



A PURPOSEFUL
MUTUAL
INSURANCE
GROUP

PRESS RELEASE

7 avril 2022

2021: COVEA SUCCESSFULLY PURSUES ITS STRATEGIC TRAJECTORY

- Earned premiums amounted to **€19.1 billion**, up strongly year on year (**14.7%**), boosted by:
 - Solid **commercial momentum** underpinned by the **trust of Covéa's 11.6 million customers and members**.
 - A substantial development **towards reinsurance**.
- **Significant progress in technical and financial income**, contributing to an increased net income of €838 million (up €423 million) after 2020 was impacted by a high level of claims and supportive measures taken in the context of the pandemic.
- **Solid financial position**, with €17.2 billion in equity and a solvency ratio of 351%.

"In 2021, Covéa successfully pursues its strategic trajectory.

The Group further expanded its operations across all its markets, building up strong commercial momentum in non-life insurance, bouncing back in life inflows, and notching up solid growth in reinsurance.

Our teams once again demonstrated their professionalism and ability to innovate, for example by deploying an AI tool for the Motor repairers' network which encourages repair rather than replacement of parts. We also helped to enhance understanding around the impact of climate change on people's homes in France by harnessing our advanced modelling tools and the unique scope of our portfolio.

These efforts further bolster the support we offer our policyholders and society as a whole, as we assist them through the transformations under way by continuously improving our digital interfaces while also maintaining an extensive physical presence across the regions.

The acquisition of PartnerRe initiated in 2021 aligns with our positioning as a leading risk management company. This investment in a global reinsurer will enable us to harness comprehensive analysis capabilities to stay at the cutting edge of emerging risks. Furthermore, it will allow us to better serve our customers and members, as well as strengthen our solidity by leveraging a larger risk pool, which will be of benefit to all.

The Group is solid, leveraging on robust technical and financial fundamentals. It has proved its ability to absorb the shocks of crises while constantly supporting its customers and members.

Our 2022-2024 strategic plan, Growing Together, will enable us to expand our actions all throughout the risk chain."

Thierry Derez, Chairman and Chief Executive Officer

Activities:

Earned premiums totalled **€19,064 million**, up **14.7%** from €16,622 million at 31 December 2020.

<i>In € million</i>	2021	2020
Property and casualty insurance and reinsurance	10,053	9,560
Life, health and protection insurance and reinsurance	7,057	5,169
Total insurance and reinsurance – French entities	17,111	14,729
Total insurance – international entities	1,953	1,893
Total insurance and reinsurance activities	19,064	16,622

Activities of French entities:

Earned premiums from **property and casualty insurance and reinsurance** rose **5.2%** to **€10,053 million**.

- Earned premiums **from personal lines** totalled €5,929 million, up 3.3% on 31 December 2020. Premiums from motor insurance grew 4% on 2020, a year that was affected by premium rebates granted to customers as a result of the pandemic. Earned premiums from home and other personal risk insurance increased 1.9%.
- Earned premiums in the **commercial lines market** amounted to €3,542 million, up 7.8% on 31 December 2020, buoyed in particular by increases in the construction and ICSPL¹ markets.
- Earned premiums in the **legal protection** market rose 3.8% to €265 million, driven primarily by growth in the policy portfolio.
- Earned premiums from **international reinsurance** rose 22.7%, mainly in property damage, underpinned by continuously expanding business relations and increasing deployed capabilities mostly in Europe, Asia and Israel.

Earned premiums from **life, health and protection insurance** grew **36.5%** on the year to **€7,057 million**:

- In **health and protection**, earned premiums were up 4.6%, driven by both markets where premiums rose 3.6% and 6.7%, respectively. The Group continued to develop operations in group insurance with premiums up 8.9% to €811 million. Individual policy premiums rose 2.5% to €1,581 million, primarily supported by the protection market.
- **In savings**, the Group continued to grow unit-linked policies, with gross inflows up 37.5%. Gross inflows from euro-denominated policies rose 7.3% year on year. Premiums from the **pensions** market soared 77% after launching the PER pension savings plan in the first half of 2020. Overall, unit-linked policies accounted for a greater proportion of total inflows, representing 25.3% at 31 December 2021, compared with 20.5% the previous year.
- Premiums from **life and health reinsurance** totalled €1,489 million at 31 December 2021, driven by underwriting treaties with Scor Life Ireland and Scor Global Life Reinsurance Ireland, as well as a strong growth in historical business where premiums were up 42.6%.

¹ ICSPL: Industry, retail, services and independent professionals.

Activities of international entities:

Earned premiums from **international subsidiaries** totalled **€1,953 million**, representing 10.2% of the Group's premiums at 31 December 2021. The 3.2% increase in premiums stems from business development in the United Kingdom and the rise in gross inflows in unit-linked policies in Italy.

Results:

At 31 December 2021, net income (Group share) totalled **€838 million** compared with €415 million the previous year.

<i>In € million</i>	2021	2020	Change
Net income (Group share)	838	415	+423
Of which French entities	795	491	+304
Of which international entities	43	(76)	+119
Average investment² yield	2.2%	1.9%	+0.3pp
Group combined ratio	97.1%	100.8%	-3.7pp
French entities insurance and reinsurance combined ratio	97.4%	100.0%	-2.6pp

Results of French entities:

- Non-life insurance recorded a substantial increase in earnings, boosted by the technical performance, much improved on 2020, which was impacted by measures put in place by the Group to support its policyholders and by the contractual coverage provided notably in respect of business interruption losses. 2020 was also marked by lower frequency in the motor market and delayed healthcare interventions: in 2021, current claims bounced back close to 2019 levels. The financial performance throughout the year also served to boost income.
- Earnings from **life insurance** also grew on 2020 primarily as a result of the increase in net financial income generated over the year.
- In 2021, **non-life and life reinsurance** was affected by the exceptional expenses incurred due to the bad weather in central Europe and the integration of the risk of an increase in death benefits claims following the pandemic.

Results of international entities:

International entities saw a rebound in earnings in 2021, both in the United Kingdom, which was hit by the pandemic in 2020, and in Italy, in a context of good financial results.

² Investments from insurance and reinsurance companies, as well as investments from other undertakings, excluding bank accounts

Balance sheet:

<i>In € billion</i>	2021	2020
Group equity	17.2	16.4
Investments³ (realisable value)	114	112
Unrealised capital gains	13.1	14.4
Solvency ratio	351%	394%

Ratings:

Following the announcements regarding the acquisition of PartnerRe:

- **S&P Global Ratings** affirmed its 'AA-' long-term insurer financial strength and issuer credit ratings on Covéa Coopérations and its core and guaranteed subsidiaries. The outlook remains stable.
- **Moody's Investors Service** affirmed the Aa3 insurance financial strength rating of Covéa Coopérations. The outlook is stable.
- **A.M. Best** has placed under review with positive implications the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of "a+" (Excellent) of Covéa Coopérations.

Outlook:

The Group is deploying its new **2022-2024 strategic plan, "Growing Together"**, which draws on its three core values of **leadership**, based on the professionalism of its staff and supporting profitable growth, **transformation**, particularly in its digital and distribution activities, and **responsibility** with regard to its customers and members, its employees, and more generally all of its stakeholders.

The Group will also focus in 2022 on **finalising the acquisition of PartnerRe** and integrating it into its key processes.

The financial statements⁴ will be put to the General Meeting for approval on 28 June 2022.

³ Including operating property.

⁴ The combined financial statements were authorised for issue by the Board of Directors on 6 April 2022 and are subject to the completion of the audit procedures by the Statutory Auditors.

About Covéa

A French mutual insurance group, Covéa is a leader in property and liability insurance and protects one in three French households thanks to its 21,000 employees in France, who are committed to serving 11.6 million policyholders every day. With its three brands MAAF, MMA and GMF, Covéa is a solid and dynamic financial player. The Covéa group is also present internationally.

Press contact

presse@covea.fr

LinkedIn • Twitter • YouTube

covea.eu

This document is a free translation of the original French document, available on the Group website, and is provided for information purposes only. The original French version takes precedence over this translation.