



CSR REPORT 2021

Extract of the Universal
Registration Document



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1. GROUPAMA CSR POLICY

Responding to societal issues is part of the history of Groupama, a mutual insurance company that has always been driven by its values: proximity, engagement, performance, and solidarity. The Group focuses on people and customer satisfaction, as reflected in our purpose: We are here to allow as many people as possible build their lives confidently. To do this, we rely on human, caring, responsible communities.

Over the last two years, our actions and measures initiated during the health and economic crisis perfectly illustrate this sense of sharing and support for stakeholders.

Rooted in the territories, the Groupama group is therefore attentive to its environment and has a long-term vision for its actions. We believe the CSR approach is a key factor in our employees' commitment and motivation, in innovation, operational efficiency and the reinforcement of the quality of our relationship with external and internal audiences.

The Group's CSR action plan for the last three years ended in 2021. Its objective was to mobilise as many people as possible for shared sustainable development, serving the Group's strategic issues. The 2021 CSR review and the changes since 2019 are presented in the Declaration of Extra-financial Performance.

› A caring employer committed to collective success

For a number of years, beyond the quality social status (social protection, employee savings, etc.), Groupama has made many commitments as a responsible employer in line with the social issues of CSR, such as professional equality, non-discrimination, and promotion of diversity, employment of workers with disabilities, and quality of life at work, while at the same time increasing employees' engagement levels. This momentum continues at the Group level and within the companies, reinforcing the recruitment of new profiles and the employability and adaptability of employees, in a content of strong development of digital. The biannual Group employee opinion poll (BOG) allows us to assess changes in the level of employee engagement: the results of the March 2021 Barometer are remarkable, with an 81% employee participation rate (France and international), +4 points from 2018, and an engagement (and trust) rate of 81%, +5 points from 2018.

In terms of employer responsibility during the 2020 crisis, extended in 2021, the key objectives were to preserve employee health, maintain team cohesion, and ensure business continuity.

› An insurer that develops solutions and sustainable services

As a pioneering group, Groupama develops insurance and financial products and services that respond to society's major issues, such as mobility, support for entrepreneurship, risks related to digital, incentives for responsible behaviour, management of sustainable social protection (retirement, health), problems related to the ageing of the population (assistance, long-term care, pensions) and asset management incorporating environmental (including the climate), social, and governance criteria (ESG). Today, Groupama is committed to going further in the integration of societal factors into the design of its offerings by using innovation. Beyond our offerings, the goal is to continue to develop a responsible relationship based

on long-term advice, transparency, accessibility, services, and a complete prevention policy – safety of property and people, healthcare, prevention of weather risks, etc. – and deployed as local actions, meeting our customers where they are, whether they are private customers, professionals (including in agriculture), companies, or local authorities.

› A partner working in solidarity with communities and territories

Proximity is at the heart of Groupama's history and operations through its decentralised organisation and its businesses firmly established in the regions. They enable an ongoing dialogue between elected representatives, members, and customers, employees and stakeholders. Groupama is reinforcing its mutualist model to serve the regions. In addition to local prevention actions, the Group's companies are fully committed, particularly through partnerships, to support for the development of economic initiative and to very many solidarity actions.

For more than 20 years, Groupama has been contributing to the fight against rare diseases, one of the three major national public health priorities along with cancer and Alzheimer's disease, through the Groupama Health Foundation. The Group also supports film creation *via* the Gan Foundation and solidarity actions in Madagascar.

Throughout 2021, as in 2020, Groupama's 31,000 employees remained continuously mobilised to assist our customers and partners with the support of our 30,000 mutual insurance elected representatives.

› A responsible player in the ecological transition

The Group has initiated actions to emphasise the reduction of its environmental footprint. We are thus continuing our efforts and decreasing our CO₂ through energy efficiency and economical use of resources (energy and paper consumption, travel, etc.). Groupama is fully aware of its responsibility in terms of indirect impacts and, as such, has developed actions in recent years supporting the eco-responsibility of its customers and suppliers through its innovative insurance and financial offerings (behaviour-based pricing, renewable energies insurance, savings products, currently 27 funds with the SRI label in our range, and a fund with the GreenFin label), prevention and awareness actions, and in its procurement contracts. The same applies to the investment policy, which incorporates preservation of the environment and the fight against climate change. Our forest assets represent a carbon sink of more than 10 million tonnes (CO₂).

The Group's ecological footprint will also depend on the likely evolution of employee behaviour, with the diffuse effect of regular campaigns on eco-behaviour and the new habits developed during the health crisis.

The general scheme of the CSR strategy for the coming years, 2022-2024, was validated by the Board of Directors of Groupama Assurances Mutuelles on 16 December 2021. It is presented in the Declaration of Extra-financial Performance.

2. DECLARATION OF EXTRA-FINANCIAL PERFORMANCE

2.1 CSR AT THE HEART OF OUR BUSINESS MODEL

GROUPAMA, OUR BUSINESS MODEL

MUTUAL INSURER OF THE TERRITORIES, AIMING TO PROVIDE
COMPREHENSIVE, LASTING SUPPORT FOR MEMBERS AND CUSTOMERS

OUR RESOURCES

RESOURCES

31,000 employees
30,000 elected representatives of members

FINANCIAL

Premiums: **€15.5 billion**
Investments: **€91.7 billion in assets under management**
Equity: **€10.7 billion**
Mutual certificates: **€638 million**
Balance sheet size: **€104.5 billion**

ORGANISATIONAL AND INTELLECTUAL

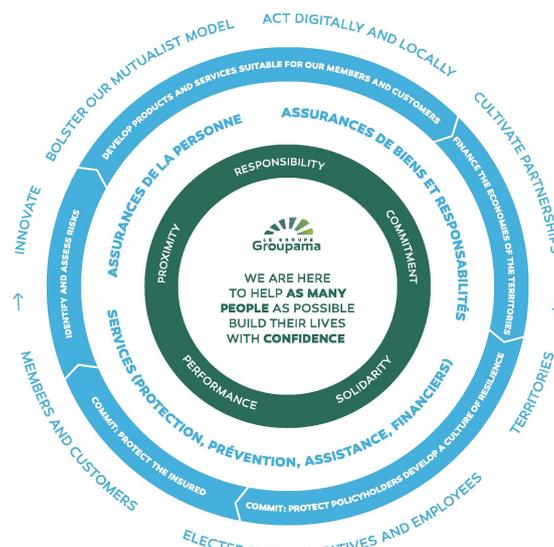
- 3-level mutualist organisation based on elective membership and the internal reinsurance system:
- **2,700** local mutuals
- **13** regional and specialised mutuals
- 1 national reinsurance mutual, Groupama Assurances Mutuelles, professional agricultural organisation

- Expertise (e.g. actuarial models), know-how (120 different business lines)

- Economic, academic, and institutional partnerships in all regions

- Companies and networks using a "phygital" approach:
 - **2** complementary brands
 - **40** companies (regional mutuals, national mutual, and business line-specialised or distribution subsidiaries)
 - **3,000** Groupama and Gan branches; complete multi-channel distribution
 - Regional decision-making centres, information systems and call centres in France
- **International retail in 10 countries:** employee networks, agents, brokers

>> a dense territorial network, human, close-knit, solidarity-focused support communities, as close as possible to the needs of members and customers



Données au 31/12/2021

OUR VALUE CREATION

RESOURCES

€1.5 billion paid in salaries and benefits
9 out of 10 employees trained per year
81% engagement rate (2021 internal survey)

FINANCIAL

Positive net income: **€493 million**
Positive operating income: **€461 million**
Non vie combined ratio: **98.3%**
IFS rating: **A**, Positive Outlook (2021)
Solvency ratio: **271%** (with transitional measure)

SOCIAL AND SOCIETAL

- Protection of as many as possible **11.5 million** policyholders (members and customers)
- **€11.3 billion** in benefits paid
- **+10,000** prevention missions

- France:
 - **Number 1** insurer for agriculture (1 out of 2 farmers) and local authorities (18,700 municipalities)
 - **Number 2** individual health insurer
 - **Number 3** in home insurance (3.5 million homes)
 - **Number 4** in motor insurance (3.9 million vehicles)

- Contribution to the territories:
 - **25,000** jobs in France
 - Territorial economic contribution: **€40 million**
 - **€11M** paid for philanthropy (included Covid actions)

- Italy, Hungary, Romania, China, Turkey: in the **top 10**

ENVIRONMENTAL

€91 billion in Responsible Investments (ESG criteria, GAM outstanding assets)
€1,040 million in green bonds
10.4 Mt of CO₂ absorbed by our 21,570 ha of sustainably managed forests

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Declaration of Extra-financial Performance

More than 85% of the Group's business is carried out in France⁽¹⁾. In the total premium income for 2021⁽²⁾, life and health insurance represented 48.4%, property and casualty insurance represented 50.1%, and financial businesses represented 1.5%. The Group has 31,000 employees⁽³⁾, with 80% working in France.

2.1.1 A dynamic of responsibility since our Group began

Groupama's sustainable development policy is rooted in the very identity of the Group as a mutual insurer originating in agriculture. The Group was created by farmers for their own needs and has been passed on from generation to generation for over 100 years.

It was therefore constructed by its members for its members. Thanks to this background and the responsibility of its elected representatives and employees, Groupama is fundamentally a partnership that has always placed people at its core focus, with the commitment to support and meet the lifelong protection needs of people and property in a constantly changing world.

Integrating the issues of sustainable development into its business activities and its relations with stakeholders is part of our daily commitment to responsible business. It is fully integrated into the insurance business—providing solutions in particular to the challenges of today's society, such as demographic transition and accessibility of insurance, climate change, and energy transition, the digital revolution, the current pandemic crisis—but also beyond the core business by supporting civil society initiatives, helping to reduce vulnerability, and contributing to economic development. For all these reasons, Groupama is historically and intrinsically a socially responsible player.

2.1.2 Our values and purpose

Our DNA as a mutual insurer and our way we do business are based on values that correspond to the social expectations of our time: proximity, responsibility, engagement, performance, and solidarity. We apply these values on a daily basis to serve our ongoing central purpose stated in 2018: We are here to allow as many people as possible build their lives confidently. To do this, we rely on human, caring, responsible communities.

This long-term purpose is shared with our elected representatives and employees, fuelling a collective dynamic that unites and motivates us.

Groupama thus has an inclusive model, with a desire to build and take action to provide all responsible players with efficient, sustainable solutions in keeping with the original spirit of the mutual founded by entrepreneurial farmers. It requires civic mobilisation around the drive to take action to address risk events and to create confidence.

2.1.3 Our ambition

Our values and purpose provide the general framework for our action. The Group has two major strategies that mobilise its energy and resources to ensure the sustainability of our role as a responsible financial player: to cultivate our pioneering spirit, in particular to continue to innovate to allow our members and customers to build their lives confidently and to bolster our effective, sustainable mutualist model based on our values.

CSR fully contributes to these strategies by reinforcing the commitment of our employees, by stimulating innovation and drivers of growth (responsible products and services, new markets, etc.), by reducing costs (logistics optimisation, recycling, reduction of consumables, etc.) and by strengthening the image and quality of the relationship with external and internal audiences, particularly in the regions. In addition, CSR makes a Group-wide contribution to risk control in the Company's major areas of business (commercial, HR management, communication, etc.).

All these factors are reflected in the Group's strategic and operational plans, namely the five major pillars identified in our strategic project: maintaining customer proximity, strengthening our distribution capacity, making Groupama even more of a leading brand, optimising the effectiveness of our industrial model by adapting more quickly, and mobilising the Group's players, including its employees, even more in our performance to serve our customers. Priority actions have been defined in this strategic framework.

2.1.4 Our business model: creating value for people and the territories

Groupama's business model creates long-term value for its stakeholders: customers/members, employees, and partners in the territories.

Groupama is one of the leading insurance companies in France and is present in 10 other countries. Its societal utility naturally lies in the nature of our profession, financial protection, a pillar of economic activity, but it is much more than that because it is a player in social life by creating links between people and communities.

Networking—human, physical, organisational—is a major strength: geographic proximity is one of the major features of our model.

Groupama is the only insurer in France with a decentralised territorial structure, based in particular on local mutuals grouping together members and regional mutuals, which are autonomous, responsible, interdependent regional companies, particularly through the mechanism of reinsurance.

The Group's financial strength, illustrating the quality of management and guaranteeing sustainability, continued to be high in 2021 against the backdrop of the crisis: the Fitch agency again confirmed Groupama's rating of "A" (Strong) and raised the outlook from "Stable" to "Positive".

(1) In addition to France, Groupama is present in Italy, Turkey, Hungary, Romania, Slovakia, Bulgaria, Greece, Tunisia (35% stake in a Group), China (in the form of a joint venture), and since 2020 Croatia.

(2) % distribution rounded.

(3) Adding the staff of the companies CIGAC, Cofintex 6, SDGAC, Centres Centaure, CapsAuto, SPSE, SPARA, and Groupama-Avic in China to the headcount of the combined scope strictly speaking.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Declaration of Extra-financial Performance

Relationships of sharing between members, elected representatives, customers, and employees contribute to the differentiation and power of our model: the ability to combine operational and “emotional” knowledge allows Groupama to provide responses optimally tailored to needs, going beyond issuing policies.

Our actions and measures initiated during the health and economic crisis in 2020 and continued into 2021 perfectly illustrate this sense of sharing and support for stakeholders.

Throughout 2021, as in 2020, Groupama’s 31,000 employees remained continuously mobilised to assist our members and customers with the support of our 30,000 mutual insurance elected representatives.

2.1.5 Governance and CSR strategy

The CSR team within the Internal Communication and CSR Department, attached to the Groupama Assurances Mutuelles Group HR Department, promotes and coordinates the CSR policy within the Group. It reports on the progress of the CSR strategy to the Group’s Ethics Committee⁽¹⁾, which includes the Group’s senior management and the CEOs of the regional mutuals. In particular, it leads a network of 50 correspondents/coordinators from all the Group’s entities (regional mutuals, Groupama Assurances Mutuelles, French and international subsidiaries, and the IT and logistics EIG Groupama Supports & Services), which participate in the development of action plans in their company and share their best practices.

Led by the CSR team, the Group CSR Strategy is a master plan that defines areas for improvement in which the Group’s companies are active. The objective of this strategy is to mobilise the entire Group around CSR with high added value to serve the Group’s strategic challenges. The 2019–2021 plan was built using a collaborative approach, teaming up the CSR coordinators and management of the companies in 2018, and for the first time with the employees (IMAGIN’RSE with 2,500 participants). It was approved by the Group’s Ethics Committee on 17 April 2019.

The 2019-2021 CSR strategy. AGI’RSE

It is structured around the four pillars of CSR, in line with current CSR topics. Each pillar consists of three commitments, for a total of 12 commitments to progress⁽²⁾:

- › a caring employer committed to collective success;
- › an insurer that develops solutions and sustainable services;
- › a partner working in solidarity with communities and regions;
- › a responsible player in the ecological transition.

In 2019, employees were able to learn about the strategy in a fun, participatory way by visiting the AGI’RSE platform made available to them for several weeks.

This DEFP mentions the annual results of the CSR strategy in force in 2021 and includes the indicators of the previous two years (2020 and 2019), thus providing a three-year vision.

2.1.6 Outlook

The CSR strategy for 2022-2024: placing CSR at the heart of our strategy. The Group has been working on the development of its future CSR strategy since the beginning of 2021. In a first phase, it enabled us to establish Groupama’s materiality matrix. More than 120 interviews were conducted with stakeholders, and numerous sessions to share and build the strategy were organised throughout 2021 with mutualist elected representatives in particular. This work has shown an alignment of priorities between external and internal stakeholders.

The general scheme of the CSR strategy for 2022-2024 was validated by the Board of Directors of Groupama Assurances Mutuelles on 16 December 2021. The first half of 2022 will be devoted to the implementation of this roadmap, in action plans, in the quantification of indicators with targets and in each of the Group’s entities.

Based on our corporate purpose and strengths and as part of a sustainable growth business model, the CSR strategy sets out five commitments:

- › a human, attentive, and responsible customer relationship;
- › protection solutions that respond to changes in the environment and lifestyles;
- › an active contribution to the sustainable development of local life;
- › a clear, public, and Group-wide sustainable savings and investment policy;
- › a committed Group where everyone acts with pride in line with our values (reduction of carbon footprint, responsible management, “native” CSR approach).

CSR governance will be strengthened: the steering of CSR actions and indicators will be based on the existing steering of the Group’s strategic project, with sponsorship from the chairmen and members of the Group Executive Committee.

Future DEFPs will report on the implementation of this renewed strategy and the associated arrangements.

2.2 CSR ISSUES AND ASSOCIATED RISKS

2.2.1 Risk assessment

In connection with Order No. 2017-1180 published on 19 July 2017, the Group’s CSR risks were specifically mapped in order to prepare this declaration. This rating was done in view of the social, societal, and environmental issues associated with our business model. CSR risks are intended to complement the current global management of the Group’s risks.

(1) The Group Ethics Committee is a committee of the Group Executive Committee (CEG).

(2) The 12 commitments can be found on the web page: <https://www.groupama.com/en/our-commitment/csr-strategy/>

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Declaration of Extra-financial Performance

The approach to the work, led by the CSR team with the assistance of the Group Risk Department, was as follows: first, classify and express “CSR” risks (for which there is currently no official normative list⁽¹⁾) and simultaneously construct an evaluation grid (matrix) for these risks, based in particular on the COSO method⁽²⁾. This list of risks and the assessment methodology were then sent to the Business and Risk Departments of the Group’s entities for an initial rating, done as much as possible in gross terms⁽³⁾. Lastly, the feedback from this rating made it possible to decide which of the CSR risks were “significant” and validated for the first time by the Group’s Ethics Committee on 11 December 2019.

The evaluation was done based on an expert assessment. The scope mainly concerned our main businesses and businesses lines in France. The risk rating depends on the probability of occurrence and the sum of the potential impacts (with an additional assessment factor, which is the incident already experienced or not).

The list of risks described in the DEFP was validated again by the Group’s Ethics Committee on 17 November 2020.

The mapping was revisited in 2021, with a gross and net rating⁽⁴⁾ with the assistance of the Group Risk Management Department. The Group’s Ethics Committee validated this last analysis on 16 November 2021. The CSR risks indicated in this document as “significant” are those that appear in the gross rating as “very high” or “high”.

In addition to this mapping work, the following are indicated in this declaration:

- › risks that are already incorporated into the Group major risks framework;
- › risks or topics that must be reported according to the regulations.

At the end of the document, in the summary table of risks, themes, and key performance indicators, the risks (mainly operational) in the Group’s classifications that are linked to CSR risks are indicated.

2.2.2 Social issues and associated risks

In terms of employer responsibility, the objectives during the crisis that occurred in 2020 and continued into 2021 were first and foremost to preserve the health of employees, maintain team cohesion, and ensure the continuity of the business.

Human resources management is one of the pillars of our model. In this area, four risks⁽⁵⁾ were identified, each corresponding to an issue of our responsible employer policy, three of which appear to be the most significant:

(a) The risk of inadequacy of skills with changes in the business lines

This is a significant risk today due in particular to the digitalisation of business lines, changes in working methods, and regulatory developments—in particular on products and advice—which are increasingly numerous. This also concerns the issue of the attractiveness of our companies, which will need to capture more digital profiles and certain outside skills.

Business lines are under intense stress due to the internal and external scarcity of skills, such as data scientists and experts on business insurance or professionals (in cyber-risk, for example). In mass markets, there is also an increasing need for skills related to new mobility or claims management skills; the claims Manager profession is substantially shifting towards more advice and proactiveness for the customer. New customer journeys are being developed in property damage and motor insurance, and the notion of “enhanced” Manager is taking shape. In addition, new risks (e.g. cyber-risk) and new services are developing to support the customer (compensation in kind, direct agreement, support for victims of bodily injury, etc.).

› Risk control levers

The commitment to employability and the training were maintained during this fiscal year, which is a key issue for the sustainable development of the Company:

- › policy of significant investment in training: development of an SWP⁽⁶⁾ policy, updated in the companies and now a Group SWP (2021) within the framework of the negotiation of a Group-level agreement setting up an Annual Monitoring Committee and a three-yearly update including the professional training policy;
- › substantive actions: review of Managers (and succession plan) and staff; compliance with holding annual interviews (EAE and EP); training of Managers and sales staff (products, new tools, regulations, etc., particularly in Life insurance) (context of the implementation of the IDD)⁽⁷⁾ concentration of specialised centres of expertise;
- › development of programmes: project expert (to develop project management skills); community training kits on targeted themes (pros, GDPR⁽⁸⁾, etc.); skills programme [a mapping of current and future key skills for professions undergoing major transformation (information systems in 2021, then in 2022 claims management, accounting) and then a dynamic skills management platform open to employees;

(1) Sources: the CSR reporting guide for the insurance sector produced by the FFA in 2018 as well as the 2015 practical guide of the ORSE (Observatory on corporate social responsibility), of which Groupama is a member.

(2) Enterprise risk management to environmental, social and governance-related risks, COSO, October 2018.

(3) In other words, intrinsic risk before risk control measures.

(4) Assessment taking into account the risk control mechanisms.

(5) See summary tables of risks in the appendix.

(6) Strategic workforce planning, SWP.

(7) Insurance Distribution Directive (European regulation).

(8) General Data Protection Regulation.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Declaration of Extra-financial Performance

› innovations in training methods to continue and improve the impact of training, particularly in periods of teleworking and the Covid-19 crisis;

› communication campaigns on the employer brand to publicise jobs, particularly those in short supply, and to recruit.

› Performance indicator

Rate of trained employees (rate of access to training = number of trained employees/total number of employees): 96.8% (98.4% in 2020). In 2021, the rate of trained employees remained very high, at more than 9 out of 10 employees, despite the constraints related to the pandemic.

The calculation method includes individuals who left the Company as of 31 December 2021 and is divided by the number of employees as of 31 December 2021.

› Additional indicators

Number of trained employees: +1.6%; training hours: +11.9%; expenditure: +21.6%/2020; share of e-learning: 15.9% (25.8% in 2020).

The number of trained employees is slightly up, bearing in mind that the level of training in 2020 was already very high, as most of the training could be carried out in digital form. In 2021, face-to-face training was able to resume in part, which explains the decrease in the share of e-learning and the increase in expenditure.

(b) The risk of a deteriorating social climate

This is intrinsic to the dialogue between the workforce and management. While tensions may arise depending on the topics (pay bargaining, retirement, working conditions/quality of life at work, working hours, etc.), the social approach and the mechanisms put in place within the Group make it possible to limit these risks and maintain a good social climate.

The risk may be more acute in connection with a formative corporate plan (deployment of the DCS⁽¹⁾, flex office, etc.). Increased vigilance will be needed where sites are restructured (such as the phased relocation to the Nanterre Campus since 2017 and its new steps initiated in 2021 as well as the current Bordeaux site consolidation project).

› Risk control levers

Policies and actions have been implemented for several years:

› a highly structured organisation of the dialogue between the workforce and management, regular relations between management and staff representatives, negotiation of collective bargaining agreements each year, and holding of committee meetings to monitor agreements;

› decentralisation for a good adherence to needs; an organisation of social dialogue at several levels: at the level of each company, with an organisation adapted to the regional level, the size and the activity of the company, at the level of the UES or the UDSG⁽²⁾ level, which makes it possible to deal with issues common to several companies in the Group, and at group level, where the social dialogue commission makes it possible to negotiate basic measures applicable to all employees. Each level has its own industrial dialogue bodies and timetable;

› numerous actions on support and the quality of the social base: Group and internal Company psychological support system, CELA listening unit⁽³⁾ (reinforced in 2021 in connection with the health crisis), assistance for disabled people, measures to improve the work-life balance, assistance for caregivers, consideration of the right to disconnect, development of collaborative/participatory actions and consultation of employees (participation in the development of strategies, tests, changes to premises, Group employee opinion poll, etc.); extended possibility of teleworking; development of the quality of integration of new employees, etc.;

› comprehensive support for employees and Managers in the new situation created by the health crisis in order to reconcile health protection with the risk of isolation associated with teleworking. Despite the COVID crisis, our programmes and events were maintained. The challenge was to continue "working well together".

› Performance indicator

Group absenteeism rate (France + international): 7.2% in 2021 (7.7% in 2020, 7.3% in 2019).

The decline is more pronounced both in France and internationally in the health component, which is almost at its 2019 level.

It should be noted that the results of the 2021 Group employee opinion poll are very satisfactory: 81% participation rate of the Group's employees (France and International), i.e. +4 points / 2018; engagement (and trust) rate: 81%, up 5 points from 2018; collaboration rate: 69%, up 10 points from pro-forma 2018.

(c) Risk of discrimination

Preventing this discrimination is an ongoing objective that requires our Group to have processes in place to eliminate any issue in this area. Several types of discrimination can occur: hiring, selection of candidates, and in career management as well, such as during a mobility process. There are nearly 30 discrimination criteria.

In addition to the rigorous processes put in place, the occurrence of this risk is mitigated in an underlying way by our characteristic as a caring employer with strong regional roots, allowing us to be attentive to the developments and aspirations of various social groups.

› Risk control levers

Policies and actions have also been implemented for several years:

› establishment of processes aimed at limiting or excluding this risk: various training courses (and in particular the e-learning "recruiting without discrimination"), functions (a diversity correspondent and a disability advisor are appointed in each company and a correspondent appointed at the Group level who leads the network of company correspondents) aimed at deploying prevention policies intended to eliminate or greatly reduce these risks. The aim is to demonstrate through these procedures, on the one hand, its exemplary nature (for example in its recruitment processes, with compulsory training for Managers and recruitment officers), and on the other hand, its commitment to the integration of all skills;

(1) Digital Collaborative Space.

(2) UES and UDSG correspond to Groupama employer groups.

(3) Psychological support, legal assistance, etc.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Declaration of Extra-financial Performance

- › the Group has signed the diversity charter and has negotiated for several decades, most recently on 4 June 2021, in voluntary agreements for the integration of people with disabilities, but has also included in its agreements (in particular, see the Agreement on Diversity and Equal Opportunities, reviewed in 2021⁽¹⁾) measures on in-company parenting, measures on intergenerationality, measures to promote gender equality (including mentoring), measures on the management of the career paths of employees holding elective or trade union office, or measures to support employees who help family members;
- › openness and support for young people (continued recruitment of work/study participants and trainees, innovative competitions for students, etc. and solidarity actions in favour of young people, including support for associations and the signing of the PAQTE⁽²⁾ in 2021).

Note that in 2021:

- › Groupama was again among the top 3 companies preferred by students and young graduates (insurance/mutual insurance category). This ranking, produced by EPOKA and Harris Interactive in partnership with L'Etudiant, measures the attractiveness of nearly 250 companies in various business sectors among 8,000 students and young graduates of *grandes écoles* and universities;
- › Groupama was included in the HappyIndex AtWork/Women ranking of companies with more than 5,000 employees and ranked 8th in the top 40. We are the leading insurer where women feel most comfortable;
- › "donation of days" organised by Groupama in France for associations supporting young people. 23 Group companies involved and 15 listed associations. 1,300 days donated by employees, with a matching contribution from companies;
- › and for the first time, the Group has 6 companies certified as Top Employer: 3 in France (Groupama Assurances Mutuelles, Groupama Nord-Est, and Groupama Loire Bretagne) and 3 internationally (Groupama Assicurazioni, Groupama Asigurari, and Groupama Sigorta). The Top Employer certification is an audit of HR practices, which compares them with the best practices recognised in each country. To be certified, the Company must complete a detailed HR Best Practices Survey (600 HR practices).

› Performance indicator

Gender equality (Group):

- rate of female executives/number of executives: 50% (48.9% in 2020, 48% in 2019);
- rate of female senior executives/number of senior executives: 26.1% (25.9% in 2020, 25.2% in 2019).

› Additional diversity indicators

- › 980 work/study trainees (France), rate of conversion of work/study trainees to fixed-term or permanent contracts: 24.2% (31.4% in 2020, 29.6% in 2019);
- › Group disability: 1,117 employees with disabilities, or 4% of the total number of permanent contract employees, stable compared with 2020;
- › permanent contract rate: 97.4%;
- › France disability: 1,043 employees with disabilities, 97.3% on permanent contracts.

Lastly, given our humanistic culture, our business activities (services), and the countries where our brand operates, the risk of violation of human rights is very low. Everything concerning working conditions and the safety of people and property is highly regulated.

Regarding the implementation of risk identification and prevention policies, examples include:

- › the ethics charter, which includes principles/values that require the Group to implement concrete preventive measures. For many years, it has developed a prevention approach, which is reflected especially through a Group agreement on quality of life at work (currently being reviewed for further improvements) [including the right to disconnect] and the appointment of HR-QLW coordinators/prevention officers, who ensure the prevention of psychosocial risks among other duties. At the Group level, the Quality of Life at Work (QLW) Committee meets several times a year to discuss major projects on an equal footing with the industrial partners. At the European level, the subsidiaries have also incorporated a risk prevention and management policy. A joint declaration on the quality of life at work has been signed by the industrial partners at the European level and is monitored once a year by the European works council, listing all the practices in this area in each country represented on it;
- › the industrial partners in the companies are closely monitoring these issues; the companies are developing prevention policies on many aspects (RPS, TMS, CELA system, etc.), in particular through the single documents on the prevention of psychosocial risks and the PAPRIFACT⁽³⁾ prevention policies on many aspects (RPS, TMS, CELA, etc.). Social protection (especially employee health insurance) is also a subject of the dialogue between the workforce and management;
- › in each company: a confidential, secure whistleblowing system that can be activated by each employee is available on the intranet;
- › in logistics: control and monitoring of regulatory obligations and Business Continuity Plans.

Note that when our employees returned to their sites (offices and branches) during the COVID crisis, the greatest precautions were taken to protect them, such as distribution of masks to all (required to be worn), provision of hand gel, reminders of the importance of respecting social distancing guidelines, and regular disinfection of the premises. A complete system (whistleblowing in the event of suspicious cases, booking for access to sites or food service areas to respect a maximum capacity) has been organised.

(1) Which replaces the 2008 Agreement on Diversity and Equal Opportunities and its two amendments of 2011 and 2015 as well as the 2010 UDSG agreement and the 2016-2018 UDSG three-year action plan.

(2) PAQTE, Pacte avec les Quartiers pour Toutes les Entreprises.

(3) Annual programme for the prevention of professional risks and the improvement of working conditions.

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› Promotion of and compliance with the stipulations of the ILO fundamental conventions

The Group reiterates its commitment to respect the stipulations of the International Labour Organisation (ILO) fundamental conventions in its ethics charter, deployed in all of its companies and brought to the knowledge of all of its employees. The ethics charter also recalls that the Group fully adheres to the recommendations or commitments made by the Universal Declaration of Human Rights and the European Convention of Human Rights, the OECD⁽¹⁾ Guidelines for Multinational Enterprises, the ten principles of the UN Global Compact, and the EU charter of Fundamental Rights.

2.2.3 Societal issues and associated risks

In the area of societal expectations, seven issues/risks⁽²⁾ were identified in this exercise, each corresponding to an issue of our responsible insurer policy, four of which seem the most significant because they are closely linked to trust, which is pivotal to our purpose: “We are here to allow as many people as possible build their lives confidently”.

(a) Risk of failure to advise

Fulfilling the duty to advise and to communicate the most meaningful information possible is obviously a major issue and a significant risk managed as such by the Group and its companies, as financial players offering insurance or savings solutions to its policyholders and customers.

› Risk control levers

At the heart of managing this risk is the proper deployment of the IDD in the Group⁽³⁾. This regulation includes the requirement to design products and distribute them to an identified target market. In order to ensure that marketing is properly monitored, this governance also provides for post-market analyses (*via* feedback from distribution networks) to make sure that our products meet the needs of customers for the long term. As such, on the life insurance scope, Groupama Gan Vie has implemented the notion of “recommendations”, which relies on specific offerings constructed by the insurer to meet customer needs and regulatory requirements (delegated management and recommended allocations without a management mandate).

From a distribution perspective, this system has led to a significant increase in the quality and level of formalisation with regard to the duty to advise. The sales approach thus fully incorporates customer discovery by developing active listening and the needs of prospects to offer them a product that fully meets their expectations and interests. For example, with regard to the distribution of individual life and health insurance products, Groupama Gan Vie has developed sales support tools for each network to secure and ensure traceability of sales actions.

Beyond the regulatory aspect, which is very important, the Group and its companies have stepped up their actions to strengthen customer satisfaction, as further discussed below.

› Performance indicator

Deployment of the iVie sales support tool in the regional mutuals and with all the sales forces. Rate of business in delegated management and recommended allocations/total business completed as a number (including independent management) = 89% in 2021 (86% in 2020, 61% in 2019 – monitoring of actions, in terms of number, done in iVie).

(b) Risk of default at key points in the customer relationship lifecycle

The quality of service rendered and customer satisfaction are core concerns of our business, which contractually binds us (being there when we are needed and fully delivering the promised service), the impact of which is naturally significant from all perspectives (reputation, image, customer loyalty, business development, etc.). This is especially the case in today’s world, with the constantly increasing rigorous demands of policyholders, ongoing IT developments, and the need to be perfectly aligned with the various regulations, including those on information and data confidentiality and on communication and marketing. The potential for dissatisfaction is real at key points in underwriting or claim management and requires very strict attention.

› Risk control levers

- › the programme to improve customer satisfaction since 2013 (which has significantly increased the Net Recommendation Index, NRI, in recent years); the general action in favour of advising, simplification (customer areas, etc.), prevention, and proximity; the Service Commitments approach (6 on Quality of Service, “Groupama is committed”); the “proactive” approach to members and customers (Proactive Relationship Programme), which resulted in 1 million non-commercial calls at the height of the COVID crisis in 2020 (within the regional mutuals scope) and 750,000 calls in 2021;
- › all the major markets have taken—and continue to take—steps to improve the customer experience (training of players, efforts to educate on contracts, processes, knowledge of customers, etc.);
- › in property and casualty insurance, development of interoperability between teams of regional mutuals, which allows for optimised processing of member files in situations where there is an influx of claims, such as in the case of natural disasters;
- › many actions are carried out to make life easier for policyholders or to help them, such as the emergency button in the “Groupama et Moi” app (also in the app, monitoring the management of one’s life insurance policy or the declaration of claims is possible by taking photos), the fall detection app in our new 2/3-wheeler offering, the DigiCar app (facilitating breakdown assistance), and the new “Je vends ma voiture” platform;

(1) Organisation for Economic Cooperation and Development.

(2) See summary tables in the appendix.

(3) Insurance Distribution Directive, which entered into force on 1 October 2018, with the primary objectives of protecting consumers, harmonising measures within the EU, and improving transparency with policyholders.

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- › since 2021, the system for making our services accessible to the deaf or hard of hearing has been gradually deployed in the regional mutuals; Groupama is going beyond the legal obligations by allowing interviews in branches.

The regional network is a strong advantage in the relationship with members and customers. Each year, 300,000 members participate in the general meetings of our 2,700 local mutuals (arrangements to allow remote general meetings to be held with simplified formats were put in place in 2020 and maintained in 2021 given the health crisis⁽¹⁾), which gives our policyholders decision-making power within the mutual insurance company, particularly through the Groupama elected representatives. The link between elected representatives/members and employees of the mutual is an essential point of support for understanding expectations at all stages (needs for protection, prevention, processing of claims, etc.). Launched in June 2021, the major survey of mutualist elected representatives confirmed their strong desire to work with employees to serve their members.

The four Gan specialised networks also have strong roots in France, and the Group has local networks outside France (networks of agents, representatives, or employees).

The Group and its companies are developing a multi-channel strategy to strengthen proximity. Contact, face to face or remotely, in real time, at the customer's choice, is in keeping with how today's society operates. On the Internet, the "advice" and "customer" areas are clear and exhaustive (they contain all the policies and their covers, certificates, the ability to report claims⁽²⁾, etc.), and the use of e-signatures increased significantly with 1,744,000 in 2021, 1,480,000 signatures in 2020, an increase of around +260,000 signatures compared with 2019. Some of the Group's companies are developing video experiments in branches or mobile branches (Groupama Car).

› Performance indicator

- › proximity and support (criteria: listening, clear answers, monitoring of policies, and suitable covers); Groupama is again gaining ground and earned a score of 14.34/20 points⁽³⁾ in 2021 (13.66 points in 2020, 13.60 points in 2019), but the market is progressing more quickly at 14.57/20⁽⁴⁾ (13.39/20 in 2020; 14.07/20 in 2019);
- › quality of claims management: Groupama made strong progress, by 6 points to 54% Very Satisfied and 4 points to 84% Satisfied and Very Satisfied⁽⁵⁾ (internal survey, claims less than one year old) – the processing of claims was generally well received, as the NPS among our members and customers who had this experience during the year was better than the others (+3 points).

The results of the annual internal survey conducted among our members and customers also attest to the added value of our actions such as the proactive calls resulting from the PRI (+9 points of INR for customers targeted by a PRI campaign).

(c) Risk of not taking into account protection needs

The ability to respond, with sustainable and economically affordable solutions, to new customer needs/expectations related in particular to transition challenges and accessibility is one of the fundamentals of our social utility.

The issues of taking into account (or risk of not taking into account) needs in terms of protection, associated with the increasingly rapid changes in the world (demography/ageing, all-digital society including cyber-attacks, the technical nature of car models, new forms of mobility and work, urban violence, regulatory "avalanche"⁽⁶⁾, increased litigiousness of society, etc.) and adaptation to the budgetary resources of policyholders are significant. The issue of accessibility is more financial (the increase in premiums in the medium to long term must be controlled) than physical, as the Group's locations are throughout the territory, particularly in rural areas, and the multi-channel distribution system is complete.

It should be noted that with regard to geographical aspects, the market's reinsurers, which monitor changes in the portfolios of their ceding entities, can guide the underwriting, but the share of this risk due to reinsurance remains immaterial.

Understanding expectations is one of our Group's imperatives and is one of the natural conditions for its long-term development. In fact, the analysis shows that the risk is not so much about missing out on societal demand (solutions can be found for the vast majority of expectations, but for certain needs, the problem of the size of the insurable amount may arise) but being able to control the risk of premium increases over time, knowing that at this stage, insurance in France, whether life or non-life, is one of the top markets in Europe. Advances in data knowledge (thanks to data and artificial intelligence) increase the possibilities of assessing and pricing risk as accurately as possible, while maintaining the fundamental principle of mutualisation. Lastly, we must be vigilant about segments of the population (such as students and pensioners) whose incomes are more limited.

Another risk factor to be taken into account is the resurgence of inflation and the very low interest rate environment, which will force us to rethink our products, particularly in life insurance.

› Risk control levers

Offering insurance solutions that are "buyable" by as many people as possible directly echoes our purpose. Societal changes are integrated into our strategic plans, including faster placement in production of offerings.

(1) Closed meetings with a limited number of individuals present and with appropriate means of telecommunication.

(2) Note: It is also possible to report weather related claims online (farmers with access to "Front Espace Climat").

(3) Score from the annual internal survey.

(4) Score from the annual competition survey adjusted from the responses corresponding to the criteria of the internal survey.

(5) Scores from the internal survey.

(6) The risk related to regulatory developments is addressed in part 2.5.

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Groupama has an exceptional field network, in France and abroad, and elected representatives (30,000 people) who understand the expectations of members, supervise the accounts of the local mutuals, and promote preventive actions, etc. Everything is geared towards an even more personalised approach to the needs of members/customers.

There are plenty of examples of suitable insurance solutions offered by our companies: young drivers' policies with a driving course at no extra cost, cyber offering—at no extra cost—in multi-risk offerings for professionals, "mini" options in prevention/health insurance with systematic consideration of the pricing impact of the offerings, in life insurance, widespread implementation of customer studies (quantitative and qualitative) to better understand and, where appropriate, develop Groupama Gan Vie's positioning on a particular product.

Services are expanding, particularly in health (nutrition portal and launch of Mon Kiosque Santé, enrichment of the Sévéane care network, medical teleconsultation in all policies, and multiple personal services to help people get going again).

Groupama, the insurer of the territories, is also involved in studies to combat "medical deserts" by working on service solutions with municipalities and physicians.

In the wake of the new PACTE law, Groupama Gan Vie has successfully launched its range of Retirement Savings Plans (PER) and associated services (advice, simulations, etc.). Groupama's ambition is to become a key player in the French market in the social issue of retirement, by offering advice and global solutions.

Written premiums increased by +37% in retirement savings and +9.6% in health insurance between November 2020 and 2021. In 5 years, Groupama has doubled its market share in France in pensions (to over 7%).

In savings, Groupama duplicated in 2021 all its delegated management profiles in sustainable management. The Groupama group's delegated management, designed by Groupama Gan Vie and deployed in all the Group's networks for the last four years, comprises five profiles: conservative, moderate, balanced, dynamic, and aggressive. 80% of our payments are now made on these profiles.

With regard to agricultural offers, Groupama continued to ramp up its products and services for the pluriactivity and multidisciplinary of farmers, who play a vital role; one year after the launch of the "Farmers. Essential to the world" campaign, farmers were once again highlighted in 2021 by Groupama with the "Essential Farmers" digital activation.

The resilience of farmers is essential. We are attentive to developments and new expectations in the sector, which create new risks and to which Groupama is already prepared to respond (direct distribution, transmission of farms, energy transition, agro-ecology, cyber risk, etc.). In 2021, Groupama launched a new platform for farmers to sell their products in short circuits.

For local shops, the coverage of complementary activities of line sales is given without additional costs.

Note the importance of reinsurance that supports product innovation, particularly on emerging risks (e.g. cyber risks, income stability insurance for farmers, and yak insurance to fight poverty among Chinese farmers).

► Anticipating risk: prevention, a strong policy of Groupama for more than 60 years

Driven by the strong convictions of the Mutualist Directors (elected representatives) and the employees, it favours anticipation and long-term actions to serve our members and customers.

For companies of the Group, applying a large-scale prevention policy means encouraging the emergence of responsible attitudes towards risks while being economically efficient. Various prevention actions are carried out around two focuses, from technical prevention (business risk inspections, electrical or alarm installation advice, etc.) with types of communication media (newsletter, SMS, email, app, etc.) and institutional prevention with the general public, customers or non-customers (road safety awareness for schoolchildren, prevention of accidents in the home, conferences on topics of health, meteorology, and climate change, prevention of theft, etc.).

Prevention has taken shape over time through multiple individual or collective, innovative or original actions seeking to reinforce the safety of individuals and property on all of their private and professional risks. The deployment of prevention actions conforms to a strategy specific to the Group, a source of expertise and legitimacy: integration of dedicated resources (teams of prevention inspectors, Centaure centres, etc.), partnerships of excellence (Predict, Météo France, the Prévention Routière road safety association, national police force, highway companies, etc.), and local actions thanks to exceptional coverage of the territory.

For example, for many years, the Group has worked with its partners to provide the "Dix de conduite jeunes" and "Dix de conduite rurale" safe driving training.

In 2021, the Confédération de l'Artisanat et des Petites Entreprises du Bâtiment (CAPEB) and Groupama signed a partnership to pool their know-how and respond to the needs of companies and craftsmen in the sector, and to raise their awareness of occupational risk prevention, with the support of IRIS-ST (Institute for Research and Innovation in Health and Safety at Work). This partnership reinforces the actions already initiated and developed for several years by the local entities of the CAPEB and the regional mutuals of Groupama.

The "Groupama, ma prévention météo" app has been extended to beneficiaries registered on the "Groupama, toujours là" app, as part of the extension of the Groupama-Predict service to individuals, professionals, and businesses for several regional mutuals. The Predict prevention service for local authorities includes support in preparing operational risk management documents required by prefectures, such as the Local Response Plan (PCS) and 24/7 expert support for anticipated risk information. Local authorities benefit from a dedicated Web space, combined with personalised warnings at the municipality level. Thanks to these adaptive solutions, numerous safety measures are initiated each year.

Health crises, worsening weather conditions, media risks, regulatory changes, etc. Local government officials are faced with an increasing number of situations that require expert support. Groupama, the leading insurer of local authorities, assumes this role with them and helps them to exercise their responsibilities in all circumstances. The Salon des maires et des collectivités locales de 2021 in Paris was an opportunity to recall this, notably through 3 conferences (regulatory developments, media risk, climate risk).

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The Group is developing – and will increasingly develop – prevention services in connection with the growth of connected objects (particularly through auto, home, health, with young people, seniors, professionals including farmers, businesses, etc.).

In 2021:

- › launch of the new Groupama Box Habitat, which offers an extended prevention/protection solution, particularly for the home and not just for property;
- › after forage probes and video surveillance of farms (GARI), Groupama is launching a connected belt to protect isolated farmers. Alerts are triggered in the event of a fall, prolonged immobilisation or by the wearer.

Our prevention actions group together five major areas: health, road safety, home risks, agricultural prevention, and industrial risks and local authorities.

Content on prevention is regularly posted on the social networks, Twitter accounts, or Facebook pages of the Group's various entities. And in 2021, Groupama.fr launched a series of videos of cybersecurity advice.

Closer look at the Centaure centres (12 centres dedicated to road safety, of which Groupama is an equal shareholder with the motorway companies and the Caisse des Dépôts):

- › 2021 was the first full year of operation for 12 Centaure sites;
- › Centaure with Preventis Card Pro is recognised by the government application dedicated to the CPF⁽¹⁾;
- › trainees' vehicles undergo a 10-point safety check with driver involvement as part of instructional efforts;
- › new deployment of motorbike training courses, which will now be carried out at 10 Centaure sites instead of the previous 6, and continuation of the BMW Motorrad partnership (renewed in 2021);

In addition, the training of agricultural tractor drivers started on 2 additional new sites and therefore at the end of 2021 on 4 Centaure sites in total.

Also of note internationally is the Driving Academy. In 2021, Groupama Sigorta launched a "driving academy" (free courses for insured cars with their own cars, young drivers and soon heavy goods vehicles) – a first in Turkey. Driving Academy is the winner of the 2021 TOP SUCCESSES No. 1, an award given by the internal staff and Internet users.

In September 2021, Groupama launched a major national prevention campaign, Les Gestes Qui Sauvent - see section 2.2.5.

› Performance indicator

Rate of people (internal and external) made aware of or trained in prevention actions:

awareness actions were carried out with 33,774 people in 2021 (56,767 in 2020, 94,083 in 2019), representing a rate of 124.8% relative to the Group workforce (200% in 2020).

The constraints linked to the health crisis (limitation of gatherings) had a greater impact on this indicator than in 2020.

› Additional indicators:

- › Centaure (driving centres dedicated to prevention)

Number of trainees in the Centaure road accident prevention centres in 2021: 33,346 (22,894 in 2020, 38,115⁽²⁾ in 2019). The decrease was significant in 2020 compared with 2019 due to the impact of the health crisis and was partly made up for in 2021 in a context of prolonged crisis and continued restrictions;

- › Dix de conduite rurale, Dix de conduite jeunes, Les Gestes Qui Sauvent: 14,419 interns.

(d) Risks related to policyholder data protection

This is a key element of trust – and therefore potential loss of trust if the risk materialises. The societal context is expanding on this subject, with increasing requests to "exercise personal rights" and the growing litigiousness of relations.

› Risk control levers

The lack of system security, including cyber risk (attacks on the Group's information systems, one of the strongest emerging risks in the sector), is dealt with within the framework of the Group's Major Risks mechanism. In this area, the general deployment of an information campaign on cyber risk, including e-learning training for all employees, should be noted in terms of risk management.

Sensitive/strategic systems are reported to the ANSSI⁽³⁾.

Regarding the risk of non-compliant data processing: the Group's Code of conduct specifies that the companies must ensure that any collected and processed personal information does not infringe privacy or individual freedoms, in accordance with the regulations. The companies are also committed to respecting the rights of the data subjects and taking all necessary measures to protect their confidentiality.

Since the GDPR⁽⁴⁾ came into force on 25 May 2018, the Group Data Protection Correspondent (CIL) has given way to the France DPO (Data Privacy Officer), who also takes over the duties of the Group CPO (Corporate Privacy Officer). In anticipation of the entry into force of the regulation, the Group appointed a Group CPO in 2016. The interest in this designation lies mainly in the introduction of management and coordination of "Personal Data" governance at the group level by capitalising on the framework for governance of personal data implemented in France by the CIL (France DPO), thus reducing the risks. Each international subsidiary has also designated a DPO with its national supervisory authority.

(1) Personal Training Account.

(2) 38,775 figures published in 2019, including 660 roadworthiness tests.

(3) ANSSI is the national authority for the security and defence of information systems.

(4) General Data Protection Regulation.

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The France DPO (& Group CPO), assisted by his/her team, fulfils this role and performs these duties for all companies of the Group. The function of Shared France DPO is independent by law and reports to the General Secretary, a member of the General Management Committee of Groupama Assurances Mutuelles. It meets the legal and regulatory requirements governing the conditions for designation of a DPO and has been designated with the CNIL⁽¹⁾. This function is subject to a whistleblowing duty and must report on activities by preparing an "annual activity review" presented to the data controller and held available for the CNIL.

With regard to personal data, compliance control is one of the duties carried out by the France DPO & Group CPO and his/her teams. The compliance of personal data processing covers not only the above topics pertaining to the Group's core business (non-life insurance, life insurance, asset management, property, etc.) but also all other topics as long as personal data are concerned (e.g., human resources, video surveillance devices, service activities, etc.).

Some examples of the control measures:

- › deployment of the ethics framework (ethics charter, Code of conduct, ethics whistleblowing system): available in the event of personal health and safety violations in particular;
- › Likewise for training in GDPR requirements (e-learning);
- › compliance with the GDPR requirements from the perspective of both data processing (with regard to customers and in relation to third companies potentially working on the data) and processes (DPO, procedure, etc.).

Also in 2020, the Group's companies wanted to reinforce the vision of their compliance with the regulations. The Group Executive Committee implemented a cross-functional programme under the coordination of the DPO to ensure that each company complies with the various aspects of Personal Data Protection and, where appropriate, initiate the necessary corrective measures. This programme is an additional guarantee for our customers of the importance that Groupama attaches to protecting their personal data.

› Performance indicator

Rate of GDPR training for newcomers: 72.7% (69% in 2020, date of first measurement).

This rate counts training events completed. Taking into account training events in progress, this rate is 75.5% (72.4% in 2020).

This indicator was introduced in 2020 because it reflects the importance for the Group of the precaution taken in the collection and use of data, both for its employees in their relations with the customer and in their personal lives. With this in mind, the Group strives to train its newcomers as soon as possible after their arrival.

Note: the 2020 rates have been recalculated to ensure the reliability of the criteria to be taken into account.

Outside the field of data protection, the risk of violation of human rights, personal safety and health due to our insurance policies is immaterial.

In addition to the significant risks mentioned above, there are:

(e) The risk of negative social/societal impact of subcontractors and suppliers

The Group is a producer of services, using commercial buildings. Purchases are made mainly in five areas: IT and telecommunications, intellectual services (strategy consulting, HR consulting, training, marketing, travel, etc.), general resources (building management as a whole: construction, occupant services, etc.), software and insurance purchases.

› Risk control levers

The Group ethics charter incorporates the supplier relationship and a purchasing ethics charter has been added to the internal rules of Groupama Assurances Mutuelles. It discusses three aspects in particular: consideration of methods of manufacture of materials, the behaviour of suppliers in respect of these methods of manufacture, and the supplier's compliance with the labour law and the rules of the ILO.

There is a written policy on subcontracting and outsourcing important and critical activities.

Groupama has signed the inter-company charter of 2010 (which became the responsible supplier relations charter⁽²⁾), which particularly favours long-term relationships with SMEs, incorporation of CSR criteria into the selection of suppliers, and consideration of the territorial responsibility of a large group.

In addition, in our calls for tenders, we ask our suppliers, in connection with the supplier CSR charter or specific contractual clauses, to declare whether they respect the principles of the ILO, the Universal Declaration of Human Rights and the charter of the Global Compact (working conditions, respect for the environment, ethics). A "CSR" clause is inserted into the contracts.

Groupama organises GDPR training for buyers and employees (100% of DAEA buyers trained and 100% of regional mutuals trained).

Groupama, for the suppliers it works with, meets the obligation of vigilance by obtaining the documents provided for in the texts.

Three components of action planned from 2021 for procurement: a portal for assessing third-party service providers (verification of their integrity); development of CSR criteria; development of "inclusive procurement" (including procurement from the adapted sector and VSEs/SMEs).

The issue of the implementation of the Sapin 2 law - the fight against corruption and influence peddling - is addressed in section 2.2.6.

(1) French national data protection commission.

(2) Designed by the Médiation des entreprises and the Conseil National des Achats.

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(f) The risk of not taking into account the social/societal impact of companies in which Groupama invests

In addition to respect for human rights, health and safety, there is now the issue of “just transition”.

› Risk control levers

Groupama takes into account all ESG criteria (environmental, social and governance criteria) in its investment and risk management policy. In analysis of companies and organisations, extra-financial and financial issues are closely linked. The integration of all environmental, societal and governance information allows for greater portfolio resilience, anticipating risks and identifying new opportunities to invest in sectors with the highest expected growth.

At the same time, Groupama has put itself in a position to meet European regulatory requirements (including Disclosure and Taxonomy).

For more than 20 years, Groupama, a financial player in the economy’s long-term development, has been involved in promoting Socially Responsible Investment (SRI), through its third-party asset management subsidiary, Groupama Asset Management. Its expertise in analysis and research, its management products, and its mobilisation within many French and international representative environments make it one of the recognised leaders in this field. To affirm this commitment, in 2018, Groupama Asset Management created an ESG Strategy Department whose mission is to disseminate ESG in all departments through an active training policy. At the same time, it aims to move the product offering towards greater ESG integration and to develop a broader range of impact products.

It should also be noted that Groupama Asset Management has an active shareholder engagement policy, based on PRI⁽¹⁾ criteria, to which the Company is a signatory, and that it complies with the exclusion policy in accordance with international treaties (Ottawa and Oslo).

In 2021 Groupama Asset Management accelerated its SRI labelling programme. In addition to the 5 funds that have been progressively labelled since 2016, 22 funds were labelled during the year. Thus, at the end of this labelling process, the range of SRI-labelled funds covers almost all the asset classes sought by our clients (private or institutions). At the end of December 2021, Groupama Asset Management had 27 SRI-labelled funds, representing more than €30 billion in assets under management. In addition to these SRI-labelled funds, there is a fund with the GreenFin label (G Fund Global Green Bonds) and a fund with the France Relance label (G Fund New Deal Europe). This thematic fund, launched in 2020, was created to prepare for the “next world”. It is invested in European stocks working to secure production (or its relocation), to prevent or treat diseases, and which are at the forefront of current societal and economic changes.

Groupama Asset Management is also presenting another impact fund invested in international equities, World R Evolution (targeting innovative stocks involved in current scientific, technological, or societal changes)

The amount of responsible investment - assets managed according to ESG criteria⁽²⁾- criteria by Groupama Asset Management is indicated in section 2.2.4.

› Focus on employee savings

Since it was formed, Groupama Épargne Salariale has taken a CSR approach for its offering of financial vehicles intended for the 134,000 employees of 16,500 customer companies. Groupama Épargne Salariale offers a selection of SRI-labelled investments such as the G Fund Future For Generations fund, which contributes to developing solutions favourable to the environment, sustainable consumption and health, or the Groupama Sélection SRI Convictions fund. As well as the GF Global Green Bonds fund, which invests in green bonds that finance companies involved in the ecological and energy transition and has the GreenFin label. More than ever, Groupama Épargne Salariale wants to offer savers solutions that make sense of their savings and aims to continue the SRI certification of its fund range.

Another significant factor of this CSR approach was the growth of online enrolment, which increased for regional mutuals from 24% at the end of 2019 to 93% in December 2021. This 100% digital solution enabled the sales teams to develop their portfolios through video meetings as well as quick and easy remote enrolment. Thus, despite the continuing health context, 1,553 new companies were equipped with employee savings schemes, *i.e.* an increase of +33% compared with 2020, and gross inflows increased by +13%, to reach 240.41 million euros.

With a view to developing digital technology and reducing paper consumption, Groupama Épargne Salariale has set up a 100% online campaign in 2021 to monetise rest days on the PERCOL. Previously requiring the printing of paper forms, Groupama Épargne Salariale has modernised the process by offering a turnkey campaign that can be carried out entirely online, both for the Company and for the employees. The objectives? For the Company, it relieves them of the burden of managing their campaign and ensures simplified monitoring, without the risk of losing data; for employees, the possibility of taking steps online, *via* their personal space. This new service has been developed to help HR reduce their company’s social liabilities generated by the accumulation of unused leave days in the current context.

› Financing the real economy

The Group has continued its commitment to invest in the real economy at a level of between €1.5 billion and €2 billion, depending on the year. This programme to support the real economy involves private equity and loan funds, aimed at financing SMEs and mid-cap companies, mainly in France, as well as financing transport, energy/environment and telecom infrastructure and job-creating commercial property projects.

(1) PRI: Principles for Responsible Investment.

(2) Environmental, social, and governance criteria.

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2.2.4 Environmental issues and associated risks

As a financial player committed to supporting the major challenges of transition, the preservation of the environment and the fight against climate change are indeed major issues; as a service sector company, the Group's risks in this area are most significant not in the impact of its establishments or travel but in the area of its investments and its insurance offers, *i.e.* two significant risks.⁽¹⁾

a) The risk of not taking the environmental and climate factor into account in investments

2015 marked a real turning point under the influence of COP 21 (Paris Climate Agreement) on the one hand and the publication of the UN Sustainable Development Goals (SDGs) on the other. The challenges of protecting the environment (and biodiversity), combating climate change, and the energy transition have become a major issue for everyone involved, including Institutional Investors, Fund Managers, and savers, who are thus stakeholders in these challenges and for whom the risks associated with (the non-consideration of) these developments are significant.

In the medium term, the risk of global warming is one of the greatest, with consequences especially on assets.

› Risk control levers

The consideration of the environment/climate factor in our investment choices thus consists in measuring the carbon footprint of investments to identify the most carbon-intensive and least proactive sectors and in monitoring the market positioning of emitters in terms of products and services facilitating the transition to a low-carbon economy. In this way, Groupama seeks to integrate not only the potential impact of physical, regulatory, and transitional risks on the value of the portfolios, but also to have a long-term vision of the consequences of our investments on society and the environment. Being able to combine the risk/return trade-off with impact measures requires detailed upstream analyses, which are often long and complex to carry out.

Groupama (the Group and its financial subsidiaries in particular) has undertaken significant work over the past several years to address this issue and control these risks, including:

- › integrated ESG rating - see point 2.2.3. above;
- › the development of a climate and environmental analysis of issuers in collaboration with Groupama Asset Management (assess the alignment of our portfolios with a scenario of maximum global warming of 2°⁽²⁾) The methodological framework used in priority is the SDA (Sectoral Decarbonization Approach)

framework, which is the main methodology for 2 °C targets recommended by the Science-Based Targets (SBT) initiative⁽³⁾;

- › an active voting rights policy, *i.e.* shareholder engagement, based in particular on the PRI criteria, of which Groupama Asset Management is a signatory, but also on other criteria;
- › the definition of an exclusion policy, in 2018 the announcement first of the coal and oil sands phase-out, then in 2020, Groupama committed to a definitive phase-out of thermal coal in its investment portfolios (zero exposure by 2030 at the latest for companies in countries of European Union and the OECD, almost all of the current coal assets), and the Group has decided to phase out any company whose revenue or energy production mix is more than 20% based (and no longer 30% as announced in 2018) on thermal coal⁽⁴⁾. In addition, Groupama has also committed to divesting from companies whose annual production of coal exceeds 20 million tons and those whose installed capacity in coal-fired power plants exceeds 10 GW⁽⁵⁾. These thresholds will be progressively lowered to achieve a complete phase-out of thermal coal;
- › financing the transition, with a quantified commitment: at the end of 2018, we had publicly committed to investing €1 billion between 2019 and 2021 in favour of the energy transition, the target was reached before the end of 2021 by investing a little more than half in green bonds and the rest in property (renovation and/or construction work, acquisitions of certified assets) and energy infrastructure (wind and solar farms, hydroelectricity); the Group has taken a stake in Predica Energies Durables (PED), a subsidiary of CA Assurances dedicated to investing in renewable energy production assets alongside Engie;
- › training and education within the Group (national and local elected representatives, operational committees, etc.);
- › a policy supported by the Group and its subsidiary Groupama Immobilier to certify property (53% of the surface area⁽⁶⁾ in 2021, 43% in 2020), energy improvement and sustainable forest management - on forests see point 3.2.

Note:

- › in July 2021, Groupama issued green bonds for the first time for a total amount of 500 million euros. The proceeds of the issue will be used exclusively to finance or refinance eligible green projects, according to the categories defined in the Groupama group's Green Bond Framework: Green buildings, Renewable energy, Clean transport, Environmentally sustainable management of natural living resources and land use, Energy efficiency;

(1) See summary tables in the appendix. Regarding the Group's ecological footprint, see part 2.3.

(2) Objective of the Paris Agreement.

(3) SBT is an initiative led by WWF, UN Global Compact, WRI, and CDP to engage companies in the 2 °C alignment.

(4) Details in the press release of 9 December.

(5) Thresholds currently adopted by the Global Coal Exit List, on which Groupama's "coal" policy is based. This list is provided by the German Non-Governmental Organisation (NGO) Urgewald.

(6) Of the surfaces of the PADD (perimeter monitored by Deepki, Perimeter Actions Sustainable Development) benefiting from a certification, that is 79,190 m²

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› Also, Groupama Asset Management earned the GreenFin label for the “G Fund Global Green Bonds” fund, a new bond-picking solution invested in “green bonds” (securities offering returns and environmental benefits)⁽¹⁾;

› with regard to property assets, Groupama is one of the “game builders” and contributes its expertise to the athletes village project for Paris 2024 by participating in the construction of an eco-neighbourhood in Saint-Denis; 2021 saw the start of construction of The Link in La Défense (two connected towers), which will be certified “HQE Exceptionnel” (delivery in 2025) and is owned by Groupama, and the “Booster de Réemploi”, an innovative digital circular economy project led by Groupama Immobilier with the assistance of other institutional players to promote the reuse of building materials (440 tonnes of CO₂ avoided thanks to the Booster for the 21 boulevard Malesherbes building site). A project for a low-carbon label is being studied for certain plots of forestry assets and a Parisian property asset, for the reuse part.

Groupama is present on the website launched in 2021, Ambition4Climate, of the Association Française des Entreprises Privées (AFEP), where 3 low-carbon projects of the Group’s companies are presented (forest management, Reuse Booster, G Fund Global Green Bonds).

At the end of 2021, Groupama Immobilier joined join the BIG (Biodiversity Impulsion Group) approach, a research programme on the biodiversity footprint of property projects. BIG aims to develop a common set of indicators and measurement tools to define and improve the biodiversity footprint of property projects (protection of biodiversity in urban areas).

All these aspects, as well as the policies implemented and the results, are presented in detail in the document published each year by Groupama, the “Article 173” reporting (of the Energy Transition Law, LTE), available online - which will become in 2022 the “Article 29” reporting of the Energy-Climate Law (LEC).

On Groupama.com: <https://www.groupama.com/en/analysts/responsible-investor/esg-climate-report/>

In particular, Groupama is continuing its work on strategies to align with the Paris Agreement and carbon neutrality and objectives related to biodiversity, is studying the possible implementation of a policy to disengage from non-conventional fossil fuels, and is preparing to renew its commitments for the period 2022-2024.

› Performance indicator

Amount of responsible investment – assets managed according to ESG criteria⁽²⁾- by Groupama Asset Management: €91 billion⁽³⁾ in 2021 (€80.5 billion in 2020, €76.1 billion in 2019), or 78% of total assets under management at 31 December 2021, compared with 73% in 2020.

› Additional indicator

Share of “eligible” investments according to the European Taxonomy presented in section 2.4 of this document.

(b) The risk of not taking the environmental and climate impact into account in offerings (products and services) and underwriting policy

The significant risk associated with this is the failure to take into account the needs of policyholders in terms of resilience or support in the energy transition. This is an increasingly important issue due in particular to climate change, while maintaining the balance of our business model through controlled exposure. In addition to this is the consideration of the environmental impact (degree of pollution, including carbon emissions) of our policyholders’ businesses and therefore the indirect impact of our insurance business on the environment.

As mentioned in point 2.2.3., being a responsible insurer and a contributor to the fight against climate change and to the energy transition means being a group capable of providing economically affordable solutions to policyholders in the face of major environmental and climate changes.

› Adaptation to climate change

Groupama, a major player in property and casualty insurance, is exposed by the very nature of its activities and the importance of its territorial roots. At the heart of its business, Groupama must assume the financial cost of climatic accidents through the financial compensation and material solutions it provides to individuals and companies, communities, etc. affected by natural disasters. The insurability of climatic events over time is an issue, given the continuous increase in the loss experience.

› Risk control levers

Group exposure due to underwriting

Given the exposure of Groupama, storms continue to be the greatest climate risk event. To assess the evolution of this risk in the face of climate change, Groupama Assurances Mutuelles uses models and knowledge developed jointly with various climate experts: several studies were conducted in partnership with Météo-France on the basis of global climate models (GCM), regional climate models (RCM), and IPCC⁽⁴⁾ scenarios. There is no major variation associated with climate change in the frequency and severity of storms in France, but rather the increase in heat, drought, precipitation in certain areas, and risks of coastal flooding. These elements were confirmed in a recent study conducted by France Assureurs, using climate models established by the Institut Pierre Simon Laplace.

(1) Created by the Ministry of Ecological Transition, this label guarantees to savers that the fund effectively contributes to funding of the energy and ecological transition.

(2) Environmental, social, and governance criteria.

(3) Including external customers.

(4) Intergovernmental Panel on Climate Change, IPCC, an intergovernmental body open to all UN member countries.

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In weather claims, natural risk events (Nat. Cat.⁽¹⁾, forces of nature, storms) are already assessed in insurance risks (non-life underwriting risks). Application of the Nat. Cat. and knowledge of the underwriting risk (verification of flood-prone areas, etc.) ensure that the risk is well monitored.

Groupama has strong reinsurance protection – Groupama is the second-largest European buyer of storm reinsurance protection – and is an innovative group in terms of cover solutions.

Note:

- › that an internal scenario for assessing the impact of a group-wide environmental disaster has been devised;
- › the concrete effectiveness of our reinsurance structures, which have made it possible to absorb a large part of the loss experience observed in France in 2021 (particularly following the bad weather in the South-West in February).

Regarding exposures, we assess reconstruction costs as well as operating losses in the event of natural or man-made hazards⁽²⁾ with a mapping resolution with GPS coordinates, which then allows for mappings taking into account the criticality of risks.

Groupama is actively involved in the profession's work on natural disasters, in particular on drought phenomena on buildings and flood modelling, and currently chairs the MRN⁽³⁾.

For many years, Groupama has been carrying out prevention/protection and awareness-raising actions for its customers and members.

For example, Groupama-Predict, a partnership to improve resilience in the face of climatic risks: initiated in 2007, this partnership now enables nearly 20,000 local authorities to have municipal protection plans, with real-time monitoring of events, and millions of citizens to be warned in advance and on a municipal scale 24 hours a day, 7 days a week of approaching risks. Prevention and alert services of Predict⁽⁴⁾, a subsidiary of Météo France, are accessible to all customers of the Group. An innovative, proven solution. Thanks to Predict, during the bad weather in the South-West, 814 communes were informed and assisted in activating their Communal Emergency Plan.

Groupama Méditerranée is a partner of AgriPredict, an anticipation/alert service for farmers in the Hérault region in the face of extreme events.

Groupama has developed an application for forecasting storms occurring in "clusters" in mainland France, a phenomenon well known to the insurance industry, also known as "clustering".

Developed with the contribution of researchers from the Laboratoire des Sciences du Climat et de l'Environnement (LSCE) of the Institut

Pierre Simon-Laplace (IPSL), the application uses artificial intelligence technologies and highlights the major role of the jet stream in the formation of storm clusters over metropolitan France. Such applications raise awareness of the importance of anticipating both extreme weather events, such as the "Lothar and Martin" of December 1999, and more "traditional" winter storms.

In addition, beyond extreme events, policyholders are exposed to a multiplicity of recurring climatic events; it is therefore essential for Groupama to understand their determinants in order to better anticipate them. Providing confidence in risk control allows us to deliver on compensation in the most difficult of times.

Focus on crop insurance in agriculture

Frost on crops in April 2021 in France: Groupama mobilised in particular for wine growers (accelerated compensation, staggered payment of contributions, etc.); this event confirmed the climatic disturbances and the need to establish a crop insurance system that is economically viable and protective.

Groupama is a major contributor to the public debate on the development of climate insurance. The crop insurance reform was launched in 2021. An inclusive and universal system will be established. Presented to the Council of Ministers in December 2021, the bill reforming climate risk management tools is welcomed by Groupama, which is particularly pleased with the importance given to public-private partnerships, with the intervention of national solidarity, which should also put an end to competition between insurance and the agricultural claims system. The bill also has the merit of distinguishing roles, reserving technical aspects to the group of insurers (pool), and governance to Codar, the crop insurance development steering committee, which will guide the strategy.

In 2021, Groupama became a partner of Ombréa, an agrovoltaic solution that protects crops. Ombréa offers an innovative solution to create the right conditions for plants to thrive. The objective is to study the effects of climate risk events on crops as part of a comprehensive risk management approach.

In addition to agriculture, each insurance business line is developing a roadmap to strengthen its actions in the area of climate change adaptation.

Risks of storms, NatCat, forces of nature, and weather-related risks on harvests (or MRW) are addressed in connection with the group's "Major Risks" plan as well as risk accumulation (technical): this plan consists of annual monitoring of each risk concerned, which makes it possible in particular to be as close as possible to the evolution of weather-related risk events.

(1) Natural disasters.

(2) Man-made perils.

(3) Mission des Risques Naturels, an association within the framework of the Fédération Française de l'Assurance (French insurance federation).

(4) The partnership with Predict, initially on flood risk, has been gradually extended to storm, coastal flooding, heavy snowfall, heat wave, and extreme cold.

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In 2022, Groupama will launch a Climate Lab, a team of experts and internal and external skills to develop our knowledge and to support projects. We want to strengthen our partnerships with research institutions and organisations working on the ground to make agriculture and buildings more resilient to changing climate risks. Our challenge is to be able to accelerate our response by setting up an approach to adapt to climate change in order to better support our customers and members, while respecting our corporate purpose and controlling our commitments.

On environmental protection and contribution to climate change mitigation

Groupama is certainly exposed to this risk given its activity (proportion of non-life insurance in particular), but it remains fundamentally controlled thanks to compliance with existing or new regulatory requirements. The business departments conduct ongoing regulatory and technical monitoring to adapt the offerings. The Group's network of preventionists (150 FTEs⁽¹⁾ at Groupama Assurances Mutuelles and the regional mutuals) is called upon. Here are a few examples of environmental liability⁽²⁾ environment: this is a compulsory cover for professional risks with limits of cover and in accordance with the regulatory provisions; in business and local authority insurance: proposal or addition of environmental liability, with ecological damage.

Note:

- › reinsurers have so far not imposed clauses excluding certain environmental risks;
- › changes in the regulations on "group actions" (since 2014) have led to the purchase of specific reinsurance to protect against the economic consequences of this type of proceeding;
- › a policy of monitoring and controlling the accumulation of risks is carried out at the group level (e.g. on fire cover, which may have an environmental impact by extension); with regard to claims, also note the role of issuing alerts of the claims function on the quality of the risk (cf. Seveso-classified sites).

The enactment of pollution or other standards is not within Groupama's authority; in essence, we insure players complying with recognised standards.

In terms of mitigation of climate change or preservation of the environment, note the following:

- › in multi-risk home insurance, the offerings include cover for home equipment producing renewable energies, and Groupama pioneered an environmentally friendly "new for old" programme for household appliances requiring replacement;
- › in motor insurance, the Centaure centres enabled 14,752 trainees to complete an eco-driving module in 2021 (44% of Centaure trainees) (36% in 2020) (2019 data: 18,920);

- › in motor damage insurance, Groupama contributes to the circular economy: repairing (rather than replacing) one third of bumpers and shields (on cars insured by Groupama and Gan);
- › Groupama has partnered with Exo Expert to support the development of drones in risk protection and the deployment of new services for farmers. The developed services will enable Groupama to optimise the performance and quality of insurance benefits, such as close monitoring of the situation of crops, damage suffered, or the effective identification of areas affected by a climate event, and with a drone, the calculation of nitrogen modulation maps for wheat and rapeseed; these are reduced costs, better production, and a positive impact on the environment;
- › Groupama has been part of the Contract of Solutions initiative set up as an association since the beginning of 2020 in order to reduce the use and impact of pesticides (sheets of solution for farmers);
- › Groupama is the leader in insurance and prevention on methanisation activities, with 60% of French methanisation units insured;
- › the notion of environmental damage was introduced in the French Criminal Code in 2016; this cover is integrated into our environmental TPL offerings.

In 2021, Groupama's "Essential Farmers" campaign, via a web series, will showcase different facets of the farming profession. This is an opportunity to discuss various themes that shed light on today's agriculture and all its transitions, particularly those related to the environment: soil conservation, cost-cutting circuits, methanisation.

› Performance indicator

Rate of change in the number of "infrequent driver"⁽³⁾ motor policies in the portfolio: 876,635 policies in 2021, or +9.6%/2020, and after +6.4% in 2020/2019, or 30% of the portfolio of the regional mutuals. These plans continue to develop in response to growing demand.

› Other indicators with an "environmental" dimension⁽⁴⁾

Number of electric vehicle policies: 21,791 policies, or +50%/2020 (after +22% in 2020/2019)⁽⁵⁾

Number of corporate environmental TPL policies: 958 Garden policies, or +7.4% from 2020; and environmental cover in corporate TPL: presence in approximately 4,016 policies

› Additional indicator

Share of non-life insurance contributing to climate change adaptation as defined by the European Taxonomy (premiums from policies containing protection against climate perils), see section 2.4 of this document.

(1) Full Time Equivalent.

(2) Third Party Liability.

(3) Less than 8,000 or 10,000 km depending on the brand.

(4) With environmental characteristics or environmental objectives.

(5) The Amaline brand disappeared in 2020.

2.2.5 Societal commitments to sustainable development

Groupama fully integrates the liability and the induced risks related to its territorial presence. Our Group and its companies have long been immersed in and attentive to the local ecosystem. This is part of our DNA.

Our ambition is to be a key player in our territories by pursuing a strong regional policy of partnerships/philanthropy with the local ecosystem by remaining the leading insurer for small and medium-sized communities and by continuing to open branches and management sites in the regions. Groupama is also the insurer for all agricultural needs and number 1 individual health insurer contributing to access to medical care in France.

The mutualist territorial network is led in particular by the local network consisting of elected representatives, who interact with policyholders and players in the territories. The Group promotes this mutual insurance dynamic by developing training for elected representatives, especially in territorial intelligence, by encouraging them to share good practices with each other, and by optimising discussions with employees, in particular those responsible for promoting mutual insurance principles and commercial development.

For the first time, in 2021, a large survey was conducted among elected representatives (50% of them responded, or 12,500 responses), in order to better know the elected representatives and their expectations. It confirmed their strong desire to act (to be useful, to be of service), to work even more closely with employees to serve their members and their training needs (skills on offers, on techniques for leading meetings or speaking).

› Some figures...

€40.1 million was paid to local authorities in the form of the territorial economic distribution (CET) in 2020 (the amount for 2021 will be known in spring 2022).

€11.35 billion in benefits were paid in 2021⁽¹⁾ to our policyholders to allow them to protect their economic activity and their family life.

For employment, the Group and its companies represent 25,000 employees throughout France, and recruitment events are organised each year in large metropolitan cities. In 2021, as in 2020, these events often took place in remote mode.

Approximately 45% of the Group's purchases (excluding insurance purchases) were made from VSE-SMEs. In connection with the Collectif des entreprises pour une économie inclusive, the Group shares good practices with its peers in order to develop local or "inclusive" purchases (purchases that promote the development of the territories, diversity, the development of VSE-SMEs, or the SSE⁽²⁾).

After the first mutualist certificates were issued in 2015 by a regional mutual, similar operations followed for the other nine mutuals (eight of which are in metropolitan France and one in overseas France). In particular, they strengthen the investment

capacity of the mutuals in the regions. Mutual certificates totalled €622 million overall, including €25 million collected in 2021. The regional mutuals are reinsured by the national mutual, Groupama Assurances Mutuelles.

In addition to the impacts of our economic activity – through local employment, payment of benefits, tax contributions, etc. – the Group conducts multiple actions to support economic initiative in all its forms, academic partnerships, solidarity actions, and philanthropy.

Groupama invests in economic players having a positive impact on the territories and maintains close ties, often in the form of partnerships or agreements, with professional bodies (chambers of trades, CAPEBs, chambers of agriculture, CCIs, trade unions, and entrepreneur networks).

Each year, Groupama awards regional and national Trophées Pros to small businesses that have a positive impact on society and the environment.

Partnerships with accelerators (such as French Assur Tech in Niort) are also led by the Group's companies. In 2021, Groupama acquired a stake in 1Kubator, France's leading innovation network, which is expanding rapidly throughout France and strengthening its presence among companies and startups.

Groupama is a partner in the community of interest on the autonomous vehicle, a means of transport to open up rural and peri-urban areas and accelerate the ecological transition (Movin'On), with 12 companies.

Almost all of the Group's companies engage in local actions/societal partnerships. Companies focus on certain themes, such as entrepreneurship, support for young people⁽³⁾, actions to support people with disabilities, solidarity, culture, and heritage, the environment, cinema, prevention⁽⁴⁾, and the fight against breast cancer. For the past three years, significant philanthropy has been developed for cycling in the regions (support for amateur cycling clubs, Ton Club Ton Maillot, and since 2021, the "everyday cycling" operation - 11,000 safety kits have been distributed since October).

In September 2021, Groupama launched a major national operation, Les Gestes Qui Sauvent. We want to train 1 million people in first aid for free. Recognising a heart attack, knowing how to react in the event of choking or discomfort: these are all situations that can happen at any time and for which anyone can be counted on. Groupama therefore wishes to raise awareness among the general public of "life-saving techniques" through physical training and video tutorials. Members and their families, employees, elected representatives, but also anyone who wants to save lives, will be able to benefit.

The "Bracelets de plage" operation, which enables the identification of small children (on the Channel and Atlantic coasts) and in which Groupama has been a partner for several years (handing over bracelets to the Rescue Services and CRS) was carried out in 2021.

(1) The exact figure is €11.351 billion, including €9.875 billion in France, combined scope (France and International), excluding claims management costs.

(2) Social and Solidarity Economy.

(3) See section 2.2.2 for support for young people.

(4) See section 2.2.3 for preventive actions.

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The amount of societal philanthropy in 2021 was more than €9.5 million:

- › including €700,000 for the fight against rare diseases (research, support for associations and families, medical information, with the Groupama Foundation and the regional mutuals). Despite the continuing COVID crisis, solidarity walks and events were held in 2021, raising over 400,000 euros for research and associations;
- › including €560,000 in support for cinema (support for young creators and distribution as well as the Cinémathèque française with the Gan Foundation⁽¹⁾). First Palme d'Or at the Cannes Film Festival in 2021 for a film supported by the Foundation (for Julia Ducournau and her film *Titane*);
- › including €41,000 for the national association Action Solidarité Madagascar, which unites and supports the actions of some twenty departmental associations engaged in solidarity projects (in partnership with Générations Mouvement) in the rural regions of the Grande Ile;
- › 39,000 of which was contributed by companies as part of the "donation of days" operation in favour of associations working for young people in the field of training, entry into working life and living conditions.

The year 2020 was marked by exceptional donations of €3.2 million in the context of solidarity actions linked to the health situation. In 2021, it should be noted that two thirds of these exceptional donations were retained and transferred to social works. More than 1,300 days were collected and their financial contribution, increased by a matching contribution from the 23 participating companies, was paid to 21 companies working for young people to help them with their training, their entry into professional life and their living conditions.

The website groupama.fr launched the section www.lavraievie.groupama.fr as a true external showcase of the actions in the territories concretely promoting mutual insurance.

Note:

- › In 2021, the Groupama Foundation launched the call for projects for the Rare Diseases Research Prize 2022; this 5-year prize is endowed with 500,000 euros (100,000 euros per year). The first prize was awarded in 2017. The Groupama Foundation was created over 20 years ago: 200 associations supported, more than 600 projects, and 40 researchers or research projects; €9 million continued; €1.8 million raised by the "Balades solidaires" and other events; €900,000 contributed to research or associations by the regions. Find out more about the foundation's actions at: <https://www.fondation-groupama.com/>.
- › Groupama Immobilier, on behalf of Société Forestière Groupama, announced in April 2021 the marking and harvesting of oak trees from its sustainably managed forests. These trees will contribute to the reconstruction of the spire of Notre Dame de Paris, built by Viollet-le-Duc and destroyed by the fire in April 2019. The film *Charpente*, which was produced by Groupama in 2021 and evokes this contribution, has received numerous awards.

› It should also be noted that Groupama Immobilier received the "solidarity sponsorship" jury prize at SIMI 2021 for its support of Café Joyeux, a fine initiative that makes disability visible through the professional inclusion and training of people with mental and cognitive disabilities.

› Partner in solidarity with communities and territories: continued mobilisation during the COVID crisis, which was extended into 2021

Concrete solidarity and mutual aid actions in the field continued to be carried out by the Group's elected representatives and companies: support for restaurant owners, shopkeepers (in particular through purchase vouchers), people in hospital or in EHPAD and medical teams (financial or equipment donations), donations of surgical masks or food donations to various social structures, etc. and local appeals.

Groupama was once again a partner in the Graines d'agriculteurs competition, organised by Terres Innov and Jeunes Agriculteurs (Young Farmers) Association. This year, it emphasised solidarity and mutual aid.

2.2.6 Fight against corruption, influence peddling, money laundering, terrorist financing, and tax evasion

At the group level, the implementation of measures to combat corruption and influence peddling as well as money laundering and terrorist financing (AML/CFT) is managed by the Group Compliance Department. The corresponding work is carried out in consultation with the Group's legal department

The "Sapin 2" law of 9 December 2016 on transparency, the fight against corruption, and modernisation of the economy came into force on 1 June 2017. It introduces a general obligation to prevent risks of corruption and influence peddling for companies with more than 500 employees and revenue of more than €100 million. Once a group is subject to this obligation, its subsidiaries located in France or abroad are affected by this obligation. This regulation involves the operational implementation of eight measures, each of which has been the subject of specific work. The Group Compliance Department carried out the latter in consultation with the Group Compliance Department.

Each Groupama group company has incorporated the Group Code of conduct into its Internal Bylaws and has deployed an ethics whistleblowing system.

Upon completion of the approval process by the staff representative bodies, all employees were informed of the elements appended to the internal bylaws, namely regarding the following measures:

- › the ethics charter, which reflects the essence of the values and commitments adopted by the Group.

The Code of conduct, which lists the rules to be adopted or prohibited for all employees in their activities, as well as the ethical alert system and the corresponding disciplinary sanctions in the event of non-compliance with these rules;

(1) Learn about the Gan Foundation's actions at <https://www.fondation-gan.com/>

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› The ethics whistleblowing system allows all collaborators (employees, officers, or general agents as well as external and occasional collaborators) to use a dedicated secure email address to report information about the following areas to the authorised persons of their company (the head of the Compliance Verification Function or the Compliance Officer):

- corruption, influence peddling,
- violations of human rights and fundamental freedoms,
- harm to the environment,
- internal fraud,
- crimes or offences,
- threat or severe harm to the public interest.

The ethics charter and the Code of conduct apply to all Group companies, both French and international. As part of its plan to prevent risks of corruption and influence peddling, Groupama bolstered its Code of conduct with illustrations related to risk mapping in 2020.

The Group's companies were all mobilised in 2020 and 2021 to carry out their respective mappings, with a consolidated Group mapping produced as a result of this work. Regular updating of the mapping is planned.

The Group incorporated modules specifically aimed at combating corruption and influence peddling for all its employees, in particular those most at risk (specialised modules according to activities), into its training programme. The most exposed personnel are identified from the risk mapping.

In 2020, Groupama defined an action plan to strengthen its system for assessing the integrity of third parties with which the Group's companies have a business relationship. In connection with the risk mapping, updates to the new relationship procedures were identified. The steering and monitoring of this work continued in 2021 in order to develop a Group digital solution to facilitate the integrity assessment of non-customer third parties. It should be noted that the third-party customer assessment system is based on the AML-CFT regulation. In general, the integrity assessment of all types of third parties can be subject to specific analyses by a specialised agency.

The fight against money laundering and terrorist financing is also an important issue for the Group's companies subject to such regulations. The system is managed by the Group Compliance Department, which ensures that the Group complies with its obligations in conjunction with a network of AML/CFT Managers appointed in all of these entities, both in France and internationally.

An AML/CFT organisational chart defines the roles and responsibilities of the various participants and stakeholders at the level of the group and each operational entity concerned, describes the mechanism in place with respect to informing and training employees exposed to these risks, and defines the methods and conditions for exchanges of information required for due diligence.

In addition, it specifies the applicable risk monitoring and control system.

The Group Legal Department ensures dedicated legal and regulatory monitoring as well as interpretation of standards/sanctions.

The Group AML/CFT Officer is responsible for steering the Group's AML/CFT system.

In this context, its role is to:

- › define the AML/CFT risk management policy;
- › ensure the operational deployment of procedures and corresponding tools;
- › ensure the coordination of the above-mentioned Managers' channel;
- › designing the 1st level permanent control plan.

The Group Compliance Director, as the key compliance function, ensures that the system is properly implemented in order to be able to assess AML/CFT risk at group level, in particular through a level 2 control plan.

Reports are regularly made to the Senior Management of Groupama Assurances Mutuelles and to the Group's governance bodies.

› Performance indicator

Corruption prevention training. Number of employees trained in ethics and anti-corruption through e-learning: 2,985 people trained in 2021 (6,643 in 2020) or 13.2% of the workforce.

AML/CFT training. Number of people trained (employee awareness): 2,268 training events completed in 2021 (3,993 in 2020).

These training courses were implemented starting in early 2019. The 2020 data were recalculated to make the criterion to be used more reliable (difference between the notion of "trained person" - criterion used and the notion of "trainee")

Lastly, with regard to taxes, Groupama Gan Vie, the Group's life insurance subsidiary, does not engage in business with customers who are not French taxpayers in the course of its business activities. However, the Company's distribution processes have provided for, through its sales support tools deployed in the distribution networks, the identification of tax-delinquent customers in order to comply with the FATCA and CRS⁽¹⁾ regulations.

It should also be noted that the Group signed a tax partnership with the tax authority (Service Partenaire des Entreprises) in 2019. Groupama is the only insurer among 50 French companies, which testifies to its taxpayer compliance insofar as the tax partnership reflects the cooperation and tax transparency with the authorities and therefore makes it possible to secure the Group's tax management. A Group tax charter for internal use has been drafted.

(1) FATCA, the US regulation to combat tax evasion by US citizens and residents; CRS: multilateral agreement with most OECD member countries on the automatic exchange of financial account information.

2.3 ADAPTING TO CLIMATE CHANGE: THE GROUP'S ECOLOGICAL FOOTPRINT

Although the risks of environmental and climate damage associated with our organisation's activities are non-material, this is a CSR issue that is relevant to all stakeholders.

The main risks are related to buildings classified as ICPE (Installation Classée pour la Protection de l'Environnement). In addition, the impacts that our facilities - and therefore our employees - could suffer are well taken into account in the actions to control social risks.

However, there are issues to be taken into account in our operations: the carbon impact of travel, large desktop publishing budgets, paper, energy, and equipment purchases, waste management, recycling, the fight against waste, circular economy for furniture, etc.

Although our activities inevitably have an impact on the environment, they do not pose significant threats to biodiversity, water, or land use.

› Risk control levers

In connection with its CSR strategy, the Group is committed to reducing its CO₂ emissions and fighting climate change, both through its organisation and by encouraging the eco-friendly behaviours of its stakeholders (including employees⁽¹⁾). The Group has voluntarily set a goal of reducing carbon emissions from its operations by 15% between 2013 and 2022. The 2020-2021 health crisis naturally had a major impact on the trajectory of carbon emissions – see points 2.3.1 and 2.3.2.

The risk is controlled by the Risk Management Systems (RMS). The regulatory obligations related to ICPE classification are monitored and controlled.

In its organisation, the levers pertain to energy consumption, business travel (including the fleet purchasing policy), and paper consumption. The Group's CSR team drives this objective by sharing information, by promoting community actions, in particular by sharing good practices (e.g. regarding mobility and decarbonisation initiatives) with the network of CSR facilitators and in liaison with the Logistics WG led by Groupama Supports & Services and including the regional mutuals.

Ordered from a community catalogue, the Group's companies can use increasingly low-emission car models.

In terms of environmental protection, our employees are regularly informed of environmental issues, in particular through the European Sustainable Development Week, and communication/awareness efforts continue in the Group's companies through various actions: educational information, CSR workshops, green team building, challenges, eco-driving awareness campaigns, and the establishment of carpooling in

certain entities. The group's companies have set up hives and urban gardens, and some are promoting direct distribution with sales from local producers (Granvillage) on their sites.

The development of pull printing badge recognition at printers – allows for more reasonable printing management, and the use of remote dialogue/meeting tools available to the employees of the companies – Hub Agile and going forward the DCS-Office 365 ecosystem (at the workstation) deployed starting in March 2020 – reduces travel.

In addition, our data centres in Bourges and Mordelles follow Green Grid best practice - optimising energy consumption - and use the free-cooling system (cold corridors).

Note that the three properties at Groupama Campus in Nanterre were restored in 2017-2018 as part of a renovation project in keeping with the HQE® (June 2015 reference standard) and BREEAM (e.g. LED lighting with presence detection including for two thirds of the parking lights, optimised water management, etc.) initiatives. In terms of operating property, the Campus buildings (WP6 in 2019) and new works, such as those planned at the Bordeaux site, are part of this dynamic.

The new Groupama Assicurazioni headquarters in Viale Restelli in Milan is one of the few buildings in Italy to be awarded the "Leed Platinum" certification in 2021, which is given to the best ecological buildings that combine innovation and sustainability.

It should be noted that Groupama Immobilier, based in WP6, is the first Property Asset Manager to have been certified ISO 14001. It undertook the carbon calculation of its activities three years ago. Knowledge of its carbon impact enabling it to improve its overall performance (including that of its activities, in addition to that of its assets).

In 2021, launch of the ESCALE Project. It is a continuation of the dynamics of the Campus project, which integrates new collaborative practices, while modernising our property stock and reducing our carbon impact. Employees at the Campus, Astorg, Ville l'Évêque and Diamant sites, belonging to one of the 11 companies, are affected. The ELAN law (Evolution du Logement, de l'aménagement et du numérique) requires service sector companies to reduce their energy consumption in buildings by 40% by 2030. For the project, this rate of 40% is an overall average target, for all the companies and sites involved in their renovations.

In the area of purchasing: in our calls for tenders / specifications, we ask our suppliers to declare whether they respect the global compact charter (including respect for the environment), to respect the standards and we encourage them to adopt eco-responsible behaviour (product design, staff training, transport, waste management). A "CSR" clause is inserted into the contracts. Work in progress for 2021-2022 to review CSR criteria in purchasing.

Note in 2021, the updating and dissemination in the companies of the ECOPASS group or "responsible events": how to carry out a "responsible" event (local service providers, CSR materials, etc.).

(1) The indirect impacts associated with offerings, investments, or purchases are discussed in point 2.2.

2.3.1 Circular economy (consume less, better, reuse)

(a) Prevention and management of waste

The Group's service business activities do not directly generate waste or pollution other than office waste. However, we wish to make progress in the recycling of such waste, particularly through selective sorting, already effective in several of the Group's entities (for example, the Campus, Bordeaux, and Astorg sites in Paris).

At Groupama Campus Nanterre in 2020, a printing reduction challenge was launched, and Groupama joined the CUBE challenge, an inter-company competition of the IFPEB⁽¹⁾, the objective being to reduce the energy consumption of buildings, three properties registered for 2020 (WP1, 2 and 5). Groupama was awarded bronze for WP5 (20% energy savings).

Recall that the "Happy Cleanings" operations carried out by the companies moving to Nanterre mobilised the employees to collect and recycle 188 tonnes of paper over the 2017–2019 period⁽²⁾. In addition, furniture and supplies have also been donated to charities for reuse and recovery.

Operation Les Petits Papers 2021. As part of the preparations for the move from Astorg to Nanterre (ESCALE project), all the paper and cardboard placed in the recycling bins were recovered for the benefit of the Groupama Health Foundation. From 14 June to 30 September 2021, the challenge set up on the Astorg property enabled €6,300 to be donated to the Groupama foundation (which gave it to an association), for 63 tonnes of paper and cardboard and confidential paper deposited in the recycling containers.

(b) Fight against food waste

The Group's entities themselves do not handle food services for employees (subcontracted corporate catering or restaurant vouchers). However, companies are putting in place actions to combat food waste, such as poster campaigns and awareness-raising events during the European Sustainable Development Week.

(c) Sustainable use of resources

The health crisis with the total and then partial lockdowns explains the decrease or increase observed according to the indicators. As

these resources are calculated on an activity that includes on-site employees and inherent travel, stoppages, gauge-based restarts or travel constraints have necessarily had an impact depending on the position.

› Paper consumption

Beyond the absence of employees at the sites and "zero paper" working practices acquired in 2020, the continuation of digitisation (Zero paper programme, etc.) and the deployment of pull printing reinforced the decrease already seen in previous years in paper consumption: -21.6% from 2020, with the largest share concentrated on mass publishing, at -24%.

› Energy consumption

With a very slight increase of 0.45% in total energy consumption, the greatest difference is seen in gas and heat, at +5.6% and +36% respectively.

Electricity saw a significant decrease of 2.8%.

The year 2021 was marked by several periods of teleworking and on-site presence with gauges. The properties were therefore heated normally, regardless of the number of employees present.

The decrease in energy consumption per FTE initiated in 2019 continues with a difference of -23.6% since 2013.

› Business travel

The continuation of the more optimised use of fleets and the ramp-up of remote relations, the recommendation over time of train travel in particular relative to air travel, allow for a controlled evolution of travel. The restrictions linked to the pandemic have particularly affected medium/long trips by train or plane, which explains the drop in these two categories.

Over the year, the number of km, all transport combined, rose very slightly to 0.74%. The plane and the train continued their downward trajectory with respectively -41.8% of km for the train and -30.6% of km for the plane.

Cars remain the largest "producer" of km with 91% of total travel, which is explained by the very business of the Group and the large proportion of salespeople in the workforce. The partial resumption (compared with 2020) of commercial activities and the switch from rail to this mode of transport in the context of the pandemic explain the slight increase in this item to +7.4%.

(1) IFPEB: Institut Français pour la Performance du Bâtiment, of which Groupama Immobilier is a member.

(2) Source: Groupama Supports & Services, final results.

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2.3.2 Climate change and biodiversity protection

This is a major CSR topic and not a risk for our organisation. Reducing carbon or greenhouse gas emissions helps combat climate change and preserve the environment.

(a) Change in CO₂ emissions

CO₂ emissions for the 2021 reporting period according to the three scopes defined by the GHG Protocol and according to the operational control consolidation method:

Direct emissions – Scope 1 (TeqCO₂)	2019	2020	2021
Direct CO ₂ emissions related to gas boilers	6,850.81	5,656.55	5,951.41
<i>Direct CO₂ emissions related to gas boilers per FTE</i>	<i>0.25</i>	<i>0.20</i>	<i>0.21</i>
Direct CO ₂ emissions related to fuel oil boilers	700.09	646.94	634.02
<i>Direct CO₂ emissions related to fuel oil boilers per FTE</i>	<i>0.02</i>	<i>0.02</i>	<i>0.02</i>
Direct CO ₂ emissions related to business travel in owned land vehicles	6,306.56	5,114.12	5,598.90
<i>Direct CO₂ emissions related to business travel in owned land vehicles per FTE</i>	<i>0.22</i>	<i>0.18</i>	<i>0.20</i>
TOTAL DIRECT GHG_01 EMISSIONS	13,857.47	11,417.62	12,184.32
TOTAL DIRECT GHG_01 EMISSIONS PER FTE	0.48	0.41	0.43
Direct emissions – Scope 2 (TeqCO₂)	2019	2020	2021
Direct CO ₂ emissions related to electricity consumption	9,286.16	8,116.34	8,353.73
<i>Direct CO₂ emissions related to electricity consumption per FTE</i>	<i>0.31</i>	<i>0.29</i>	<i>0.30</i>
Direct CO ₂ emissions related to heat consumption	902.25	740.62	776.24
<i>Direct CO₂ emissions related to heat consumption per FTE</i>	<i>0.03</i>	<i>0.03</i>	<i>0.03</i>
Direct CO ₂ emissions related to chilled water consumption	164.23	111.86	113.55
<i>Direct CO₂ emissions related to chilled water consumption per FTE</i>	<i>0.01</i>	<i>0.00</i>	<i>0.00</i>
TOTAL DIRECT GHG_02 EMISSIONS	10,352.65	8,968.82	9,243.51
TOTAL DIRECT GHG_02 EMISSIONS PER FTE	0.35	0.32	0.33
Direct emissions – Scope 3 (TeqCO₂)	2019	2020	2021
Direct CO ₂ emissions related to business travel in non-owned land vehicles	18,630.12	15,640.79	16,573.46
<i>Direct CO₂ emissions related to business travel in non-owned land vehicles per FTE</i>	<i>0.65</i>	<i>0.56</i>	<i>0.59</i>
Direct CO ₂ emissions related to business air travel	2,021.02	791.23	549.01
<i>Direct CO₂ emissions related to business air travel per FTE</i>	<i>0.07</i>	<i>0.03</i>	<i>0.02</i>
Direct CO ₂ emissions related to business train travel	209.16	66.18	39.80
<i>Direct CO₂ emissions related to business train travel per FTE</i>	<i>0.01</i>	<i>0.00</i>	<i>0.00</i>
TOTAL DIRECT GHG_03 EMISSIONS	2,0860.30	16,498.20	17,162.27
TOTAL DIRECT GHG_03 EMISSIONS PER FTE	0.72	0.59	0.61

The very slight increase is linked to the gradual resumption of activities including travel and presence on site. The properties, regardless of the number of people present, were heated, which had an impact on the gas and heat indicators. Car travel has increased in part as a result of a shift away from train travel, which is less popular with employees during periods when COVID variants are being resumed.

The Group thus recorded a slight increase in its CO₂ emissions in 2021 compared with 2020, with 38,590.105 teq-CO₂ compared with 36,884.645 teq-CO₂ in 2020.

Scope 1 (owned cars, gas, fuel oil) shows the highest increase at 6.7%. Scope 3 (non-owned cars, aircraft, trains) also increased to 4%.

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Beyond the reasons due to the health crisis, the efforts made by the Group in terms of reducing consumption (actions around paper consumption, change of energy suppliers, actions to control travel) have also contributed to the very relative increase in emissions in 2021 compared with 2020 and to the continuation of the overall decrease for several years.

If we restate fiscal years 2020 and 2021 as normal years (an annual decrease of around 2% per year since 2019), the Group's CO₂ emissions would have been 43,003.752 teq CO₂, or -17.4% compared with 2013.

(b) Outlook

The actions undertaken by the Group will promote the reduction of emissions over time, also spurred by regulatory obligations, such as the decree on tertiary buildings resulting from the ELAN law (required minimum energy consumption reduction of 40% in 2030/2010) and the Mobility Guidance Law (LOM). Starting in 2022, there will be a requirement to replace 10% of the fleets with low-emissions cars. The impact will be stronger starting in 2024 (20% of the fleet), and then 35% of the fleet in 2027 and 50% in 2030. In addition, the Mobility Plans will be established in the Group's companies.

The action on fleets (models, mileage) is a major factor of reduction. Non-owned cars continue to be represented in the share of CO₂ emissions by far.

It will also be necessary to count on the likely changes in employee behaviour – the pervasive effect of regular campaigns on eco-behaviours, new habits adopted during the health crisis – but having an impact that is difficult to estimate at the moment.

Lastly, recall that the Group's annual CO₂ emissions should be viewed in comparison with the carbon stock and emissions prevented by the forest assets of Groupama, France's number 2 private forest owner – see box below.

› Group carbon footprint indicator

CO₂ emissions in 2021/2020: +4.6%; CO₂ emissions in 2021/2013: -25.88%

› Carbon study on Groupama forests. Data for 2021⁽¹⁾

The amount of carbon stored by Groupama's forests has decreased slightly, mainly due to more logging than in 2020. The corollary of this increase in cutting is an increase in the amount of CO₂ avoided and stored in the finished products.

- › forest carbon stock: increased at 10.4 million t of CO₂ (10.5 Mt in 2020), 21,570 ha⁽²⁾;
- › Annual increase in CO₂ stored (balance between planting and cutting + storage of biomass): +184,652 t, or -0.5% compared with 2020;

- › CO₂ emissions avoided: 139,749 t by the use of traded timber (79,471 t in 2020);
- › CO₂ stored in wood products: 79,728 t in 2021 vs. 46,172 t in 2020.

2.4 EUROPEAN TAXONOMY

On 22 June 2020, the European Commission (EC) published the Taxonomy Regulation aimed at establishing a classification of green activities in order to guide financial flows towards more sustainable development and to combat greenwashing. The Taxonomy Regulation (2020/852) is the culmination of one of the points in the 2018 EC Communication on financing sustainable growth. It refers to a "unified classification system for sustainable activities" as the measure to achieve the objective of redirecting capital flows towards sustainable investments.

By providing stakeholders with a uniform framework, including the environmental targets set out in this regulation, the Commission is structuring the process of transition to a more resilient and environmentally friendly economy.

The Taxonomy is part of a trio of European texts for the transition to sustainable finance with "SFDR" on sustainability reporting and soon "CSRD" on non-financial reporting.

The Regulation is structured around six environmental objectives (Article 9) that economic activities must pursue to be considered sustainable:

- › climate change mitigation (Article 10);
- › adaptation to climate change (Article 11);
- › protection and sustainable use of aquatic and marine resources (Article 12);
- › transition to a circular economy (Article 13);
- › pollution prevention and control (Article 14);
- › protection and restoration of biodiversity and ecosystems (Article 15).

For an activity to be sustainable or aligned, it must meet the following criteria (Article 3):

- › contribute substantially to one or more of the environmental objectives in accordance with the technical review criteria established by the Commission;
- › not cause significant harm to any of the other objectives (Do No Significant Harm - Article 17);
- › It must be exercised in compliance with the minimum guarantees (Article 18).

The taxonomy regulation provided for the adoption of four "level 2" texts, including:

- › a first delegated act under Articles 10 and 11 (the "Climate Delegated Act" adopted in June 2021), specifies the activities eligible for the taxonomy under the heading of adaptation and mitigation of climate change. A complementary delegated act is under discussion, with a view to extending the activities eligible for the taxonomy and which could include transitional activities such as natural gas and nuclear;

(1) Source: EcoAct and If Consultants for Société Forestière Groupama.

(2) The exact figure is 10,513,512 t of CO₂.

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› a second delegated act under Article 8 (“Article 8 delegated act” adopted in July 2021) specifies the information that actors will have to disclose in the management reports on their alignment with the taxonomy. The Commission proposes the following two indicators for insurance in the delegated act:

- an investment-related indicator, see below,
- an indicator related to underwriting activities, see also below.

2.4.1 Investments Indicator

(a) Regulatory ratio

For 2022, as an insurer, the Groupama group must publish the following ratio on the data at 31 December 2021 presented at market value:

Investment ratio = Share of investments for financing or associated with economic activities eligible for the taxonomy / Total investments.

In addition, Groupama must publish the following quantitative information:

- › percentage of exposures in total assets to central governments, central banks and supranationals;

- › percentage of total asset exposures related to derivatives;
- › percentage of exposures in total assets relating to firms not subject to publication of a non-financial statement under the NFRD;
- › percentage of exposures in total assets related to ineligible activities for the year 2021.

In the context of the application of the Taxonomy Regulation, the following definitions and scopes of application are used:

- › “investments”: all assets held directly and indirectly on the balance sheet of the Groupama group’s life and non-life insurance companies. It is therefore a “transparent” view of the assets of the whole Group, excluding intra-group assets and Units of Account;
- › under Article 7(1) of the delegated act Article 8, sovereign exposures are excluded from the calculation of the investment ratio, both from the numerator and the denominator;
- › derivatives are excluded from the numerator but included in the denominator of the ratio;
- › companies not subject to the NFRD are not subject to the taxonomy. Thus, exposure to these companies should not be included in the calculation of the numerator of the ratio.

In summary, the asset exclusions for the investment ratio calculations are as follows:

Type of assets	Numerator exclusion	Denominator exclusion
Exposure to central governments, central and supranational banks	X	X
Derivatives	X	
Exposures to companies not subject to non-financial reporting under the NFRD	X	

In accordance with the information provided by the European Commission in its various Q&A, for regulatory reporting, the information published must be based on actual data provided by non-financial or financial entities. The use of estimates and proxies is not possible. However, as the first reporting obligation for all companies subject to the NFRD is on 1 January 2022 (on data at 31 December 2021), we do not have any published information on the share of turnover (and CAPEX) eligible for the taxonomy.

To identify companies subject to non-financial reporting under the NFRD, we use the following approach:

- › the Group’s investment portfolios are invested in listed companies or companies above the NFRD threshold, excluding corporate private equity and loan funds;
- › thus, we considered that all companies whose registered office is in an EU country (*i.e.* excluding Switzerland and the UK) were eligible for the NFRD, with the exception of companies owned through loan or private equity funds for which no information is available.

The regulatory investment ratio is therefore zero, as shown in the table below.

(b) Voluntary ratio

However, as part of its voluntary reporting, Groupama has chosen to publish an investment ratio based on estimated data. All of the assumptions used for this calculation are described below and we use the same definition of investments and the same asset exclusions as for the regulatory ratio.

The eligible economic activities are identifiable from the NACE codes listed in the two annexes to the delegated climate act. Thus, for the calculation of the voluntary ratio, we have chosen to reason by sector of activity, by retaining 100% of a company’s revenue in the sector of activity with which it is associated. We have used the guidance provided by the Commission through the EU Taxonomy Compass tool available at <https://ec.europa.eu/sustainable-finance-taxonomy/>.

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Specifically, if an issuer has a NACE sector explicitly referenced in this tool, we considered 100% of our exposure to be eligible. This is for example the case for the whole property sector (acquisition or possession of property being associated with NACE code L68): we assume that all of our property and forestry assets are eligible for the taxonomy.

However, if an issuer is engaged in an activity not explicitly listed, we have considered it to be entirely ineligible. For example, let us take the example of an issuer associated with a NACE code 35.1

which corresponds to "Production, transport and distribution of electricity". Within this category, the taxonomy retains NACE D35.11 to D35.13 as eligible but not D35.14. As the issuer under consideration has several activities corresponding to different subcategories within D35.1, it cannot be assigned a more precise 4-digit NACE code, so we consider it to be completely ineligible.

For the specific case of infrastructure funds, we have considered all EU exposures associated with an eligible NACE code as eligible (following the same rule as presented above).

	Regulatory Ratio		Voluntary Ratio	
	(in %)	(in millions of euros)	(in %)	(in millions of euros)
Share of exposures on taxonomy-eligible activities	0%	0	35.2%	15,738.0
Share of exposures on activities <u>not</u> eligible for the taxonomy	0%	0	43.6%	19,497.4
Share of exposures on "unallocated" activities	78.9%	35,235	0%	0
Share of derivatives	-1.1%	-508.4	-1.1%	-508.4
Share of exposures to companies not subject to the NFRD (/DEFP)	22.3%	9,956.9	22.3%	9,956.9
TOTAL ASSETS EXCLUDING PUBLIC EXPOSURES	100%	44,683.8	100%	44,683.8
Share of exposures to central governments, local governments (sovereigns), central banks or supranational issuers	43.2%	34,046.0	43.2%	34,046.0
TOTAL ASSETS	100%	78,729.8	100%	78,729.8

For the Group as a whole, as of 31 December 2021, the investment ratio representing the share of investments in total investments intended for financing or associated with economic activities eligible for the taxonomy is 0% for its regulatory version. The voluntary ratio, according to the methodology described above, for assets eligible for the Taxonomy is 35.2%.

2.4.2 Non-life insurance indicator

(a) Eligibility for the taxonomy

For 2022, also as an insurer, the Groupama group must publish the following ratio on the data at 31 December 2021:

Non-life insurance ratio = Share of gross non-life premiums eligible for the taxonomy / Total non-life premiums.

The "climate delegate act" determines which activities are eligible for climate change mitigation and adaptation objectives. Non-life insurance is among the activities eligible under the adaptation objective.

The act sets out the criteria that non-life insurers must meet in order to be aligned with the Taxonomy. Compliance with these "technical" criteria (and thus the alignment of insurance products) will apply from the year 2024 (fiscal year 2023).

According to the "Climate Delegated Act", the lines of business defined in Annex I of the Solvency II Directive (i.e. the following 8 lines of business) are eligible for the taxonomy, as long as they are

related to the coverage of a climate risk event. As clarified by the Commission's Q&A published in December 2021, a line of business must contain products with terms related to the treatment of climate risk events to be considered eligible.

The following 8 activity lines are potentially eligible:

- > medical expenses insurance;
- > income protection insurance;
- > workers' compensation insurance;
- > motor vehicle liability insurance;
- > other motor vehicle insurance;
- > marine, aviation and transport insurance;
- > fire and other property insurance;
- > assistance insurance.

Following an initial analysis (see France Assureurs' note of 18 January 2022), it appears that only the following three lines of business include explicit coverage of a climate risk event:

- > other motor vehicle insurance;
- > marine, aviation and transport insurance;
- > fire and other property damage insurance.

On these lines, which explicitly include a climatic guarantee, the entire insurance premium of the products concerned is retained in the numerator of the regulatory ratio.

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(b) Regulatory ratio

In order to determine the regulatory ratio for the 2021 financial statements, Groupama analysed only its activities in France. In addition, as the data relating to the Solvency 2 directive was not yet available for the 2021 order, Groupama produced a table of

correspondence between the business lines (according to the axes of analysis of Groupama's activities) and the three business lines retained following an initial analysis of the 8 mentioned in the "delegated climate act" (Annex 1, Solvency II directive), containing explicit coverage of a climate risk event.

The table below corresponds to all the information required for this first publication of the regulatory ratio, based on the availability of data and the analysis carried out internally.

Businesses	(in millions of euros)	Eligible activity line according to the Taxonomy Regulation
Eligible scope of France	5,411	
Property and casualty insurance	5,411	
Private and Professional	3,380	
› Passenger cars	1,610	Other Motor Vehicle Insurance
› Other vehicles	92	Other Motor Vehicle Insurance
› Home insurance	1,054	Fire and other property damage insurance
› Property damage for professionals & self-employed	443	Fire and other property damage insurance
› Construction	181	Fire and other property damage insurance
Businesses and Local Authorities	1004	
› Fleets	495	
Fleets	394	Other Motor Vehicle Insurance
Garages	101	38% in Other motor vehicles and 62% in Fire and other property damage
› Damage to businesses and communities	509	
Agricultural business lines	1,027	
› Agricultural risks	491	Fire and other property damage insurance
› Climate risks	219	Fire and other property damage insurance
› Tractors and agricultural equipment	316	Other Motor Vehicle Insurance
Eligible international scope	0	Scope not analysed
Total gross written premiums eligible for Taxonomy	5,411	
Total non-life gross written premiums at 31 December 2021	11,349	
of which France non-life	9,486	
of which International non-life	1,863	
Ratio of gross written premiums eligible for Taxonomy / Total	47.7%	

Thus, the share of gross written premiums in non-life insurance eligible for taxonomy was 47.7% in 2021.

Finally, it should be noted that Groupama has made its best efforts to publish information on the Taxonomy regulation. Given the complexity of this regulation and the time required to adopt it, the information published by Groupama will be refined in future financial statements.

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2.5 TABLES AND NOTES

2.5.1 List of entities taken into account in the consolidation scope of the DEFP⁽¹⁾

Entity (country)	Information provided for this entity
Property businesses* **	Social
Amaline Assurances*	Social, environmental and societal
Bask Groupama Emeklilik (Turkey)* **	Social, environmental and societal
Bask Groupama Sigorta (Turkey)* **	Social, environmental and societal
Gan Assurances	Social, environmental and societal
Gan IA Hong-Kong* **	Social
Gan Patrimoine**	Social, environmental and societal
Gan Prévoyance	Social, environmental and societal
Groupama Antilles-Guyane* **	Social, environmental and societal
Groupama Asfaltiki (Greece)* **	Social, environmental and societal
Groupama Asigurari (Romania)* **	Social, environmental and societal
Groupama Asset Management* **	Social, environmental and societal
Groupama Assicurazioni (Italy)* **	Social, environmental and societal
Groupama Assurance-Crédit et Caution*	Social, environmental and societal
Groupama Assurances Mutuelles	Social, environmental and societal
Groupama Biztosito (Hungary)* **	Social, environmental and societal
Groupama Centre-Atlantique	Social, environmental and societal
Groupama Centre Manche	Social, environmental and societal
Groupama d'Oc	Social, environmental and societal
Groupama Epargne Salariale**	Social, environmental and societal
Groupama Gan Vie	Social, environmental and societal
Groupama Grand Est	Social, environmental and societal
Groupama Immobilier*	Social, environmental and societal
Groupama Loire Bretagne	Social, environmental and societal
Groupama Méditerranée	Social, environmental and societal
Groupama Nord-Est	Social, environmental and societal
Groupama Océan Indien	Social, environmental and societal
Groupama Outre-Mer Pacifique* **	Social
Groupama Paris Val de Loire	Social, environmental and societal
Groupama Poist'ovna a. s.* **	Social
Groupama Protection Juridique (SFPJ)	Social, environmental and societal
Groupama Rhône-Alpes Auvergne	Social, environmental and societal
Groupama Supports & Services**	Social, environmental and societal
Groupama Zastrahovane (Bulgaria)* **	Social, environmental and societal
Groupama Forêts Assurances (MISSO)* **	Social

(1) On the aspects of risk analysis, only companies operating in France were taken into account.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

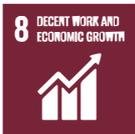
Declaration of Extra-financial Performance

Entity (country)	Information provided for this entity
Mutuaide	Social, environmental and societal
SPARA* **	Social
SPSE* **	Social

* These entities have been excluded from the scope for the AML/CFT training indicator.

** These entities have been excluded from the scope for the corruption prevention training indicator.

2.5.2. Summary of risks, topics, and key performance indicators

Main risks and their definition	Group risk classification	Point in the text	Key performance indicators	UN SDG ⁽¹⁾ correspondence
SOCIAL: Employability/Skills adaptation Risk of inadequacy of skills with changes in the business lines: risk of not taking into account in our training and recruitment changes imposed by our environment and which will have an impact on the capabilities of employees (increasing complexity of insurance products, digitalisation, big data, AI, etc.)	HR risk	Point 2.2.2.	› Rate of employees trained	
SOCIAL: "Working well together" Risk of not taking into account in our social policy the pressure suffered due to the demands of results, psychosocial risks (PSR) and contemporary social aspirations (quality of life at work and daily transport, balance between private and professional life, salary, and professional development)	HR risk	Point 2.2.2.	› Absenteeism rate	
SOCIAL: Equality/Diversity Risk of a breach of equal treatment for certain identified categories - young people, women, people with disabilities, seniors - during their working life (in recruitment, integration, and professional pathway including training) and risk of isolation from the active forces of society	HR risk	Point 2.2.2.	› Rate of female executives › Rate of female senior executives	 
SOCIETAL: Quality of advice Risk of failure to exercise the duty to advise and of providing non-explicit, erroneous or misleading information	Lack of advice	Point 2.2.3.	› Rate of business in delegated or recommended management	
SOCIETAL: Customer satisfaction Risk of failure at key moments in the customer relationship	Unavailability Non-compliant service	Point 2.2.3.	› Score out of 20 points on 4 relationship-based criteria › Claims management: Rate of "Very Satisfied"	
SOCIETAL: Protection needs (coverage of societal issues) Risk of not taking into account the needs in terms of protection, linked to the challenges of transition (demography, mobility, digital, new forms of work, urban violence...) and of not taking into account the budgetary capacities of the insured (accessibility to insurance)	Non-life underwriting risk	Point 2.2.3.	› Rate of external (customers or non-customers) and internal individuals made aware of or trained in prevention actions/number of employees	  

(1) UN Sustainable Development Goals.

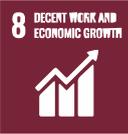
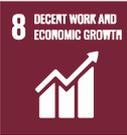
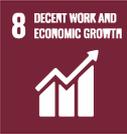
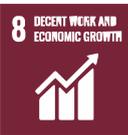
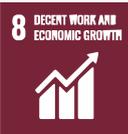
CORPORATE SOCIAL RESPONSIBILITY (CSR)

Declaration of Extra-financial Performance

Main risks and their definition	Group risk classification	Point in the text	Key performance indicators	UN SDG ⁽¹⁾ correspondence
<p>SOCIETAL: Policyholder data protection</p> <p>Risk of not considering the (potentially negative) impacts of our services and data protection arrangements on the integrity of our policyholders</p>	Lack of data protection and system security	Point 2.2.3.	<ul style="list-style-type: none"> › Rate of GDPR training for newcomers 	
<p>ENVIRONMENT: Consideration of the environment and climate in investments</p> <p>Risk of not taking into account the environmental impact:</p> <ul style="list-style-type: none"> › the degree of pollution, including carbon emissions, of the companies in which Groupama invests › the potential impact of environmental and climate constraints on asset values (taking into account regulatory, physical, and transitional risks) 	Financial risks	Point 2.2.4.	<ul style="list-style-type: none"> › Rate of assets managed with ESG criteria 	  
<p>ENVIRONMENT: Consideration of the environment and climate in offerings and underwriting policy</p> <p>Risk of Groupama not taking into account the environmental impact (the degree of pollution, including carbon emissions) of the policyholders' activities and their needs in terms of resilience or support for the ecological transition</p>	Non-life underwriting risk	Point 2.2.4.	<ul style="list-style-type: none"> › Rate of change in the number of "infrequent driver" motor policies 	 
<p>Prevention of corruption, influence peddling, and tax evasion</p> <p>Anti-money laundering and combating the financing of terrorism (AML/CFT)</p>	Risks of corruption and influence peddling Money laundering	Point 2.2.6.	<ul style="list-style-type: none"> › Rate of employees trained in ethics and anti-corruption through e-learning › Number of employees trained (awareness) 	

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Declaration of Extra-financial Performance

Other risks	Group risk classification	Point in the text	Indicators	UN SDG correspondence
SOCIAL: Respect for employees Risk of not taking into account a situation where, as a result of the activity of our companies, the rights, fundamental freedoms and integrity of our employees are compromised or potentially compromised	HR risk	Point 2.2.2.	-	 
SOCIAL: Consideration of social impacts in the event of a site restructuring/reorganisation See table above on "working well together"	HR risk	Point 2.2.2.	-	
SOCIETAL: Responsible purchasing Risk of not taking into account a situation where, as a result of the activity entrusted to subcontractors and suppliers, the rights, fundamental freedoms and integrity of their employees are compromised or potentially compromised	Supplier risks	Point 2.2.3.	-	 
SOCIETAL: Socially responsible investments Risk of not taking into account the social/societal impact of companies in which Groupama invests	Financial risks	Point 2.2.3.	-	 
SOCIETAL: Societal commitments to sustainable development (impact on territories) Risk of not taking into account the economic and social impact of our activities on the society around us (refusal to insure certain areas or populations, no recruitment, or social plans, very restrictive relations with regional partners)	-	Point 2.2.5.	-	    
ENVIRONMENT: Environmental impact of our organisation Risk of not taking into account the environmental impact (waste, consumption, pollution, including carbon emissions) generated by the operation of our organisation and the activities entrusted to subcontractors and suppliers	Non-compliance with regulations	Point 2.3.	See below	 
Reported CSR topics		Point in the text	Indicators	
Adaptation to climate change (for our organisation)	-	Point 2.3.	- Carbon emission evolution rate for scopes 1, 2 and 3	 
Human rights (compliance with ILO Conventions)	-	Points 2.2.2. and 2.2.3.	N/A	

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Declaration of Extra-financial Performance

2.5.3 Extra-financial data of Gan Assurances and Gan Prévoyance

Gan Assurances extra-financial performance indicators

	2021	2020
Social information		
Number of employees	1,650	1,617
of which% women	64.1%	63.1%
of which% men	35.9%	36.9%
Hires – all contracts (excluding summer fixed-term contracts), excluding mobility, transfers	318	206
of which permanent contract hires (excluding mobility, transfers)	123	72
Departures – permanent contract (excluding mobility, transfers)	137	138
% women on permanent contracts among executives	56.2%	54.1%
Number of employees with disabilities	50	47
Base average pay for December (in €)	44,949	43,933
Number of work/study trainees	121	109
Rate of conversion of work/study trainees to permanent contract employees	6.4%	4.6%
Environmental information		
Water consumption (in m ³)	3,160.3	3,440.7
Total energy consumption (in kWh)	3,532,105.6	3,631,844.6
Total energy consumption (in kWh per FTE)	2,140.7	2,246
Travel (in km)	6,383,515	8,711,950
Travel (in km per FTE)	3,868.8	5,387.7
CO ₂ emissions (tCO ₂ -eq)	1,265	1,320
CO ₂ emissions (tCO ₂ -eq) per FTE	0.8	0.8
Total paper consumption (in tonnes)	200.5	266.1
Total paper consumption (in kg/FTE)	121.5	164.6
Societal information		
Number of missions carried out by preventionists	354	322
Number of individuals who received training or awareness efforts (external + internal)	249	258
Philanthropy: amounts allocated to rare diseases and non-rare diseases (in euros)	930,427	906,746

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Declaration of Extra-financial Performance

Gan Prévoyance extra-financial performance indicators

	2021	2020
Social information		
Number of employees	736	744
of which % women	36.8%	35.1%
of which % men	63.2%	64.9%
Hires – all contracts (excluding summer fixed-term contracts), excluding mobility, transfers	150	138
of which permanent contract hires (excluding mobility, transfers)	138	134
Departures – permanent contract (excluding mobility, transfers)	149	135
% women on permanent contracts among executives	28.8%	27.2%
Number of employees with disabilities	22	21
Base average pay for December (in €)	47,050	47,126
Number of work/study trainees	8	2
Rate of conversion of work/study trainees to permanent contract employees	-	-
Environmental information		
Water consumption (in m ³)	139.1	136.8
Total energy consumption (in kwh)	376,512.4	400,060
Total energy consumption (in kwh per FTE)	511.6	328.15
Travel (in km)	10,091,973	9,912,301
Travel (in km per FTE)	13,711.9	13,323
CO ₂ emissions (tCO ₂ -eq)	1,879	1,631
CO ₂ emissions (tCO ₂ -eq) per FTE	2.6	2.2
Total paper consumption (in tonnes)	0.7	0.6
Total paper consumption (in kg/FTE)	-	-
Societal information		
Number of missions carried out by preventionists	-	-
Number of individuals who received training or awareness efforts (external + internal)	-	-
Philanthropy: amounts allocated to rare diseases and non-rare diseases in euros	28,100	2,133

2.5.4 Methodological note

This note is intended to provide a reminder of the Groupama DEFP methodology regarding CSR and to clarify certain points about the scope taken into account and the calculations made on certain indicators.

(a) Reporting scope

The 38 entities included in the scope of the DEFP are detailed above and represent 100% of the workforce as of 30 November 2021.

Seven entities were not included in the environmental consolidation in the absence of collected information (GAN IA Hong Kong, other property subsidiaries, Groupama Outre-Mer Pacifique, Forêts Assurances MISSO, Groupama Poist'ovna sa, SPARA, and SPSE). These same rules have been applied in the calculation of CO₂ emissions.

Policy of exclusion from the scope

Companies accounted for under the equity method in the accounting results are not taken into account in terms of social and environmental indicators, and Groupama AVIC Property Insurances Company, the Groupama group's subsidiary in China, was removed from the non-financial reporting scope in 2013 for a better balance between the consolidated financial and non-financial scope.

Since 2016, the GOM Antilles entity has been outside the scope because its figures are now included in the financial statements of Caisse Groupama Antilles-Guyane.

Coverage of the collection scope for each environmental and societal indicator

The coverage of the collection scope of each environmental and societal indicator is the ratio of the number of FTEs of entities having provided information validated by the Internal Communication and CSR Department for this indicator to the total

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Declaration of Extra-financial Performance

number of FTEs of the combined scope. The FTE figures as of 30 November 2021 were provided by the Group HR Department.

(b) Indicators

Selection of indicators

As of this year, the Group has chosen to select 14 key performance indicators related to the main risks relating to social, societal, environment and climate change, anti-corruption and anti-tax evasion, and policyholder data protection aspects. The objective of these indicators is to monitor the commitments made by the Group and to meet the regulatory requirements.

On the aspects of risk analysis, only companies operating in France were taken into account in this first exercise in the "DEFP" format.

Reference sources and definitions of indicators

The indicators collected and published in the CSR section of the management report were developed in accordance with Article R. 225-105-1 of the Commercial Code and consistent with the guidelines of Groupama's CSR strategy.

A Group Reporting Reference Standard in effect since fiscal year 2010 is updated each year. It clarifies the rules for collection, explains the operation of the software, and specifies in particular the scope taken into account.

The list of collected environmental indicators as well as the methods for calculating these indicators are defined in a glossary of definitions updated each year. The methods for calculating CO₂ emissions are also defined in this Reference Sources and carried out subsequently by the Internal Communication and CSR Department. The emission factors used come from the ADEME carbon database and are updated each year.

The collection of societal indicators is also based on a glossary of definitions updated for each reporting period and made available to employees before each new campaign.

Information on respect for animal protection and responsible, equitable, and sustainable food, and the fight against food insecurity is excluded from the DEFP because it is not relevant to Groupama's business and to actions to promote the practice of physical and sports activities.

(c) Reporting Period

The reporting period was determined in order to be able to meet the deadlines for verification and publication of the disclosures required by Article R. 225-105-1 of the Commercial Code.

Thus, the societal and environmental indicators have been collected since 2012 on a rolling year basis, from 1 November N-1 to 31 October N. When it is impossible to obtain data for this period, an extrapolation by pro rata or an estimate (according to the methods defined by the reporting framework or in line with the values of previous years) can be made and the method used is specified by the contributors.

It should be noted that two of the societal and environmental indicators are collected by calendar year: the Centaure Centre indicator and the responsible investment data.

As regards social information, it is collected over a calendar year. Information related to absenteeism is reported on a rolling-year basis from December 2020 to November 2021.

(d) Data collection, consolidation, and control procedures

Data collection

The information published in the management report, which is included in Groupama Assurances Mutuelles' "URD" document, is collected through contributions from the Group's network of DEFP correspondents.

The list of contributors to the DEFP is updated each year before the start of the campaign and training in the use of the SCOOP tool (the Enablon collection software) and in the DEFP process in general is offered by the Internal Communication and CSR Department to contributors where appropriate.

Most of the environmental and societal data are reported by the entities concerned through SCOOP, which is fully dedicated to the CSR DEFP within the Group. Social data are collected from several data sources depending on whether they involve:

- › French or international companies;
- › consolidated or non-consolidated indicators;
- › indicators concerning data or populations managed or not in the corporate information systems;
- › indicators that can be produced from data reported each monthly in a group infocentre called SIPGRH (see below), only for certain French companies.

Certain environmental and societal data, due to their specificity or for practical reasons, are collected directly from the correspondents or departments concerned by the Internal Communications and CSR Department.

The Système d'Information et de Pilotage Groupe de Ressources Humaines (SIPGRH or Human Resources Group Steering and Information System) is the only HR database at the group level. This infocentre is populated each month and contains 99.6% of the individual data of Group employees in France and 94% of the individual data of the Group including the international subsidiaries.

Regarding the France scope, SIPGRH is populated each month with individual data of approximately 97% of the Group's employees coming from the personnel administration systems of the French companies and every quarter for the other French companies.

Given that the transmission and control of these indicators by a third-party organisation are new obligations, the CSR data collection process changes each year to take account of recommendations made by the statutory auditors, improve the quality of the transmitted indicators and increase the reliability of the published data.

A datahub was implemented to securely collect individual information for small French structures and international subsidiaries. Each quarter they submit their file of data, which are formatted and verified in real time (when uploaded to the datahub), to comply with the existing management rules in SIPGRH. Once all verifications have been completed, the companies use the connection to send the file to the Group HR Department, which transfers it after validation for loading into SIPGRH along with the other monthly files.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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The data from all companies are available in a single environment, SIPGRH, and the Group HR Department can use a single tool to work with reliable, standardised data for the entire Group (or almost, as Asia is not involved).

It should be noted that around only twenty individual pieces of data are now taken into account for these companies: these are mainly contractual data particularly for monitoring staff and movements.

However, certain data or populations (disability, agents/general agents, temporary workers, etc.) are not systematically present in the infocentre. In such cases, the corresponding indicators are requested from the companies using an Excel model sent by email at the end of the year. The same is true for consolidated indicators, such as the number of work-related accidents and those related to training.

Concerning the professional training indicators and for the companies within the scope of management of the LMS community training tool (deployed with the Group companies), they are determined centrally by Group Training sector. For other French companies and International companies, they are included in the Excel templates. These three indicators are as follows:

- › employees trained by gender and by category;
- › training hours by gender and by category;
- › costs of training.

Consolidation of data

Consolidation is done at the Group level by the Internal Communications and CSR Department. Environmental and societal data are consolidated using SCOOP (Enablon) dedicated to the Group.

Control of data

Environmental data: SCOOP includes automatic consistency checks to avoid input errors. It also allows source files to be attached and explanatory comments to be inserted. Each correspondent in the Company checks the entered data before consolidation. The Internal Communication and CSR Department conducts a second level of data control. Identified inconsistencies and errors are reviewed with the companies concerned and corrected where appropriate.

Social data: checks are made by the SIPGRH Project Owner of the Group HR Department each month at the time of the loadings. Functional tests are also carried out to ensure the consistency of the results relating to staff and staff movements (headcounts for month N = headcounts for N-1 – departures for the month + entries for the month).

In addition, comparisons are made over time between the work carried out by the companies and the work of the Group HR Department on the basis of the social reports, particularly that group together a number of significant indicators.

And, at the time of completion of the work specific to CSR, the data for year N are compared with those for year N-1 by the Studies sector of the Group HR Department.

After consolidation of an indicator, the final total value and the ratio per FTE are compared with those of the reporting of the previous year.

(e) Details on the definitions and methods of calculation of indicators

Details on the calculation of CO₂ emissions

CO₂ emissions are published according to the three scopes defined by the GHG Protocol and according to the operational control consolidation method, as detailed below:

- › scope 1, direct emissions related to consumption of gas and fuel oil and business travel in land vehicles owned by the Group's entities;
- › scope 2, indirect emissions related to consumption of electricity, heat and chilled water;
- › scope 3, other indirect emissions related to business travel by air, train, and land vehicles not owned by the entities (leased vehicles, reimbursement of mileage costs).

The emission factors were updated for the 2020 DEFP using the ADEME carbon database. The factors take into account emissions related to simple combustion and not upstream of production. A few clarifications for certain emission factors:

- › for electricity, the emission factors used for entities present in the overseas departments and territories were calculated as follows using the ADEME database: for GOM Antilles (included in Groupama Antilles-Guyane), the average between the emission factors of Guadeloupe and Martinique;
- › for consumption of steam and chilled water, the Internal Communication, and CSR Department used an average of the various factors provided by ADEME for the cities in which Groupama is located;
- › for travel by plane, the Internal Communication, and CSR Department used the emission factor of a trip of average capacity and average distance (100 to 180 seats and 2,000 to 3,000 km). The ratio used to convert expenditure in euros to km is 0.11 (ADEME);
- › for travel by train in France, the emission factor used by the Internal Communication and CSR Department was the average of the large train line in France, which takes upstream emissions into account, given that it was not possible to differentiate for the other countries. The ratio used to convert expenditure in euros to km is 0.16 (ADEME).

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Declaration of Extra-financial Performance

Details on the calculation of the rates contained in the social data

- › absenteeism rate in France = Number of working days of absence/[average monthly headcount of permanent contracts and fixed-term contracts * (number of working days paid under a contract, *i.e.*, 262 working days)]. Groupama Life Express data are not included in this calculation;
- › accident frequency rates = number of workplace and commuting accidents with work stoppage * 1,000,000/annual theoretical hours worked;
- › accident severity rates = (working) days lost for workplace and commuting accidents with work stoppage * 1,000/annual theoretical hours worked.
- › the number of sick leave days does not include long-term illnesses;
- › training rate: for this calculation, the workforce of companies that did not report information (GOM, Groupama Life, SPSE) were excluded.

Details on prevention missions

Since 2016, the indicator no longer covers a number of mission days but a number of missions, to facilitate the accounting of missions by the companies.

Details on the calculation of GDPR training rates

This indicator was introduced in 2020. It is equal to the number of GDPR training events completed / number of newcomers in year N.

Data on RI/SRI assets

Criteria for definition of funds:

- › a prerequisite: portfolios must systematically integrate the consideration of Sustainability Risks. We distinguish between: 2 types of risks;
- › “ESG Major Risks”: this type of risk, particularly controversial risks, has been monitored by our teams since 2014;
- › at the same time, portfolios must comply with the coal exclusion policy introduced in 2019 and made progressively more demanding;
- › a dedicated committee, chaired by GAM’s Risk Director, verifies compliance with these constraints.

Beyond these requirements, portfolios classified as Article 8 or 9 by the SFDR (Sustainable Finance Disclosure) regulation are considered as ESG assets:

- › assets under management classified as Article 8 correspond to products which promote environmental and/or social characteristics. In particular, we find 26 of our 27 SRI public label funds in this category, as well as a France Relance label fund;
- › assets under management classified as Article 9 correspond to products with a sustainable investment objective. This is a very restrictive requirement at Groupama Asset Management: only portfolios that invest significantly in green bonds are classified in this category. In this category, we find a fund with the public SRI label and a fund with the GreenFin label.

3. REPORT OF THE INDEPENDENT THIRD-PARTY ORGANISATION ON THE DECLARATION OF EXTRA-FINANCIAL PERFORMANCE

Report of the independent third-party organisation on the verification of the consolidated declaration of extra-financial performance contained in the management report

(Fiscal year ended 31 December 2021)

Mazars

61, rue Henri Régnauld

92075 La Défense cedex

Dear Members,

In our capacity as an independent third party, member of the Mazars network, auditor of Groupama Assurances Mutuelles, accredited by COFRAC Inspection under number 3-1058 (scope of accreditation available on www.cofrac.fr), we have performed work designed to provide a reasoned opinion expressing a moderate assurance conclusion on the historical information (observed or extrapolated) of the consolidated statement of extra-financial performance, prepared in accordance with the entity's procedures (hereinafter the "Standards"), for the year ended 31 December 2021 (hereinafter the "Information" and the "Statement" respectively), presented voluntarily in the management report with reference to the provisions of Articles L. 225-102-1, R. 225-105, and R. 225-105-1 of the French Commercial Code with reference to the provisions of Article L. 310-1-1-1 of the French Insurance Code which refers to Article L225-102-1 of the French Commercial Code.

CONCLUSION

Based on the procedures we implemented, as described in the "Nature and scope of the work" section, and the information we collected, we did not identify any material misstatements liable to call into doubt the fact that the declaration of extra-financial performance is consistent with the applicable regulations and that the Information, taken as a whole, is presented fairly and in accordance with the reference framework.

PREPARATION OF THE DECLARATION OF EXTRA-FINANCIAL PERFORMANCE

The lack of a generally accepted and commonly used framework or established practice on which to base the assessment and measurement of information allows for the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

Therefore, the information must be read and understood with reference to the reference source, the significant elements of which are presented in the Declaration.

LIMITATIONS INHERENT IN THE PREPARATION OF INFORMATION

The information may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Declaration.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Report of the independent third-party organisation on the declaration of extra-financial performance

RESPONSIBILITY OF THE COMPANY

It is the responsibility of the Board of Directors to:

- › select or establish appropriate criteria for the preparation of information;
- › The Board of Directors is responsible for preparing a Declaration in reference to the legal and regulatory provisions, including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies implemented to address these risks, and the results of these policies, including key performance indicators and the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- › and implement such internal control as it determines is necessary to enable the preparation of information that is free from material misstatement whether due to fraud or error.

The Declaration has been prepared by applying the entity's reporting framework as mentioned above.

RESPONSIBILITY OF THE INDEPENDENT THIRD-PARTY ORGANISATION

On the basis of our work, our responsibility is to provide a reasoned opinion expressing a conclusion of moderate assurance regarding:

- › the compliance of the Declaration with the provisions of Article R. 225-105 of the French Commercial Code;
- › the truthfulness of the historical information (actual or extrapolated) provided in reference to Article R. 225-105 I, 3° and II of the French Commercial Code, *i.e.* the results of policies, including key performance indicators, and actions relating to the main risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information, as this could compromise our independence.

It is not our role to comment on:

- › compliance by the entity with other applicable laws and regulations (in particular with regard to the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy), the vigilance plan and the fight against corruption and tax evasion);
- › the truthfulness of the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- › the compliance of products and services with applicable regulations.

REGULATORY PROVISIONS AND APPLICABLE PROFESSIONAL DOCTRINE

Our work described below was carried out in accordance with the provisions of Articles A. 225 1 *et seq.* of the French Commercial Code, the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this intervention in lieu of an audit programme, and the international standard ISAE 3000 (revised).

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the Code of ethics of our profession as statutory auditors. In addition, we implemented a quality-control system that includes documented policies and procedures to ensure compliance with applicable laws and regulations, ethical rules and the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this activity.

MEANS AND RESOURCES

Our work mobilised the skills of six people and took place between October 2021 and March 2022 over a working period of 10 weeks.

We conducted around ten interviews with the people responsible for preparing the Declaration, representing in particular the CSR, investment, logistics, technical studies, marketing, and customer distribution, and Human Resources Departments at the head office, and the general and institutional secretariat, HR and General Services Departments at the regional mutuals.

NATURE AND SCOPE OF WORK

We planned and performed our work taking into account the risks of material misstatement of the Information.

In our opinion, the procedures we have carried out in the exercise of our professional judgment enable us to provide a moderate level of assurance:

- › we took note of the activity of all the entities in the scope of consolidation and the statement of main risks;
- › we assessed the appropriateness of the Reference Source in view of its relevance, completeness, reliability, neutrality, and understandability, taking into consideration, where appropriate, the best practices of the sector;
- › we verified that the Declaration covers each category of social and environmental information set out in Article L. 225-102-1-III of the French Commercial Code;
- › we verified that the Declaration presents the information required under Article R. 225-105 II where relevant in view of the main risks and, where appropriate, includes an explanation for the absence of the information required by the 2nd paragraph of Article L. 225-102-1 III;
- › we verified that the Declaration presents the business model and a description of the main risks associated with the business of all the entities in the scope of consolidation, including, where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, actions, and results, including key performance indicators associated with the main risks;
- › we consulted documentary sources and conducted interviews to:
 - assess the process used to select and validate the main risks and the consistency of the results, including the selected key performance indicators, in view of the main risks and policies presented, and
 - corroborate the qualitative information (actions and results) that we considered the most important presented in Appendix 1. For certain risks (failure in the key moments of the customer relationship lifecycle, lack of advice, failure to take account of the environmental / climate factor in investments, taking into account the environment and climate in the offerings and the subscription policy), our work was carried out at the level of the consolidating entity; for other risks, work was carried out at the consolidating entity level and in a selection of entities;
- › we verified that the Declaration covers the consolidated scope, *i.e.* all the entities included in the scope of consolidation in accordance with Article L. 233-16, within the limits specified in the Declaration;
- › we took note of the internal control and risk management procedures implemented by the entity and assessed the data collection process to ensure the completeness and truthfulness of the information;
- › for the key performance indicators and other quantitative results that we considered to be the most important presented in Appendix 1, we implemented:
 - analytical procedures to verify the proper consolidation of the collected data and the consistency of their changes,
 - substantive tests using sampling techniques or other means of selection to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was performed on a selection of contributing entities and covers between 20% and 100% of the consolidated data selected for these tests;
- › we assessed the overall consistency of the Declaration with our knowledge of all the entities in the scope of consolidation.

The procedures performed for a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional doctrine of the Compagnie nationale des commissaires aux comptes; a higher level of assurance would have required more extensive audit work.

Drawn up in Paris La Défense on 18 March 2022

Independent third party

Mazars SAS

Jean-Claude Pauly

Partner

Edwige Rey

CSR & Sustainable Development Partner

APPENDIX 1

Qualitative information (actions and results) on the main risks

- › Employability/skills adaptation;
- › “Working well together”;
- › Equality;
- › Quality of advice;
- › Customer satisfaction;
- › Protection needs (coverage of societal issues);
- › Policyholder data protection;
- › Consideration of the environment and climate in investments;
- › Consideration of the environment and climate in offerings and underwriting policy;
- › Prevention of corruption, influence peddling, and tax evasion;
- › Anti-money laundering and combating the financing of terrorism (AML/CFT).

Audited entities and quantitative indicators including key performance indicators

Topic	Indicator
Employability/Skills adaptation	Rate of employees trained
“Working well together”	Absenteeism rate
Equality	Rate of female senior executives
	Rate of female executives
Protection needs (coverage of societal issues)	Rate of external (customers or non-customers) and internal individuals made aware of prevention actions
Business ethics (corruption prevention training; AML/CFT training)	Rate of employees trained using e-learning in ethics and the fight against corruption
	Number of employees trained in the fight against money laundering (awareness raising)
Customer satisfaction	Score out of 20 points on relationship-based criteria
	Claims management: Rate of “Satisfied” and “Very Satisfied”
“Sound advice” (Quality of advice)	Rate of business in delegated or recommended management
Consideration of the environment and climate in investments	Rate of assets managed with ESG criteria
Consideration of the environment and climate in offerings and underwriting policy	Rate of change in the number of “infrequent driver” policies
Adaptation to climate change	› Rate of change in the Group’s carbon emissions
	› Business travel (vehicles, train, air)
	› Energy consumption (electricity, gas, fuel oil, heat, chilled water)
	› Greenhouse gas emissions
Policyholder data protection risk	Rate of new employees trained in GDPR