	<b>100%</b>

\* Assets managed by Groupama Immobilier

## Appendices

# SUBORDINATED DEBTS: MATURITY / CALL DATE BREAKDOWN



Type	Outstanding amount as at 31/12/2020 (€m)	Coupon	Call date	Maturity date	S2 treatment	IFRS treatment
TSDI	1,100	6.375%	28/05/2024	Perpetual	Tier 1 (grandfathering)	Own funds
TSR	650	6%	N/A	23/01/2027	Tier 2	Financial debts
TSR	500	3.375%	N/A	24/09/2028	Tier 2	Financial debts
TSR	500	2.125%	N/A	16/09/2029	Tier 2	Financial debts

# GROUPAMA GROUP FY 2020 RESULTS

## Q&A Session

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