



INTERVIEW OF THE LEADERS

INTERVIEW WITH JEAN-YVES DAGÈS, CHAIRMAN AND THIERRY MARTEL, CHIEF EXECUTIVE OFFICER

WHAT IS YOUR ASSESSMENT OF 2021?

Thierry Martel: Despite the health crisis, the economy bounced back in 2021, with a historically low level of corporate defaults, lower unemployment, a reversal in the downward trend in interest rates, and a buoyant stock market. Our Group demonstrated remarkable stability throughout this period of radical change.

Jean-Yves Dagès: In climate terms, 2021 saw an unprecedented frost event. We responded to growing climate hazards by working collectively with others to radically reform agricultural insurance. From 1 January 2023, a universal crop damage compensation scheme will enter into force within a public private partnership between the French State, insurers, reinsurers and farmers.

WHY IS THIS REFORM SO IMPORTANT?

JY.D: It will help us achieve food sovereignty and adapt to climate change, which is also important strategically, as shown by recent events. The State has earmarked €600 million a year for insurance subsidies and coverage in the event of exceptional losses. A co-reinsurance group will enable insurers to pool risks and set natural premiums at a fair rate for each crop and region. The crop insurance leader, Groupama was the driving force behind these developments and will help farmers implement the reforms.

“Our mutualist commitment is firmly focused on the future”

JEAN-YVES DAGÈS

WHAT RESULTS DID THE GROUP POST IN THIS CONTEXT?

T.M: We posted strong growth with a sharp rise in premium income of 7.5%, a net income of €493 million, up 175.5%, and good solvency indicators. The Group’s financial strength was highlighted by Fitch Ratings, which affirmed Groupama’s ‘A’ rating and upgraded the outlook to “Positive”. We also demonstrated our financial flexibility, successfully issuing our first green bonds.

JY.D: We performed well thanks to the efforts of our employees who adapted to these changes, in-person and remotely, and we are incredibly grateful to them. They continued to provide close support to our members by answering their many calls and taking local action throughout the year.

WHAT CHALLENGES DO WE FACE IN 2022 AND BEYOND?

JY.D: The war in Ukraine, its devastating impact on civilians and its macroeconomic consequences, notably on rising inflation - a factor since September 2021 - are concerning. In farming terms, livestock breeders and farmers are already feeling the pinch on a daily basis.

T.M: We are also driving transition on multiple fronts. One crucial challenge, I would say, is the digital transition, which adds cybersecurity risks. The Group is investing heavily in digitalisation to achieve seamless and personalised customer relations and improve the employee experience at each key stage. We are also a leading actor in the equally important energy and climate transition.

JY.D: As part of our response to these challenges, we produced a revised CSR strategy for the years ahead, which was approved by the board of directors in December 2021. It is consistent with the Group’s corporate purpose - **enabling as many people as possible to build their lives with confidence** - that cements our humanist values and underpins our commitment to providing local support in order to build a resilient society by protecting people and anticipating risks as best as possible. At Groupama, this is something we have always done, as a mutual insurer, through a network of elected members unrivalled in its strength and density and highly active in the regions, both for prevention and mutual assistance.

COULD YOU TELL US MORE ABOUT YOUR CSR STRATEGY?

T.M: It is a sincere, action-oriented strategy that underpins an economic model for sustainable growth. It focuses on three core areas: our relationship with our members and customers, which is people-centred, proactive and responsible; the transition and development of protection solutions to drive social change; and our desire to make an active contribution to local life. This strategy also includes two pillars: sustainable finance and our exemplary approach to our carbon footprint and commitments as an employer.

JY.D: Each entity has adopted this strategy, which applies to all our actions. It was developed in parallel with our mutual momentum and its 2022 national action plan, which will allow us to beef up our existing tools. The first major survey of our members in 2021 took all these factors into account. The survey gave insight into Groupama’s mutual model and what drives the commitment of our members. We are planning to canvas eligible members with a view to creating a mutual assistance community able to provide support in the event of a crisis. Our mutualist commitment is firmly focused on the future.

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THIERRY MARTEL