



Annual Report **Macif SAM**



La Macif,
c'est vous.

2021

MACIF, TOGETHER

TOWARDS RELATIONAL EXCELLENCE

Top insurance company

**in France in terms of
number of Motor insurance policies in 2021**

Founded in 1960, Macif SAM is a committed and socially responsible mutual insurance company that places the economic project at the service of the human project.

Resolutely mutualist, it initially developed in the field of Property & Casualty insurance for individuals.

Today, Macif SAM is a global player that offers its members Property & Casualty (P&C) insurance, Health/Personal risk insurance and Finance/Savings. This multi-policy strategy enables it to support more than 5.6 million member-customers throughout their lives, offering them appropriate, useful solutions at the right price to cover all their needs.

With a *Raison d'être* formulated in 2020, "Protecting the present and enabling the future",

in 2021, Macif SAM launched a new strategic plan for 2021-2023 entitled "Ma (P)référence, ensemble vers l'excellence relationnelle", (My (P)reference, together towards relational excellence), which opens a new page in its history. It aims to achieve four major goals by 2023, to move from being the "key player" to the "go-to player" in the insurance sector:

- To be recognised by its members as the leader in customer relations;
- To be recognised by its employees as a benchmark employer, one that is responsible and trustworthy;
- To be a committed player in major societal causes, in total coherence with our mutualist DNA and by mobilising the strength of the Macif group around three major causes: young people, the vulnerable and the environment;
- To become a leader in the mutualist world within the framework of Aéma Groupe.



Philippe Perrault

CHAIRMAN OF MACIF SAM
AND VICE-CHAIRMAN OF AÉMA GROUPE

The birth of Aéma Groupe opened a new chapter for Macif in 2021: alongside Aésio and now Abeille Assurances, we protect 11 million people and today form a leading mutualist protection group on the French market.

2021 was also the pivotal year for the roll-out of **our new brand "La Macif, c'est vous."**, defined collectively by all our stakeholders, in line with our *Raison d'être*. This democratic and resolutely mutualist approach reflects **our inalienable values of transparency and sincerity**.

Our values also include **solidarity and commitment**: this year, Macif has particularly supported **young people**, with exceptional financial aid for the students most affected by the crisis. And because employment is crucial for young people, we have **maintained our recruitment efforts** and created **our own Apprentice Training Centre (CFA)**, with 200 work-study students integrated into the first class. Lastly, **during the Youth Parliament**, of which Macif was a major partner, 1,000 young people came together to reflect on the world of the future, which will be more egalitarian and respectful of the environment. It is on this **key issue of climate** that Macif, faithful to its commitment to major social causes, will focus on in 2022.

Jean-Philippe Dogneton

CHEF EXECUTIVE OFFICER OF MACIF SAM
AND DEPUTY CHIEF EXECUTIVE OFFICER P&C
AND LIFE OF AÉMA GROUPE

In a context still marked by Covid, 2021 was the year of the **launch of our strategic plan "Ma (P)référence"**, which sets us on the course towards relational excellence in 2023. We can be proud of the many projects carried out during this first year of implementation, and especially the roll-out of our new **brand "La Macif, c'est vous."** This new signature weaves a unique link between our roots and our future, with the simplicity and authenticity that have characterised Macif for 60 years.

We should also note the trust placed in us by our **79,000 new members** in 2021, and by the more than **500,000 policyholders** who responded to our major survey "How are you?". This is proof of the **proximity, attentiveness and solidarity that make Macif stand out**.

These successes and development opportunities give us confidence in the future, which we are now writing within Aéma Groupe. **Our membership of this leading mutual group and our strategic plan are our best assets to meet the challenges of tomorrow.**

In a context where war has entered Europe, we will have to respond, with the mutualist solidarity that forms us.



PART OF AÉMA GROUPE, A LEADING MUTUAL INSURANCE GROUP IN FRANCE

Macif is part of Aéma Groupe, which was created in January 2021 through the merger of the Aésio and Macif groups, which decided to combine their brands, businesses and expertise to become the leading mutual insurance group in France. It is the expression of an ambition shared around an ideal of social utility and humanist values aimed at offering comprehensive and accessible protection to all French people. The Group's strength lies in the complementary nature of its businesses, brands and networks.

With the integration of Aviva France (now Abeille Assurances) in September 2021, Aéma Groupe has become, in less than a year, a major player in protection in France. It is the fifth largest insurance company in France and is strengthening its position in all areas of protection to better support its community of 11 million policyholders (individuals, professionals, self-employed people, companies).

Resolutely mutualist, every day Aéma Groupe imagines the contours of a fairer and more human sustainable world by placing prevention at the heart of its model. Faced with the scale of health, social and environmental risks, insurance is more than ever in demand. In this context, the Group is now a major player in the public debate on issues of protection of property and people and has more resources and strength to innovate for its policyholders and thus build the protection of tomorrow.

Aéma Groupe has 18,000 employees and more than 1,800 members throughout France.



Pascal Michard

CHAIRMAN OF AÉMA GROUPE

The creation of Aéma Groupe is the concrete expression of our ambition to build a leading mutualist group to design the future of protection. Aéma Groupe's business model is underpinned by solidarity, sustainability and responsibility, and is adapted to the needs and expectations of the men and women who place their trust in us. Together we are stronger to promote an exacting approach to mutual insurance, combining technical excellence with social value.

Adrien Couret

CHIEF EXECUTIVE OFFICER OF AÉMA GROUPE

In 2021, we built a new business model, based on cooperation, respect and the preservation of the identities that make up the Group. An open, multi-brand, multi-network and multi-business group to meet the new protection needs of our 11 million policyholders. With Aéma Groupe, we illustrate how diversity, which also shapes our identity, is a great strength and considerable asset when facing the new challenges within our sector.



CONTENTS

01	MANAGEMENT REPORT	9
1.1	Overview of Macif SAM and its key figures	10
1.2	Context for the P&C insurance market	12
1.3	Significant events	15
1.4	Activity and results	19
1.5	Investments and financial results	21
1.6	Summary of financial statements and results	23
1.7	Other information	25
1.8	Subsequent events	26
1.9	Outlook	27
1.10	Conclusion	28
02	MACIF SAM CORPORATE FINANCIAL STATEMENTS	31
2.1	Corporate Financial Statements	33
2.2	Statutory Auditors' reports	61
03	COMPANY GOVERNANCE	69
3.1	The Board of Directors	70
3.2	Specialised committees	71
3.3	The commissions	73
3.4	The compensation policy	74
3.5	General Management – Executive Officers	75



01

MANAGEMENT REPORT

1.1	Overview of Macif SAM and its key figures	10
1.2	Context for the P&C insurance market	12
1.3	Significant events	15
1.4	Activity and results	19
1.5	Investments and financial results	21
1.6	Summary of financial statements and results	23
1.7	Other information	25
1.8	Subsequent events	26
1.9	Outlook	27
1.10	Conclusion	28

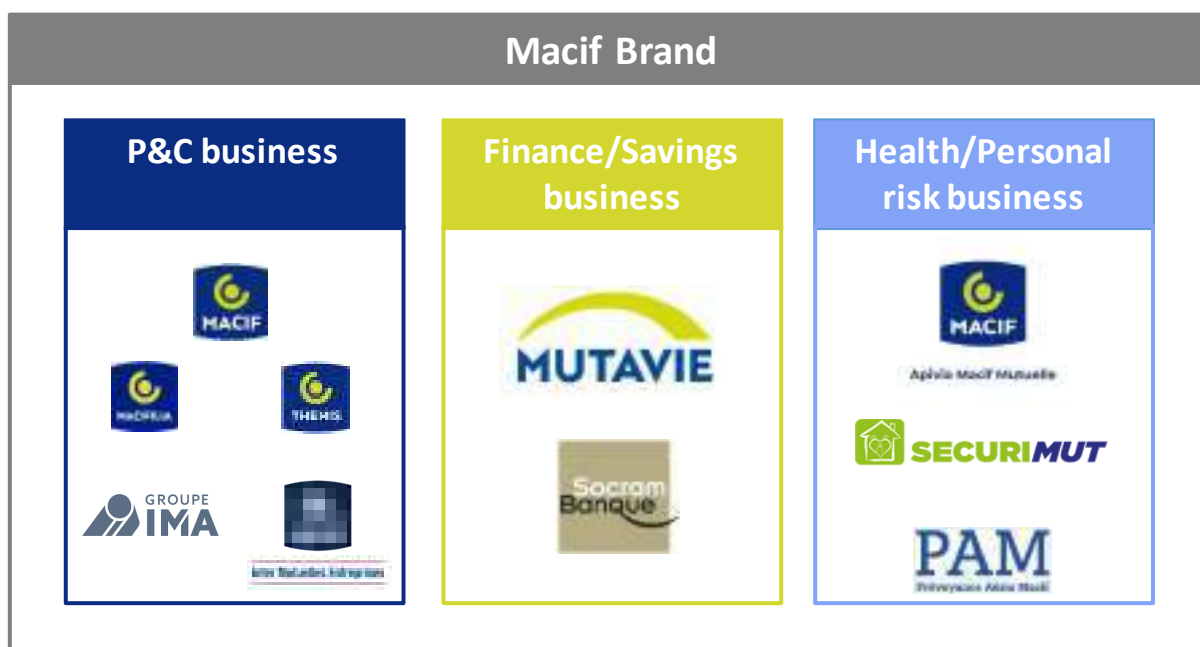
1.1 Overview of Macif SAM and its key figures

Macif (Mutuelle d'Assurance des Commerçants et Industriels de France) is a French mutual insurance company (Société d'Assurance Mutuelle – SAM) with variable premiums governed by the French Insurance Code.

It offers motor, home and accident insurance policies, and policies for small businesses and organisations in the Social and Solidarity Economy.

Macif SAM, which is affiliated with Aéma Groupe, is responsible for:

- The steering, production, management and performance of the P&C activities produced by Macif SAM and the Finance/Savings activities produced by Mutavie;
- The management of all distribution activities (notably P&C, Finance/Savings and Health/Personal risk) under the Macif brand.



PERFORMANCE



100.4%
COMBINED RATIO



€57 million
IN NET PROFIT



€9,139 million
IN AVAILABLE OWN FUNDS
Solvency II



284%
SOLVENCY RATIO
under Solvency II

REVENUE



€3.54 billion
IN REVENUE



MOTOR INSURANCE
€2,175 million



HOME INSURANCE
€951 million



ACCIDENT COVER
€331 million

DEVELOPMENT



5.667 million
Macif brand MEMBER-CUSTOMERS
of which 5.314 million Macif SAM members



15.5 million
POLICIES

QUALITY OF SERVICE AND CUSTOMER LOYALTY



8,924
EMPLOYEES



81.3%
P&C satisfaction rate

1.2 Context for the P&C insurance market

1.2.1 GLOBAL ENVIRONMENT: PUBLIC HEALTH CRISIS STILL ONGOING

Just like in 2020, the Covid-19 pandemic left its mark on 2021.

As the year began, the world experienced a resurgence of infections as the latest variants spread. In Europe, new restrictions were quickly introduced as vaccination campaigns struggled to pick up speed. It was not until June that the health restrictions were gradually lifted. A stimulus package was approved by the European Union at the end of May and was implemented quickly, with member countries receiving the first payments of €750 billion in July.

In the US, however, the vaccination campaign was actively pursued, improving the outlook for economic recovery. This was helped by a \$900 billion stimulus package ratified at the very end of 2020 and a second \$1,900 million package adopted in March.

In September, despite the vaccine, the resurgence of the pandemic once again cast doubt on the global economic recovery. The pace of growth appeared to be slowing in the US and China, and the dramatic rise in inflation linked to soaring energy prices put pressure on the central banks' ultra-accommodative policies.

During the fourth quarter, measures were put in place to combat a new wave associated with the Delta and Omicron variants, raising fears of a slight deterioration in economic indicators.

However, the economic rebound was bolstered in 2021 by estimated global growth of 5.9%, well above potential. In the second quarter, the US economy returned to its pre-health crisis, February 2020 level.

France, meanwhile, took the lead in the euro zone, returning to its pre-health crisis level by the third quarter and achieving growth of 7% for the year.

On both sides of the Atlantic, the unemployment rate fell sharply during the year. In the US, it stood at 3.9% at the end of 2021, compared with 6.7% at the end of 2020, and in the euro zone it reached 7.0% at the end of December 2021, compared with 8.2% at the end of 2020.

As expected, economic recovery put pressure on prices. Inflation rose sharply first in the US and then in Europe. These inflationary pressures are the consequence of strong demand linked to the upturn in activity but with supply that could not keep up, leading to shortages in certain sectors, as well as the rise in energy prices. Inflation rates reached levels not seen for several years. In the United States, it stood at 7% in December, its highest level for 40 years. In the euro zone, it stood at 5% in December, a 25-year high.

On the strength of the economic recovery, the US Federal Reserve announced the start of tapering (scaling back asset purchases on the financial markets) and its intention to raise its key interest rates from 2022, thus beginning a monetary tightening programme.

The ECB, on the other hand, maintained a cautious stance, confirming at year-end that the Pandemic Emergency Purchase Programme (EPPP) would come to an end in March 2022, while announcing the strengthening of its Asset Purchase Programme (APP) in 2022.

1.2.2 FINANCIAL MARKETS: ALL-TIME HIGHS

After a historic recession in 2020 brought on by the health crisis, 2021 was a year of strong economic rebound.

After a sluggish start to the year in response to the health crisis, the equity markets rebounded in February, largely supported by the various stimulus plans, the acceleration of vaccination campaigns, and the publication of better-than-expected corporate results for the fourth quarter of 2020. The situation in terms of the pandemic and the economy continued to improve in the second quarter.

However, in early summer, fears of a return of inflation, coupled with the spread of the Delta variant, triggered concerns about a new economic slowdown. Investors became cautious, which led to a deterioration in the financial markets. But in August, equity indices rallied,

boosted by a good corporate earnings season, an improving US job market and reassurance from the central banks.

Volatility returned in September following a surge in energy prices, raising fears of longer-lasting and higher-than-expected inflation. The prospects of an economic slowdown in the United States and China, and the risk that the Chinese property giant Evergrande might collapse, also weighed on the trend.

This phase of volatility nevertheless ended up being short-lived. By autumn, equity markets had recovered thanks to robust macro and micro economies. During November, the CAC 40 broke through 7,000 points for the first time in 21 years and even broke its all-time record on 17 November.

At the end of November, the appearance of the Omicron variant raised fears of coercive measures. However, investors were reassured by several scientific studies showing that this variant was less dangerous despite being more contagious. This led to a rally in the markets in the final month of the year. The year therefore ended with equity indices having turned in a solid performance. In France, the CAC 40 returned to its all-time highs, recording a gain of 28.9%, while at the European level,

the Euro Stoxx 50 rose by 21.0%. Across the Atlantic, indices also posted all-time highs. The S&P 500, the benchmark index for the US market, ended the year up 26.9%.

The French 10-year rate, which had started the year at -0.33%, ended the year at +0.10%, an increase of 43 basis points.

1.2.3 PROPERTY & CASUALTY INSURANCE MARKET

1.2.3.1 Health crisis affects Motor and Property markets

The health crisis that has been destabilising the economy since 2020 is naturally having an effect on the markets that generate flows for the insurance sector.

In particular, the new car market has suffered a sharp contraction compared to pre-crisis levels, with a drop in registrations since July. Over the year, the volume of new vehicles placed on the market is close to that of 2020, but stands at -27.5% compared to 2019. This situation is due in particular to a shortage of certain components, which is extending delivery times and limiting production.

However, buyers were able to fall back on second-hand vehicles, the volume of which exceeded 6 million transactions for the first time. Second-hand vehicles were up by 8% compared with 2020, and exceeded the flows observed in 2019 by almost 225,000 units.

The property market has also recovered, with the number of property sales comparable to that of 2019.

This upturn is mainly benefiting medium-sized towns, the outskirts of large cities and rural areas. This is undoubtedly an effect of the health crisis, changing French people's perception of their living environment. And the increase in property prices is no doubt related to this disenchantment with large cities, even if the increase in prices affects both large and medium-sized cities, with a record for coastal towns.

At the same time, households are extending the duration of their mortgages, encouraged by historically low rates averaging 1.06%.

French companies, supported by government aid, held up reasonably well during the period, with far fewer corporate bankruptcies than in 2020 and especially 2019 (a decline of 11.9% and 46.1% respectively). At the same time, new business start-ups have strengthened in comparison with previous years, with an increase in the number of "micro-enterprises".

1.2.3.2 Premiums return to pre-crisis growth

The Property & Casualty insurance market is returning to levels close to those of 2019, with a growth rate of 4.4% according to the French Federation of Insurance (France Assureurs).

In Motor insurance, growth in premiums in 2021 was 4.1% (compared with 2.0% in 2020), including a 3.7% increase for category 1 vehicles, which includes a 1.5% increase in the fleet. Motor premiums represent

€23.9 billion, while those for category 1 vehicles reached €19.4 billion.

Personal property damage premiums increased by 3.5% in 2021, to €11.9 billion. This increase is 0.4 percentage points higher than that of comprehensive home insurance (Multirisques Habitation), which grew by 2.0%.

1.2.3.3 Claims returning to pre-crisis levels

Despite the lockdown at the beginning of the year, the frequency of claims for category 1 vehicles has started to rise again, with an increase of 18.2% for the frequency of all claims (source France Assureurs). All cover was affected by substantial changes, apart from theft and fire. Over the first seven months of 2021, Motor insurance claims frequencies show lower variations than in 2019. From August 2021 onwards, however, they are in line with 2019 and remain higher than in 2020. Over 2021, road deaths rose again, with 2,947 deaths, an increase of 16% compared to 2020 and a decrease of

9% compared to 2019. The number of injuries also remains below the 2019 count. With regard to theft, the decline observed since the first lockdown in 2020 seems to be losing momentum, with a rise in declarations at the end of the year.

Motor insurers also continue to face rising average costs, driven by the price of automotive repairs and parts, which have risen steadily as vehicles become more sophisticated. The cost of car repairs (category 1 vehicles) thus increased by 4.2% in 2021, including an increase in the average cost of parts consumed of 4.6%.

The cost of windscreen breakage is the focus of the industry's attention, with an increase of 5.1% compared to 2020. In addition, bodily injury costs were impacted by the application of the new Reference Capitalisation Scale for Victim Compensation (BCRIV) on a portion of the cases in progress. Overall, the increase in Motor services exceeded 20% for category 1 vehicles.

In Home insurance, the change in the frequency of claims is less marked, with a differential of +3.6%, mainly attributable to a tangible increase in water damage. Despite the storms in July and October and exceptional snow in the mountains in December, climatic

cover was not heavily used, and the Storm-Snow-Hail claims frequency thereby fell by more than 20%. This positive trend in the Storm-Snow-Hail frequency is offset by a significant increase in the average cost. Overall, the average cost of Home insurance rose by 4.4%, with contained growth rates for the other cover, except for fire. Overall, the cost of services rose by around 10%.

Excluding drought, the amount of natural catastrophes rose by 5.7% following record rainfall at the beginning of the year and the torrential rains that affected the southern half of France in September. Conversely, the cost of droughts is expected to be limited in 2021.

1.3 Significant events

1.3.1 STRATEGIC PLAN "MA (P)RÉFÉRENCE"

In a context still marked by Covid, 2021 is the year of the launch of our 2021-2023 strategic plan "Ma (P)référence" (My (P)reference), which aims for relational excellence around four key goals by 2023.

- To become the leader in customer relations on the insurance market;
- To be recognised by its employees as a benchmark employer, one that is responsible and trustworthy;
- To be a committed player in major societal causes, in line with its DNA, giving priority to young people, the vulnerable and the environment;

- To become the leading group in the mutualist world within the framework of Aéma Groupe.

A major investment programme in information systems initiated in 2019, "Trajectoire SI", is an integral part of this strategic plan and forms the basis for these transformations.

In 2021, the first year of implementation of this strategic plan, significant progress and initial achievements have already been made, in particular with the launch of the new brand, developments in the customer journey and significant progress in human resources.

1.3.2 ACQUISITION OF ABEILLE ASSURANCES

On 30 September 2021, Aéma Groupe completed the acquisition of Aviva France (now Abeille Assurances), after obtaining the necessary authorisations from the regulatory authorities. This transaction makes the Aéma Groupe group the fifth largest insurance company in France.

It also solidifies the original goal of Macif SAM and Aésio mutuelle, founders of Aéma Groupe, to build a gold-standard mutual insurance group that now offers cover to more than 11 million people in France through a comprehensive array of solutions. Thanks to its complementary expertise, this multi-brand, multi-network and multi-business-line group is strengthening

its positions across the entire insurance industry. Following this operation, Aéma Groupe counts 18,000 employees, and generated more than €11 billion in revenues in France.

As part of the financing of the transaction, Macif SAM issued €1.75 billion of subordinated securities on the market in three tranches on 21 June 2021.

On 17 December 2021, Macif SAM sold part of the shares and perpetual subordinated securities issued by Abeille Assurances to Apivia Macif Mutuelle and Aésio mutuelle. Following this transaction, Macif SAM holds 85% of the capital of Abeille Assurances, and Aésio mutuelle and Apivia Macif Mutuelle 9.99% and 5% respectively.

1.3.3 CHANGES IN THE OFFERING AND SERVICES

1.3.3.1 Actions and offerings in response to members' needs

Macif SAM has continued to develop its offering and services:

- By proposing new offers to complete the coverage of member needs:
 - launch of the Macif Pann'Auto contract (100% digital offer): a simple and competitive solution for anticipating unforeseen expenses, the Macif Pann'Auto mechanical and electronic breakdown insurance enables its members to deal more calmly with the often costly financial consequences of a mechanical breakdown, thanks to the coverage of repairs. Members thus gain peace of mind for their mobility and their budget,
 - by forming a partnership with the broker Crédit Expert to complete Macif SAM's support solutions for its members' property projects;
- By developing mobility for all and safety when travelling:

- "Macif crédit mobilité électrique" (Macif electric mobility loan), an advantageous loan offer dedicated to electric or hybrid vehicles: cars, motorbikes, scooters and bicycles. The rate is 0.2% lower than the rate for a conventional car/motorcycle loan. This offer reflects Macif SAM's commitment to supporting all forms of mobility,
- Macif Riders community, members with a two-wheeler policy join the Macif Riders community and benefit from exclusive advantages for their motorbike safety (discount on airbag waistcoats, equipment and spare parts / free access to the Liberty Rider application including emergency calls / prevention course). A challenge was organised among the community to mobilise its members in aid of an association that helps students,
- Macif Drivers community, integration of emergency calls into the connected driving application offered to young drivers who are members of a Motor policy;

- By simplifying the understanding of Home insurance needs, with the home insurance diagnosis system. This system consists of offering an online questionnaire that enables prospective customers to obtain a simplified answer to their housing needs and uses. They can thus check whether their current insurance plan is in line with their lifestyle and can be put in touch with the Macif network;

- By reinforcing actions aimed at the small business market and the Social and Solidarity Economy (SSE): in line with the numerous actions carried out for the benefit of the small business and SSE markets in 2020, in an unprecedented health context, a freeze on premiums for policies aimed at these markets has been implemented for the 2021 and 2022 financial years.

1.3.3.2 Strengthening of solidarity schemes

During the 2021 financial year, Macif SAM simplified access to its solidarity schemes:

- Optimisation of solidarity schemes, a single entry point for the Solidarity Fund (Fonds de Solidarité), the Social Action Fund (Fonds d'Action Sociale) and the Unemployment Solidarity Benefit (Prestation Solidarité Chômage) with the introduction of "Macif Solidarité Coups Durs". This scheme is designed to be simpler,

faster and more accessible to members, with equal treatment and coverage;

- "Macif Solidarité Coups Durs" for students, the support service for members in difficulty, has been opened up to students or children of members, who can benefit from first-level support (active listening) or be directed towards local aid or structures.

1.3.4 NEW BRAND

The roll-out of Macif's new brand at the end of 2021, "La Macif, c'est vous." A new signature that sets the tone, synonymous with a trustworthy, simple and authentic brand.

The advertising campaign accompanying this launch was the subject of an unprecedented participative

co-construction approach, with all stakeholders consulted, giving a voice to more than 100,000 people: "At Macif, the word of our members will always be our best advertising. "

1.3.5 IMPROVING CUSTOMER RELATIONS

Changes have been made to the network to make it easier for members to contact the bank and to improve accessibility:

- The opening hours of the telephone switchboards have been standardised for the three business lines, with reception from 8:00 am to 8:00 pm from Monday to Friday and from 9:00 am to 5:00 pm on Saturdays;
- Renovation and optimisation work on the branch network continued, with the aim of providing members with an excellent reception. The first tests of videoconferencing appointments in branches were carried out during the summer and the roll-out of this alternative to physical appointments throughout the network is underway;
- The measures dedicated to small businesses and the SSE market have been strengthened, with:
 - an optimisation of the territorial coverage of the stand-up network employees, particularly in areas with high commercial potential,
 - the installation and deployment of videoconference meetings for stand-up networks,
 - the implementation of a relationship programme dedicated to new members,
 - the roll-out of hotline services in the Commercial Relations Centres (CRC).

The adaptation of the operational model is continuing with the emphasis on the quality of the relationship and

the improvement of the customer journey in the after-sales sector. Thus, actions have mainly focused on:

- Telephone accessibility of after-sales services in order to reduce waiting times for members;
- Improving the processing of management activities in order to reduce the stock of activities and ensure compliance with commitments.

These actions, combined with the appropriation of the new service commitment guidelines common to the three business lines of the Macif brand and the expertise of the teams, have also contributed to obtaining:

- The "Solutions mutualistes de protection" (Mutual protection solutions) certification, which guarantees the level of service promised at each stage of the customer relationship;
- The "100% Relation clients France" (100% Customer Relations France) certification.

The creation of after-sales entities dedicated to small business and SSE markets now offers them a fluid management relationship based on accessibility and immediate treatment of all their specific needs.

In order to better understand and anticipate the needs of members, listening is a key element of the strategic plan. In 2021, a new system was put in place, with a survey carried out among all members, entitled "How are you?". They were invited to express their experiences,

priorities, concerns and vision of the future. 500,000 members responded, proof of the bond of trust and proximity that unites Macif SAM with its members.

Those who expressed difficulties were directed to the solidarity schemes.

1.3.6 MAJOR STEPS TOWARDS BECOMING A "BENCHMARK EMPLOYER"

These have taken the form of a number of actions:

- The signing of a new teleworking agreement and its roll-out from 1 September, with the aim of optimising the quality of life at work for employees. It provides for two formulas to combine performance and flexibility:
 - monthly flexible telework: up to eight days per month,
 - weekly regular telework: up to two fixed days per week;
- To contribute to the employability of young people and those undergoing retraining, Macif SAM opened a Macif Apprentice Training Centre in September 2021,

dedicated to the insurance industry. It currently has 12 classes across the country, spread over eight sites (Laval, Compiègne, Illzach, Nantes, Niort, Ris Orangis, Toulouse and Vendin-Le-Vieil), welcoming 134 work-study students over the year, with a focus on distribution, the P&C business, small businesses and the SSE market. At the same time, Macif SAM continues to take on around 50 work-study students each year in its support businesses. This initiative is part of an scheme to promote work-study training and to support employment for young people and people undergoing professional retraining.

1.3.7 POLITICAL LIFE AND COMMITMENT

Macif SAM is at the heart of the SSE, through its values, its actions and its partnerships, and has set itself three priority areas of commitment, namely : youth, vulnerable people and the environment/climate.. Guided by a policy roadmap structured around proximity, performance, innovation and commitment, and driven by the renewal of its governance and its new brand, its elected representatives and employees are committed on a daily basis for the benefit of its members:

- Election of member representatives (delegates) for Macif SAM and Apivia Macif Mutuelle: 1 million people were able to vote, an increase of more than 2 points compared to the previous election, with a strong message, "There is no us without you! ";
- 2,700 mutualist actions contributing to the development of Macif SAM's business, with a political life in the regions divided into 1,000 meetings, whether it be meetings of local delegates, regional delegations or training sessions;

- The roll-out of the Macif Impact SSE fund (MIESS), with an investment of €2.2 million for the benefit of four SSE or impact structures;
- As part of its societal commitment to young people, Macif SAM was the main partner of the Youth Parliament, organised on 16 December 2021, which brought together more than 1,000 young people and produced a manifesto with concrete proposals to be implemented for young people in the light of the political elections in 2022. The first edition of the "Young people and business" barometer carried out by Macif SAM and the Fondation Jean-Jaurès was also presented, with the aim of finding out what young people expect from business.
- This commitment is also continued through its Fondation, the "Diffuz" solidarity platform and its support for sustainable development in the general interest.

1.3.8 COVID-19

In response to the health crisis, Macif SAM has taken numerous "precautionary" measures in line with its *Raison d'être*, both internally for its employees and for its members, and also in its public solidarity contributions.

For the past two years, Macif SAM has made its employees' health a priority. A crisis team has met regularly to align the measures of the health protocols with its structures, often adopting more protective rules than required by the authorities.

During this year, working from home, which became widespread in 2020, continued in a formula combining flexibility and respect for the constraints of employees

(time off for childcare with salary maintenance), with a succession of exceptional periods of teleworking until 5 July, then from 30 November to the end of the year. Macif SAM has been particularly vigilant in ensuring the safety of its employees and regularly adapting its actions in line with government measures.

The various pandemic episodes experienced in 2021 did not lead to the closure of any branches. Members were able to continue to receive the expected services through the usual contact channels, by internet and telephone, and to continue to visit the branch under safe sanitary conditions.

1.3.9 ACQUISITION OF A MAJORITY STAKE IN MORTGAGE BROKER CRÉDIT EXPERT

On 28 April 2021, Macif SAM acquired a majority stake in mortgage broker Crédit Expert.

Operating throughout France with nearly twenty branches and around sixty professionals, Crédit Expert assists around 5,000 families each year with their real estate projects.

In 2021, Macif SAM and Crédit Expert worked together to define the framework of an operational partnership aimed at incorporating the new service into the Macif offer.

1.3.10 DISSOLUTION OF PRÉVOYANCE AÉSIO MACIF

The Extraordinary General Meeting of Prévoyance Aésio Macif (PAM) held on 23 June 2021 resolved to dissolve the company with effect from 1 January 2022.

A liquidation plan was sent to the French Prudential Control Authority (Autorité de Contrôle Prudentiel et de Résolution - ACPR).

1.4 Activity and results

1.4.1 GENERAL TRENDS

At 31 December 2021, Macif SAM had 5.667 million members, an increase of nearly 79,000 from 31 December 2020 (+1.4%). Regarding P&C, the entity has 5.314 million members.

Gross production was up 13.9% compared to 2020, a year that was heavily impacted by the successive lockdowns due to the health crisis. It reached 1,765,000 new P&C policies, with a favourable trend for all products.

Terminations also increased in 2021, by 11.0% compared to 2020.

These two effects led to a net production of 214,500 policies in the core business, i.e. 62,000 additional policies compared to 2020, leading to a growth rate of +1.4%. This growth has not been seen since 2004.

The number of policies stands at 15.5 million, with revenue of €3.54 billion (+2.6%).

1.4.2 MOTOR INSURANCE

At the end of 2021, the motor insurance portfolio comprised 6.248 million policies, generating premium income of €2,175.5 million which represents an increase of 2.9%. Net Motor production reached its highest level of the decade, with over 100,000 additional policies.

The private vehicle segment returned to a level of development similar to that of previous years, while the

momentum generated by two-wheelers over the past few years continued unabated. The various marketing actions around the Macif Riders community, as well as the new web tunnel, contributed to this strong development.

The production recorded on other Motor products also contributed to strengthening development, particularly on converted vehicles and new means of mobility.

1.4.3 HOME INSURANCE

The number of home insurance policies (multi-activity, landlord members and Prem's student) continued to grow in 2021. The portfolio stood at 4.397 million policies for premium income of €950.6 million (+2.1%) at end-2021.

Net production of Home insurance is close to 62,000 policies (+1.4%), thanks to strong growth in multi-activity insurance, which is based on the three components of this product, namely primary residences,

secondary residences and civil liability for the head of the family. Net new business is now positive for secondary residences, after several years in negative territory.

The portfolio of products for landlord members regained momentum, with an increase of 1.8%. The Prem's student policy also returned to positive development, with a growth rate of 0.8%.

1.4.4 ACCIDENT COVER

The number of accident cover policies in the portfolio stood at 4.391 million at the end of 2021. This represents a 1.3% increase on 2020, or around 55,000 additional

policies. Premiums earned stood at €331.6 million, up 4.2%.

1.4.5 OTHER POLICIES

Macif SAM also offers policies tailored for small businesses. These fall into three categories according to specific audiences or usage. The main policy is aimed at retailers, trades- and craftspersons, business owners and independent professionals, under the name professional multi-activity. At the end of 2021, the portfolio comprised around 29,000 policies, amounting to €16.1 million in premiums. The solutions provided by

the Inter Mutuelles Entreprises structure supplement the offering for these activities.

True to its roots in the social economy, Macif SAM also targets the third sector and works councils with its social multi-activity policy. This portfolio was stable over the year 2021 with 73,000 policies for a value of €12.3 million.

Macif SAM is also positioned in boating and caravan insurance with specialist offerings. The insured portfolio contains around 216,000 policies, with premium income of €16.3 million.

Altogether policies aimed at specific target markets generated premium income of €44.8 million from 318,000 policies.

Furthermore, Macif SAM sells additional cover, along with the main products outlined above: mechanical breakdown, rent default, payment protection insurance etc. These activities represent premium income of €4.2 million for some 104,000 policies. It also offers a Hunting insurance policy and policies designed for partnerships, generating premium income of €28.5 million.

1.4.6 UNDERWRITING RESULT – ACCOUNTING RESULT

The increase in Macif SAM's earned premiums was mainly driven by the development of the Motor product. This 2.6% increase, which represents more than €90 million, is made up of the following: +€61 million for Motor, +€19 million for Home and +€13 million for Accident cover.

Claims expenses before reinsurance stands at €2.445 billion, stable compared with 2020. This change is the result of compensation between opposite effects:

- A return of Motor claims frequencies close to normative levels;
- The continued rise in average material costs in Motor;
- The increase in the claims frequency of water damage in Home, also observed in the market;
- The provisioning for drought in 2021 is lower than in previous years;
- Significant bonuses in 2021 compared to losses in the previous year, due to the inclusion of new scales in 2020.

The reinsurance balance is in deficit at €122.1 million due to:

- The downward revision of serious claims and the provision for unknown liability claims (IBNRs);
- The absence of a major weather event in 2021;
- The increase in the 2018 drought expense which mitigates the deterioration of the transferred balance;
- A transferred result in deficit on the Rental Risks treaty resulting from the transfer of a claim on the Third-party liability cover.

The ratio of claims to premiums net of reinsurance was 72.6%, after 69.3% in 2020.

The amount of operating expenses, net of commissions received from subsidiaries, stood at €984 million for 2021, an increase of €29 million. This increase in expenses is mainly due to the implementation

of the new strategic plan, in particular in connection with the investment phase relating to the "Trajectoire SI". The operating expenses ratio is thus 27.8% of premiums earned.

The combined ratio stands at 100.4% following the increase in the claims ratio net of reinsurance and the controlled increase in the operating expenses ratio.

Investment income allocated to the technical account stood at €138 million, compared with €56 million in 2020.

Lastly, the 2021 **technical income statement** thus shows a positive balance of €123 million, compared to €160 million in 2020.

Among the other items comprising the net profit (financial income not allocated to the technical account, extraordinary profit, profit-sharing expense, corporation tax expense etc.):

- The financial result increased by €100 million to €169 million, the same level as in 2019;
- The extraordinary profit increased significantly (+€32 million compared to 2020) due to the combined effect of a decline in extraordinary expenses (to -€45 million) and a decrease in exceptional income (to -€12 million);
- The tax expense increased slightly; this €3 million rise is attributable to a sharp increase in the Tax on Excess Provisions (TEP) following a large bonus in Motor, partly offset by a decrease in Corporation Tax (IS) in line with the lower taxable income.

At the same time, the amounts of profit-sharing and incentive payments are stable compared to 2020.

Lastly, all these operations resulted in a net surplus of €57 million (after €41 million in 2020).

1.5 Investments and financial results

The change in the net carrying amount of Macif SAM's assets is as follows at the end of 2021:

(in millions of euros)	Net carrying amount			Breakdown as %		
	2019	2020	2021	2019	2020	2021
Real estate investments	581	589	578	7.0%	6.9%	4.9%
Holdings	496	511	2,357	6.0%	6.0%	20.0%
Equity investments	919	813	827	11.1%	9.6%	7.0%
Bond investments, loans	6,015	6,090	7,257	72.8%	71.8%	61.6%
Money market investments	250	481	771	3.0%	5.7%	6.5%
Total investments	8,260	8,483	11,789	100.0%	100.0%	100.0%

The net carrying amount of Macif SAM's investments rose from €8,483 million to €11,789 million at the end of 2021, an increase of 39%. This increase is explained by debt issues totalling €3,100 million, including €1,750 million of external debt, €700 million of internal debt with Mutavie and €650 million of cross-debt with Abeille Assurances, in the context of the latter's acquisition.

As at 31 December 2021, the breakdown by type of investment is as follows: 4.9% for real estate (€578 million), 20% for equity investments (€2,357 million), 7% for equities (€827 million), 61.6% for bonds (€7,257 million) and 6.5% for money market investments (€771 million).

Holdings increased considerably, from €511 million to €2,357 million. The main transaction was the acquisition of Abeille Assurances for €1,803 million.

The bond portfolio also increased significantly, from €6,090 million to €7,257 million.

As part of the acquisition of Abeille Assurances, Macif SAM acquired three perpetual subordinated securities

(TSDI) for €815 million and two subordinated redeemable securities (TSR) for €650 million.

In 2021, there was very little investment in the bond market due to the Abeille Assurances transaction. Bond investments reached €122.2 million, at an average rate of 0.57% over an average maturity of 10.7 years. Net investments in unlisted debt funds amounted to €33.9 million.

The equity portfolio increased by €14.1 million in net carrying amount. This year, due to profit-taking in a context of rising equity markets, the equity funds saw their assets decrease by €20.6 million. However, the private equity segment increased by €1.9 million.

The real estate portfolio fell by €11.4 million.

Assets in money market investments rose by €290.3 million, following the repurchase at year-end by Aésio mutuelle and Apivia Macif Mutuelle of their shares in Abeille Assurances, for €436.0 million and €162.5 million respectively.

Changes in unrealised capital gains on Macif SAM's assets at the end of 2021 are as follows:

(in millions of euros)	Market value			Unrealised capital gains		
	31 Dec. 2019	31 Dec. 2020	31 Dec. 2021	31 Dec. 2019	31 Dec. 2020	31 Dec. 2021
Real estate investments	1,185	1,229	1,258	604	640	680
Holdings	1,448	1,599	3,331	952	1,087	974
Equity investments	1,149	1,038	1,224	230	226	398
Bond investments, loans	6,433	6,562	7,586	418	472	329
Money market investments	250	480	771	-	-	-
Total investments	10,465	10,908	14,170	2,205	2,425	2,381

In market value terms, the portfolio increased by 29.9% from €10,908 million to €14,170 million. Unrealised capital gains decreased from €2,425 million to €2,381 million at the end of 2021. The ratio of unrealised capital gains to the net carrying amount thus fell from 28.6% to 20.2%.

One of the main contributors to this decrease is the bond portfolio, where the stock of unrealised capital gains decreased from €472 million to €329 million, as a result of the increase in interest rates.

The stock of unrealised capital gains in the investment portfolio also decreased from €1,087 million to €974 million, following the decrease in the valuation of Mutavie.

The stock of unrealised capital gains in the equity portfolio increased from €226 million to €398 million, due to the rise in equity markets in 2021.

Unrealised capital gains on real estate increased by €41 million, mainly as a result of the revaluation of operating property.

Macif SAM's investment income and expenses at the end of 2021 are as follows:

<i>(in millions of euros)</i>	Financial income		
	31 Dec. 2019	31 Dec. 2020	31 Dec. 2021
Net financial income	159	108	145
Net capital gains	8	-39	24
Net financial income	166	69	169
Current rate of return*	2.30%	1.60%	1.80%
Overall rate of return*	2.40%	1.10%	2.00%

* Excluding the cost of subordinated debt.

Financial income net of expenses increased from €108 million to €145 million. This was mainly due to bond income, which increased following the payment of the first coupons on the Abeille Assurances debt.

This year, financial income from real estate, equity and investments also increased. As a reminder, in 2020, this income had fallen due to government recommendations to limit dividend payments.

Exceptional financial items amounted to €24 million, up €63 million compared to end-2020. Indeed, the year

2020 was marked by capital losses on equity and fixed income funds, as well as by provision allocations, whereas 2021 benefited from profit-taking on these asset classes and provision reversals.

Compared to their average net carrying amount, the accounting rate of return on investments (excluding interest on subordinated debt) was 2.0%, versus 1.1% in 2020.

1.6 Summary of financial statements and results

Macif SAM's financial statements have been prepared in accordance with the provisions of the French Insurance Code and French GAAP.

The accounting principles, valuation means and methods are described in the notes to the financial statements

1.6.1 INCOME STATEMENT

The financial year 2021 showed a profit of €56.9 million.

	31 Dec. 2021		31 Dec. 2020	
	€K	%	€K	%
<i>(in thousands of euros)</i>				
Earned premiums excluding acceptances	3,536,553	100.00%	3,446,859	100.00%
Claims expenses and other technical provisions	-2,447,326		-2,445,364	
Balance of reinsurance ceded	-122,109		56,991	
Balance of reinsurance assumed	2,039		141	
Balance of P&C insurance operations	969,157		1,058,627	
Operating expenses net of commissions and other income	-983,964		-954,763	
Technical balance (a)	-14,807		103,864	
Combined ratio		100.42%		96.99%
Financial result	168,976		68,875	
Investment income allocated to the technical account (b)	137,633		55,981	
Investment income remaining in non-technical account	31,343		12,894	
Underwriting result (a) + (b)	122,826		159,845	
Other non-technical income and expenses	-12,397		-19,497	
Extraordinary profit	6,308		-26,462	
Employee profit-sharing and incentives	-48,321		-46,545	
Corporation tax	-42,833		-39,574	
Profit/(loss) for the period	56,926		40,662	

1.6.2 BALANCE SHEET

The balance sheet total stands at €14,404,228,000 as at 31 December 2021.

It is composed of the following main items:

ASSETS

	31 Dec. 2021		31 Dec. 2020	
	€K	%	€K	%
<i>(in thousands of euros)</i>				
Investments	11,790,827	81.86%	8,510,233	76.52%
Reinsurers' and retrocessionaires' share of technical provisions (reinsurers)	901,784		990,980	
Receivables	1,114,509	7.74%	1,115,601	10.03%
Other assets, prepayments and accrued income	597,108		504,196	
Total assets	14,404,228		11,121,010	

LIABILITIES

	31 Dec. 2021		31 Dec. 2020	
	€K	%	€K	%
<i>(in thousands of euros)</i>				
Equity	1,689,210	11.73%	1,630,917	14.67%
Subordinated liabilities	2,305,097		543,509	
Gross technical provisions	8,489,570	58.94%	8,333,664	74.94%
Other creditors, provisions for risks and expenses, accruals and deferred income	1,920,351		612,920	
Total liabilities	14,404,228		11,121,010	

1.6.3 CHANGES IN EQUITY

Equity as at 31 December 2021 was €1,689 million, a positive change of €58 million (+3.6%).

This increase corresponds, on the one hand, to the profit/(loss) for the period, i.e. €56.9 million, and on the other hand, to the subscription fees for new policyholders, i.e. €1.3 million.

1.6.4 PROPOSED ALLOCATION OF RESULT

It is proposed to the General Meeting to allocate the profit/(loss) for the period ended 31 December 2021 i.e. €56,926,441.39 and the balance of retained earnings before appropriation of the financial year i.e. €4,616,619.49, giving a total amount of €61,543,060.88:

- To the security reserve for €55,000,000.00 (bringing it to €1,200,000,000.00);
- The balance of €6,543,060.88 in retained earnings.

Thus, the operations for the year would be as follows:

<i>(in euros)</i>		
Retained earnings before appropriation		4,616,619.49
Surplus for the period		56,926,441.39
Contingency margin	55,000,000.00	
Retained earnings	6,543,060.88	
Total	61,543,060.88	61,543,060.88

1.7 Other information

1.7.1 SUMPTUARY EXPENSES AND NON-TAX-DEDUCTIBLE CHARGES

N/A.

1.7.2 PAYMENT TERMS FOR SUPPLIERS AND CUSTOMERS

In accordance with the circular of the Fédération Française de l'Assurance (FFA) of 29 May 2017, the information shown in the table below does not include transactions related to insurance and reinsurance policies.

As at 31 December 2021, the balance of past due invoices received and outstanding stands at €471,000 while the balance of past due invoices issued and outstanding stands at €621,000 (up to and including 0 days).

	Article D.441(I)(1): past due invoices received and outstanding at year-end					
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day and over)
<i>(in thousands of euros, incl. tax)</i>						
(A) Late payment categories						
Number of invoices affected	29					27
Total amount of invoices affected	226	-13	74		184	245
Percentage of total amount of purchases for the period	0.04%	-	0.01%		0.03%	0.05%
Percentage of revenue for the period						
(B) Invoices excluded from (A) relating to disputed or unrecognised payables and receivables						
Number of invoices excluded			1			
Total amount of invoices excluded			177			
(C) Reference payment terms used (contractual or statutory payment terms – Article L.441-6 or Article L.443-1 of the French Commercial Code)						
Payment terms used to calculate late payment	<input type="checkbox"/> Contractual payment terms: (specify which) <input checked="" type="checkbox"/> Statutory payment terms: 30 days from invoice					

	Article D.441(I)(2): past due invoices issued and outstanding at year-end					
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day and over)
<i>(in thousands of euros, incl. tax)</i>						
(A) Late payment categories						
Number of invoices affected	3					21
Total amount of invoices affected	22			63	536	600
Percentage of total amount of purchases for the period				0.13%	1.07%	1.19%
Percentage of revenue for the period	0.04%					
(B) Invoices excluded from (A) relating to disputed or unrecognised payables and receivables						
Number of invoices excluded			-			
Total amount of invoices excluded			-			
(C) Reference payment terms used (contractual or statutory payment terms – Article L.441-6 or Article L.443-1 of the French Commercial Code)						
Payment terms used to calculate late payment	<input checked="" type="checkbox"/> Contractual payment terms: (specify which) <input type="checkbox"/> Statutory payment terms: 30 days from invoice					

1.8 Subsequent events

The significant events that have occurred since the end of February 2022, relating to the situation in Ukraine and the consequences of the sanctions imposed on Russia, constitute a subsequent event. This has no financial impact on the financial statements for the year ended 31

December 2021, as it is an event relating to a specific new situation. Initial analyses indicate that Macif SAM has very little financial exposure to Russia and Ukraine, or to countries bordering Ukraine.

1.9 Outlook

In an economic and financial environment still marked by the health context, **the insurance market was able to rebound in 2021**, with a growth in premiums of 4.5%.

During the crisis, **certain market trends evolved, while others accelerated**. In the coming years, the market will be characterised by:

- The change in **certain uses and habits** (non-mobility, individual travel, semi-principal residence) leading to changes in claims, particularly in motor and home insurance;
- The acceleration of the **search for a simple and seamless customer experience** based on the complementarity and fungibility of physical, remote and digital channels, encouraging players to accelerate their digital investments;
- The acceleration of the **movement towards platformisation**, which favours the entry of new digital players and makes it possible to meet new customer needs, optimise costs and rethink operational models;
- **Increased consumer demand for brands** to adapt to societal and environmental issues;
- The increased importance of the **assistance provider**, an essential link in the customer relationship highlighted during the crisis;
- The in-depth overhaul of **working methods**, which requires a rethink of the employer/employee relationship, particularly with the continuation of teleworking and its support.

Insurers are also faced with constrained economic models, linked to increased competitive pressure and significant regulatory requirements. They are also in the front line to observe the effects of global warming, which is having an ever-increasing impact on claims expenses, with various perils.

In this context, **the “Ma (P)référence” strategic plan is more relevant than ever in order to respond to market priorities**.

The resilience of the Macif model will also be confronted with new constraints, the extent of which cannot yet be measured. The war in Ukraine and its economic and financial consequences will have a lasting impact on the existing equilibrium, starting with the rise in raw materials prices.

1.10 Conclusion

2021 was marked by an economic recovery, despite the continuing health crisis. Macif SAM, which is close to the daily lives of its policyholders, has supported this growth and strengthened **its relationship of proximity, attentiveness and trust with its members, subscribers and customers**, whose needs and consumption patterns have changed with the crisis.

In this context, we have launched our **2021-2023 Strategic Plan “Ma (P)référence”**, which responds to society’s expectations and sets the course for **achieving relational excellence in 2023**, around four key goals:

- To be recognised by our members as the leader in customer relations;
- To be recognised by our employees as a benchmark employer, one that is responsible and trustworthy;
- To be a committed player in the major societal causes of young people, the environment and the vulnerable;
- To become, within the group Aéma Groupe, the leading group in the world of mutual insurance.

More than ever in 2021, **the need for relationships was at the heart of our business, which now combines insurance and assistance**. Thanks to the importance we give to human relationships through our Strategic Plan, our ability to anticipate, our technical expertise and our commitment to solidarity, all of which are driven by our employees and our elected member representatives, we have been able to accompany the recovery:

- **Changes in consumption patterns have affected our policyholders like all French people:** we have seen a significant decrease in the use of the physical channel, in favour of digital and inbound phone calls. We have continued to innovate and adapt to offer a fluid and omnichannel customer experience, in particular with identical telephone access from 8:00 am to 8:00 pm for all our business lines and the possibility of videoconferencing appointments in branches;
- Backed by the relationship of trust that unites it with its member-customers, Macif SAM has experienced **strong growth in its three business lines**, with more than 2 million gross policies (historic net production of 214,000 policies in P&C; net premium income of €548.5 million in life insurance; and 77,000 gross policies in health insurance). In 2021, 79,000 member-customers joined us;
- These results testify to the usefulness and competitiveness of our offering and our commitment to quality of service.

With Covid, new ways of working have emerged and Macif SAM has signed an agreement to support these developments and to **establish teleworking on a permanent basis**. As a trustworthy employer, we have **maintained our recruitments and supported work-study programmes** with the creation of an **Apprentice Training Centre (CFA)**. This commitment was underlined by the Top Employer certification, which recognises the quality of our human resources management practices for all our employees.

And because **solidarity is at the heart of our action**, in 2021 we provided exceptional financial assistance to associations to support young people most affected by the crisis. We have also optimised access to our solidarity schemes for all our members (unemployment benefit, solidarity fund and social action fund), in line with the actions carried out throughout the health crisis.

2021 is also the pivotal year for the roll-out of **our new brand “La Macif, c’est vous.”** which opens a new chapter in our history, closer to our values of simplicity and authenticity. This unprecedented collective approach has mobilised our members, subscribers, elected representatives and employees through 100,000 contributions received. Today, those who talk about Macif are those who make it happen.

Lastly, a year ago, the **Aésio and Macif groups co-constructed the group Aéma Groupe**. In 2021, we were joined by Abeille Assurances: the Group now protects 11 million policyholders, making it the fifth largest insurance company in France. Our goal is to offer them comprehensive and accessible protection throughout their lives.

Thanks to these results, which bear witness to the resilience of our model and to our commitment to solidarity, which is intrinsic to our mutualist identity, **each member, subscriber and customer can count on the proximity, attentiveness and trust that make Macif stand out and will make it, in the future, the Preference**. In an uncertain environment marked by the war in Europe, we want to offer our members **offers, services and support that are as close as possible to their needs**.

Philippe Perrault and Jean-Philippe Dogneton.



02

MACIF SAM CORPORATE FINANCIAL STATEMENTS

2.1	Corporate Financial Statements	33
2.2	Statutory Auditors' reports	61

2.1 Corporate Financial Statements

These financial statements have been prepared in accordance with:

- The provisions of Articles L. 123-12 to L. 123-28 of the French Commercial Code;
 - The legal and regulatory provisions in force in France for insurance companies:
- French Accounting Standards Authority (ANC) Regulation No. 2015-11 of 26 November 2015 consolidated at 30 December 2020, relating to the annual financial statements of insurance companies,
 - the provisions of the French Insurance Code.

The financial statements are presented in thousands of euros. They comprise:

BALANCE SHEET

- Assets;
- Liabilities;
- Table of commitments received and given.

INCOME STATEMENT

- Technical account – non-life insurance;
- Non-technical account.

NOTES TO THE FINANCIAL STATEMENTS

The notes include all the information of significant importance that supplements the information provided by the balance sheet and income statement.

It consists of four parts:

- Statement of accounting principles and valuation methods used;

- Additional information on balance sheet items;
- Additional information on the income statement;
- Other material disclosures.

2.1.1 BALANCE SHEET

2.1.1.1 Assets

<i>(in thousands of euros)</i>	31 Dec. 2021	31 Dec. 2020
1 - Uncalled subscribed capital	-	-
2 - Intangible assets	181,092	152,064
3 - Investments	11,790,827	8,510,233
3a - Land and buildings	501,526	450,708
3b - Investments in related undertakings and undertakings linked by virtue of a participating interest	4,019,631	702,172
3c - Other investments	7,250,573	7,335,982
3d - Receivables for cash deposited with ceding undertakings	19,097	21,372
4 - Investments representing technical provisions relating to unit-linked policies	-	-
5 - Reinsurers' and retrocessionaires' share of technical provisions	901,784	990,980
5a - Provisions for unearned premiums – non-life	-	-
5d - Provisions for claims outstanding – non-life	892,098	977,416
5g - Equalisation provisions – non-life	9,686	13,564
6 - Debtors	1,114,509	1,115,601
6a - Debtors arising out of direct insurance operations	802,214	769,450
6aa - Premiums to be written	4,565	8,194
6ab - Other debtors arising out of direct insurance operations	797,649	761,256
6b - Debtors arising out of reinsurance operations	71,790	128,999
6c - Other debtors	240,505	217,152
6ca - Personnel	237	283
6cb - State, social security organisations, local authorities	13,204	14,706
6cc - Sundry debtors	227,064	202,163
6d - Called up share capital not paid	-	-
7 - Other assets	236,388	205,286
7a - Operating assets	130,193	127,791
7b - Cash at bank and in hand	106,194	77,495
7c - Other own shares	-	-
8 - Prepayments and accrued income	177,862	145,007
8a - Accrued interest not yet due	52,757	55,596
8b - Deferred acquisition costs	70,139	64,355
8c - Other prepayments and accruals	54,965	25,056
9 - Currency translation adjustment	1,766	1,839
Total assets	14,404,228	11,121,010

2.1.1.2 Liabilities

<i>(in thousands of euros)</i>	31 Dec. 2021	31 Dec. 2020
1 - Equity	1,689,210	1,630,917
1a - Initial capital	258,401	257,034
1b - Additional paid-in capital	-	-
1c - Revaluation reserves	-	-
1d - Other reserves	1,369,266	1,329,266
1da - Total other reserves	1,369,266	1,329,266
1db - Permanent impairment losses	-	-
1e - Retained earnings	4,617	3,955
1f - Profit/(loss) for the period	56,926	40,662
1g - Investment subsidies	-	-
2 - Subordinated liabilities	2,305,097	543,509
3 - Gross technical provisions	8,489,570	8,333,664
3a - Provisions for unearned premiums – non-life	874,824	843,212
3d - Provisions for claims outstanding – non-life	5,828,235	5,700,349
3f - Provisions for bonuses and rebates – non-life	1,090	1,796
3g - Equalisation provisions – non-life	57,602	68,481
3i - Other technical provisions – non-life	1,727,818	1,719,827
4 - Technical provisions for unit-linked policies	-	-
5 - Provisions for risks and expenses	38,737	60,380
6 - Deposits received from reinsurers	94,260	110,278
7 - Other creditors	1,665,400	325,398
7a - Creditors arising out of direct insurance operations	20,649	24,071
7b - Creditors arising out of reinsurance operations	3,776	643
7c - Debenture loans (including convertible bonds)	1,351,733	-
7d - Amounts owed to credit institutions	-	-
7e - Other creditors	289,242	300,684
7ea - Negotiable debt securities issued by the company	-	-
7eb - Other loans, deposits and sureties received	-	-
7ec - Personnel	99,595	95,725
7ed - State, social security organisations and local authorities	112,716	113,748
7ee - Sundry creditors	76,930	91,211
8 - Accruals and deferred income	121,954	116,863
9 - Currency translation adjustment	-	-
Total liabilities	14,404,228	11,121,010

2.1.1.3 Table of commitments received and given

<i>(in thousands of euros)</i>	31 Dec. 2021	31 Dec. 2020
Commitments received	462,290	479,051
Commitments given	1,271,518	894,496
Endorsements, surety bonds and credit guarantees given	249,492	769
Securities and other assets with resale commitment	-	-
Other commitments on securities and assets	440,258	277,155
Other commitments given	581,768	616,572
Pledged securities received from reinsurers	626,432	570,425
Securities issued by reinsured undertakings with joint surety or substitution	-	-
Securities belonging to employee benefit schemes	-	-
Other securities held on behalf of third parties	-	-
Commitments on FFI*, investment or divestment strategies	-	-
Commitments on FFI*, performance strategies	-	-
Commitments on FFI*, other operations	-	-
Securities given as collateral for FFI*, without transfer of title	-	-
Securities received as collateral for FFI*, without transfer of title	-	-

* FFI: Forward Financial Instruments.

2.1.2 INCOME STATEMENT

2.1.2.1 Technical account – non-life insurance

		31 Dec. 2021		31 Dec. 2020
	Gross operations	Ceded reinsurance	Net operations	Net operations
<i>(in thousands of euros)</i>				
1 - Earned premiums	3,536,594	-155,092	3,381,502	3,288,047
1a - Written premiums	3,568,207	-155,092	3,413,114	3,297,570
1b - Change in unearned premiums	-31,613	-	-31,613	-9,523
2 - Allocated investment return	137,633	-	137,633	55,981
3 - Other technical income	90,974	-	90,974	79,802
4 - Claims expenses	-2,751,910	35,540	-2,716,370	-2,520,951
4a - Benefits and expenses paid	-2,624,024	120,903	-2,503,121	-2,277,152
4aa - Benefits	-2,320,369	120,903	-2,199,466	-1,980,978
4ab - Claims settlement costs	-303,655	-	-303,655	-296,173
4b - Claims provision expenses	-127,886	-85,363	-213,249	-243,799
5 - Other technical provision expense	-7,992	-	-7,992	-11,544
6 - Profit-sharing	88	-	88	-884
7 - Acquisition and administration costs	-662,063	1,322	-660,741	-614,424
7a - Acquisition costs	-359,542	-	-359,542	-323,923
7b - Administration costs	-302,521	-	-302,521	-293,380
7c - Commissions received from reinsurers	-	1,322	1,322	2,879
8 - Other technical expenses	-109,267	-	-109,267	-121,182
9 - Change in equalisation provision	10,878	-3,878	7,000	5,000
Underwriting result from non-life insurance	244,936	-122,109	122,827	159,845

2.1.2.2 Non-technical account

	Net operations	
	31 Dec. 2021	31 Dec. 2020
<i>(in thousands of euros)</i>		
1 - Underwriting result from non-life insurance	122,827	159,845
3 - Investment returns	275,359	199,887
3a - Investment income	224,743	165,436
3b - Other investment returns	15,303	12,356
3c - Gains on the realisation of investments	35,312	22,096
4 - Allocated investment return	-	-
5 - Investment expenses	-106,383	-131,012
5a - Internal and external investment management expenses and financial expenses	-66,902	-43,795
5b - Other investment expenses	-22,813	-33,449
5c - Losses on the realisation of investments	-16,668	-53,767
6 - Transferred investment return	-137,633	-55,981
7 - Other non-technical income	405	-
8 - Other non-technical expenses	-12,801	-19,497
9 - Extraordinary profit	6,308	-26,462
9a - Extraordinary income	27,100	39,150
9b - Extraordinary expenses	-20,792	-65,612
10 - Employee profit-sharing and incentives	-48,321	-46,545
11 - Corporation tax	-42,833	-39,574
Profit/(loss) for the period	56,926	40,662

2.1.3 NOTES TO THE CORPORATE FINANCIAL STATEMENTS

2.1.3.1 Statement of accounting principles and valuation methods used

ACCOUNTING PRINCIPLES AND VALUATION METHODS USED

The accounting principles and valuation methods used are those defined by the French Insurance Code and ANC regulation no. 2015-11 consolidated as of 30 December 2020 relating to the annual financial statements of insurance companies and, where not scheduled in the said Code, those applied by the general chart of accounts.

No exceptions were made to the general principles of the chart of accounts for 2021.

The general accounting policies were applied in line with the principle of prudence, in accordance with:

- basic assumptions:
 - going concern basis,
 - consistency of accounting policies from one year to the next, subject to the disclosures made in the paragraph "Changes in accounting policies, estimates and practises",
 - independence of financial years;
- The rules specific to the insurance sector and general rules for the drafting and presentation of annual financial statements.

The closing date for Macif Sam's financial statements is 31 December. Financial years N and N-1 are each an identical duration of twelve months.

Balance sheet items

Intangible assets

This item includes:

- Licences, software which are depreciated on a straight-line basis over a period of three to eight years;
- Leasehold and other rights which may be impaired depending on the valuation of the right at the balance sheet date;
- Goodwill and other merger losses arising from acquisitions or mergers that may be impaired.

Financial investments

Securities covered by Article R. 343-9 of the French Insurance Code

Depreciable securities covered by Article R. 343.9 of the French Insurance Code are recorded on the balance sheet at their purchase cost excluding accrued interest.

When the purchase price differs from the redemption price, the difference for each line of securities is recognised in the income statement over the residual life of the securities either by recording an expense item (premium) or an income item (discount).

The actuarial method is applied for the amortisation of premiums and discounts on fixed-income securities.

The realisable value corresponds to the last known stock market price as of the inventory date.

When the debtor is deemed not to be in a position to meet their commitments, either for the payment of

interest or for the repayment of the principal, a provision for impairment is made.

There is no systematic impairment in the event of a fall in prices.

Investments covered by Article R. 343-10 of the French Insurance Code

Real estate investments

Real estate investments consist mainly of:

- units and shares of unlisted property companies and unlisted property companies;
- Units and shares in property Undertakings for Collective Investment (UCIs).

Real estate investments are recorded on the balance sheet at their acquisition (or construction) cost, less purchase costs and taxes, plus improvements (excluding actual maintenance work).

The depreciation schedule used for buildings in this asset class since the introduction of component-based asset accounting is as follows:

- Structural work 100 years on a straight-line basis;
- Facades waterproofing 30 years on a straight-line basis;
- Technical equipment 20 years on a straight-line basis;
- Fixtures 10 years on a straight-line basis.

The cost price less provisions (where the depreciation is permanent) and depreciation (for depreciable assets) represents the net carrying amount entered in the balance sheet.

In accordance with Article R. 343-11 of the French Insurance Code, real estate investments are valued at their current value. This current value is determined on the basis of in-depth five-yearly appraisals that are updated annually.

Investments in related undertakings and undertakings linked by virtue of a participating interest

The costs associated with the acquisition of these securities are included in the purchase price and deducted by way of the special depreciation allowance over a five-year period.

Their realisable value is determined as follows:

- Listed securities: at the last known stock market price as of the inventory date;
- Unlisted securities: utility price for the company.

Other investments

These securities are recorded on the balance sheet at their purchase price (excluding accrued interest and acquisition costs).

Their realisable value is determined as follows:

- Listed securities: at the last known stock market price as of the inventory date;
- Unlisted securities: utility price for the company;

- UCIs subject to the UCITS IV Directive and Alternative Investment Funds (AIFs) subject to the AIFM Directive: last known net asset value as of the inventory date.

Provision for permanent impairment

The methods used for the impairment of financial assets are set out in Regulation No. 2015-11 of the French Accounting Standards Authority (*Autorité des Normes Comptables* – ANC) and specified in Opinion No. 2002-F of the Urgent Issues Committee of the French Accounting Board (*Conseil National de la Comptabilité* – CNC) held on 18 December 2002. Moreover, in Articles 123-7 to 123-9 of Regulation 2015-11, the ANC sets out the depreciation rules for depreciable assets covered by Article R. 343-10, featuring an impairment method that is tailored to the holding period, and which distinguishes between credit risk and other risks related to market developments.

These securities are subject to review to detect any counterparty risk, which is the only risk for which a provision is made, since Macif SAM intends and is able to hold these securities until they mature.

Provisions are recognised on a line-by-line basis in the event of permanent impairment.

For other listed securities and in line with the opinion of the CNC, an unrealised loss of 20% of the original price for six consecutive months when market volatility is low is used to assess the permanent or otherwise nature of the impairment. Given the volatility of the markets in 2021, the 20% threshold was retained just as in 2020.

Other criteria may be added to this rule, in particular the existence of a provision for impairment at the previous closing date.

The inventory value of investments in listed shares was determined according to the recoverable amount of these investments over the scheduled holding period.

This recoverable amount is calculated by capitalising the market value at the valuation date when the security is considered impaired and at a future trend rate over a period equal to the holding period of the investments (this depends on the average settlement period for liabilities).

In order to perform the provisioning calculation for permanent impairment on investments in listed securities with a recoverable amount, a recovery rate must be set. This is the average rate of growth of assets invested in equities over a long period.

To determine this, it was resolved to take a “risk-free” rate and add a risk premium, one observed on average in a prudent manner on equities compared to this risk-free rate, leading to the adoption of a rate of 5.5%.

As regards the holding period, it is five years for Macif SAM and corresponds to a duration consistent with that of the liabilities.

This value is not expected to change significantly over the holding period, except in exceptional cases or when a new objective item comes to light that would substantially change the assumptions used for the valuation.

For unlisted securities with unrealised losses, a case-by-case review is conducted at each reporting date for the accounts in light of recent events.

Provision for payment risks

In line with Article R. 343-5 of the French Insurance Code, the provision for payment risk must be established when the investments outlined in Article R. 343-10, with the exception of depreciable securities that the insurance company intends and is able to hold until maturity, are in a situation of overall net unrealised loss.

An overall net unrealised loss is recorded when the net carrying amount of these investments is greater than the overall value of these same investments assessed in line with the procedures set out in Article R. 343-11.

The French Insurance Code considers this provision as part of the technical provisions. It is recorded as a liability on the balance sheet.

Amount of the provision as at 31 December 2021: nil.

Receivables

Receivables are valued at their nominal value. A provision for impairment is recognised for receivables where the inventory value is lower than the carrying amount.

Receivables arising from insurance operations primarily comprise:

- Debit balances on member accounts;
- Premiums to be cancelled.

Other assets

Operating property, plant and equipment are recorded as assets on the balance sheet at their acquisition cost. They are subject to annual depreciation on a straight-line basis over the following periods:

- Technical equipment 20 years on a straight-line basis;
- Fixtures 10 years on a straight-line basis;
- Transport equipment 4 to 5 years on a straight-line basis;
- IT equipment 1 to 5 years on a straight-line basis;
- Office equipment 5 years on a straight-line basis;
- Furniture 10 years on a straight-line basis.

In accordance with the accounting provisions set out in CRC regulation No. 2002-10, supplemented by CNC notices No. 2002-07 of 27 June 2002, No. 2002-12 of 22 October 2002, No. 2003 E of 9 July 2003, No. 2003 F of 5 December 2003 and instruction 4A 13-05 No. 213 of 30 December 2005, Macif SAM implemented the new rules for depreciation, amortisation and impairment of assets with effect from 1 January 2005, applying the retrospective method.

Prepayments and accrued income

Deferred acquisition costs

In accordance with the accounting provisions of the French Insurance Code, Macif SAM has recorded as assets the portion of policy acquisition costs recognised as expenses not attributable to the financial year, less net commissions received from subsidiaries.

Foreign exchange and interest rate financial instruments

At 31 December 2021, Macif SAM did not hold any forward currency or interest rate financial instruments.

In addition, some UCIs use derivatives indirectly in their management. These products are not used to invest with leverage. Daily monitoring is carried out by the management companies.

Debt securities

As of 1 January 2021, loan issue costs are spread over the term of loans in proportion to accrued interest.

Loan issue premiums are amortised over the term of loans in proportion to accrued interest.

Technical provisions

These provisions are defined in Article R. 343-7 of the French Insurance Code. They are determined gross of reinsurance, with the portion to be borne by the reinsurers appearing as an asset item on the balance sheet.

Provision for unearned premiums

This is intended to record the portion of premiums relating to the period between the inventory date and the next premium due date (i.e. 1 April).

This provision is determined firstly on the basis of the number of days between the year-end date and the due date of the policies and, secondly, on the basis of the written premiums used in the calculation, incorporating the fractional and due date costs.

Provisions for claims

They represent the estimated value of expenses in principal and costs, both internal and external, relating to the settlement of claims incurred and not yet paid, reported or not, including annuity capital not yet charged to the company.

Provisions for claims outstanding are calculated on a case-by-case basis, or by statistical methods, and summarised by year of occurrence and by category. Expenses are estimated at their non-discounted future cost plus a provision for claims management costs. The estimated provision for management costs for the year is determined on the basis of the claims settlement expenses actually observed during the year, using statistical methods.

The assumption of responsibility for increases in motor vehicle annuities, hitherto covered by the Mandatory Third-Party Liability Insurance Guarantee Fund (FGAO), is now the responsibility of insurance companies for those annuities awarded in respect of accidents occurring after 1 January 2013.

As such, an additional provision is assessed to cover future revaluations based on the following financial and probable items:

- Discount rate set at 0.49%;
- Inflation at 2%;
- Mortality table: TD 88/90.

Forecast recourse

This represents the estimated recourse expected on unclosed claims.

This provision is assessed separately from the provision for claims outstanding (Articles 143-10 and 143-11 of the ANC No. 2015-11).

The valuation method is based on estimating the future recourse to be collected by reproducing trends observed in the past. The estimated forecast recourse is deducted from the figure for recourse previously collected. The amount chosen corresponds to the average of the two methods applied to triangulations used to calculate recourse "expense" and recourse previously collected, for each occurrence.

Provision for equalisation

This provision, as provided for in Article R. 343-3 of the French Insurance Code is intended to cover exceptional expenses relating to operations covering sundry risks: natural disasters, storms, attacks, death, as well as the risk linked to the application of the agreements concluded with the French Air Crew Welfare Association (APPN) and Air France for the loss of licences of civil aviation staff.

Other technical provisions**Mathematical provision for benefits**

This represents the probable present value of the company's third-party liability and contractual benefits. It is determined in accordance with Articles 143-1, 143-2, 143-3 of ANC No. 2015-11 and Article L. 310-1 of the French Insurance Code.

In application of Regulation No. 2020-11 dated 22 December 2020, amending ANC Regulation No. 2015-11, the maximum regulatory rates (which cannot be negative) correspond to 75% and 60% plus 10 basis points of the average government borrowing rate (TME) calculated over twenty-four months (i.e. - 0.04%).

Third-party disability benefits are calculated using table TD 88-90 and a discount rate of 60% of the average 24-month government borrowing rate plus 10 basis points. For the 2021 financial year, the rate used is 0%.

Contractual disability benefits are assessed using the regulatory disability maintenance table of the Common Group Insurance Office (BCAC) extended beyond age 62 by TGF/TGH 05 prospective tables, and a discount rate equal to 75% of the average 24 month government borrowing rate. For the 2021 financial year, the rate used is 0%. Death benefits (third party and contractual) are assessed using the TGF/TGH 05 prospective tables, and a discount rate set in line with the regulations (60% of the average government borrowing rate appraised on the date of death, with a step rule of 0.25% and a cap of 3.5%). For benefits following death occurring in 2021, the rate used is 0%.

Provisions for unexpired risks

These are determined, at the regulatory level, on the basis of claims and administrative expenses likely to occur after the end of the financial year and covered by policies taken out before that date, insofar as their amount exceeds the provision for unearned premiums and the premiums due on such policies. The calculation is made on the basis of an average claims ratio, observed for each business line during financial years N and N-1.

Provision for payment risks

It is intended to cover a lack of investment liquidity, particularly in the event of a change in the rate of claims settlement. In accordance with Article R. 343-5, this provision is established when, for all investments subject to the rules of Article R. 343-10, the offsetting of unrealised capital gains and losses arising from the comparison between the net carrying amount of the investments and their realisable value shows a net unrealised loss (see above, "Financial investments" section).

Provisions for risks and expenses

These comprise provisions for:

- Disputes;
- Foreign exchange losses;
- Sundry risks;
- Special depreciation allowance.

All disputes and other financial risks incurred were identified and assessed by the Group's internal departments and services at the year-end.

Deposits received from reinsurers

The reinsurers' portion of technical provisions is represented in part by a cash deposit.

Other creditors

These are assessed at their nominal value.

Other creditors consist primarily of:

- Creditors arising out of insurance and reinsurance operations;
- Amounts due to credit institutions;
- Other creditors: staff, States, social security organisations, sundry creditors.

Accruals and deferred income

Accruals and deferred income are mainly composed of the amortisation of the difference in reimbursed prices (surcharge).

Income statement

Investment returns transferred and allocated

For non-life insurance companies, the investment management result is broken down into two parts:

- Net income from the investment of technical provisions, included in the technical income statement;
- Net income from the investment of equity capital, included in the non-technical income statement.

In the inventory, an entry is recorded to transfer from the non-technical income statement to the technical income statement, the portion of net investment income allocated to the prorata of net technical provisions in the total represented by shareholders' equity, provisions for risks and expenses, and net technical provisions.

Expenses by destination

Operating expenses are presented by destination in line with the requirements of the French insurance chart of accounts. These destinations include the following items:

- Claim settlement costs (settlement service costs);
- Acquisition costs (acquisition commissions, commercial costs);
- Administration costs (term service fees, management fees);
- Investment management costs (investment management services fees, brokerage fees);
- Other technical expenses (general management expenses).

Non-technical expenses are those arising from activities with no technical link to the insurance business.

The expenses arising from GIE Aéma Finance represent investment expenses in their entirety.

Using the activity-based costing model

Since 2016, Macif SAM has applied the activity-based costing model, based on cost accounting.

This method makes it possible to assign a destination to each insurance activity (sales, claims settlement, portfolio monitoring, policy management etc.). Functional services (IT, central services) are then allocated to a destination (excluding other technical expenses) according to the share represented by the main destinations.

The average over the previous three years (N-3), (N-2), (N-1) is then used to define the allocation rates to be used when allocating expenses by type to the destinations as at 31 December in year N.

Other non-technical income or expenses

Macif SAM recognises in "Other non-technical expenses" the subsidies that it regularly allocates to associations and to the Macif Group corporate foundation, which pursue its social objectives.

Off-balance sheet commitments

The company has identified the commitments received and given, according to the provisions in effect. The type and amount thereof are given in the following notes on off-balance sheet items.

CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND APPLICATION METHODS

Loan issue costs

Before 1 January 2021, loan issue costs were entirely recognised in expenses in the financial year in which they were exposed.

As of 1 January 2021, loan issue costs are spread over the term of loans in proportion to accrued interest. The purpose of this change in method was to standardise the treatment for corporate financial statements and consolidated financial statements. ANC Regulation 2020-01 made the spreading of loan issue costs mandatory in the consolidated financial statements.

Although this implied retrospectively restating the issue costs of previously issued loans, the amount of issue costs remaining to be spread for these loans was around €220 thousand and was not material. As a result, Macif SAM decided not to apply the regulation retrospectively.

SIGNIFICANT EVENTS

Covid-19

In response to the health crisis, Macif SAM has taken numerous "precautionary" measures in line with its *Raison d'être*, both internally for its employees and for its members, and also in its public solidarity contributions.

For the past two years, Macif SAM has paid close attention to protecting the health of its employees, which has often led to the company adopting more protective rules than those required by the public authorities.

During 2021, remote working, which had become common in 2020, continued in a form combining flexibility and respect for employees' constraints (paid childcare leave) with successive periods of exceptional working from home. Macif SAM has been particularly vigilant in ensuring the safety of its employees and regularly adapting its actions in line with government measures.

The various pandemic episodes experienced in 2021 did not lead to the closure of any branches. Members were able to continue to have access to the expected services through the usual methods of contact: via internet and telephone, and continue to visit our branches under safe sanitary conditions.

Financial items

Acquisition of Abeille Assurances

On 30 September 2021, Aéma Groupe acquired Aviva France (now Abeille Assurances) for €2.1 billion, having obtained the necessary authorisations from the regulatory authorities. Macif SAM also subscribed for perpetual subordinated securities issued by Aviva France for a nominal amount of €1.1 billion. This transaction makes the Aéma Groupe group the fifth largest insurance company in France. It also solidifies the original goal of Macif SAM and Aésio mutuelle, founders of Aéma Groupe, to build a gold-standard mutual insurance group that now offers cover to more than 11 million people in France through a comprehensive array of solutions. Thanks to its complementary expertise, this multi-brand, multi-network and multi-business-line group is strengthening its positions across the entire insurance industry. As part of the financing of the transaction, Macif SAM issued €1.75 billion of subordinated securities on the market in three tranches on 21 June 2021.

On 17 December 2021, Macif SAM carried out the disposal:

- To Apivia Macif Mutuelle of 9,326,126 Abeille Assurances shares and of 55 perpetual subordinated securities issued by the latter;
- To Aésio mutuelle of 18,633,596 Abeille Assurances shares and of 220 perpetual subordinated securities issued by the latter.

Following this transaction, Macif SAM holds 85% of the capital of Abeille Assurances, and Aésio mutuelle and Apivia Macif Mutuelle 9.99% and 5% respectively.

Issue of perpetual subordinated securities

In June 2021, Macif SAM issued new perpetual subordinated securities in the amount of €400 million. The rate used was 3.50% until 21 June 2029 with a redemption option from this date.

Issue of redeemable subordinated securities

In June 2021, Macif SAM issued new redeemable subordinated securities in the amount of:

- €500 million maturing in 2027. The rate used was 0.625%;
- €850 million maturing in 2052. The rate used was 2.125% until 21 June 2032 with a redemption option from this date.

Debt issue and subscription

Macif SAM issued new senior bonds subscribed to by:

- Mutavie in the amount of €350 million in September 2021 maturing in 2033. The rate used was 0.71%;
- Mutavie in the amount of €350 million in September 2021 maturing in 2036. The rate used was 0.94%;
- Abeille Vie and Abeille IARD & Santé in the amount of €650 million in December 2021 maturing in 2031. The rate used was 0.70%.

In symmetry with these issues, Macif SAM subscribed to two redeemable subordinated securities issued by Abeille Vie and Abeille IARD & Santé, in the amount of €350 million and €300 million respectively, both maturing in 2052 and paying 2.20% until 2032 then Euribor 3-months +3.05%.

Acquisition of a majority stake in mortgage broker Crédit Expert

On 28 April 2021, Macif SAM acquired a majority stake in mortgage broker Crédit Expert. The partnership rounds out Macif SAM's support solutions for member-policyholders wishing to purchase property. Crédit Expert operates throughout France and has almost twenty branches and a staff of some sixty professionals. It helps around 5,000 families every year with their property purchases. In 2021, Macif SAM and Crédit Expert worked together to define the framework of an operational partnership aimed at incorporating the new service into the Macif offer.

Acquisition of shares in Sécurimut

Sécurimut is a broker specialised in the development, management and distribution of loan guarantee policies (GEM products - *Garantie emprunteur*) covering mortgage loans.

Macif SAM acquired in 2020, and then at the beginning of 2021, all of the stake in the company held by Mutavie and Apivia Macif Mutuelle. The mutual insurance company now therefore owns all of Sécurimut's shares.

SUBSEQUENT EVENTS

The significant events that have occurred since the end of February 2022, relating to the situation in Ukraine and the consequences of the sanctions imposed on Russia, constitute a subsequent event. This has no financial impact on the financial statements for the year ended 31 December 2021, as it is an event relating to a specific new situation. Initial analyses indicate that Macif SAM has very little financial exposure to Russia and Ukraine, or to countries bordering Ukraine.

2.1.3.2 Additional information on balance sheet items

BREAKDOWN OF INTANGIBLE ASSETS

<i>(in thousands of euros)</i>	Gross amount	31 Dec. 2021 Amortisation and provisions	Net amount	31 Dec. 2020 Net amount
Initial capital	-	-	-	-
Research and development costs	-	-	-	-
Goodwill	14	-	14	109
Other intangible assets	493,457	312,379	181,078	151,955
Total	493,471	312,379	181,092	152,064

ANALYSIS OF CHANGES IN CERTAIN NON-CURRENT ASSETS

Gross non-current assets

<i>(in thousands of euros)</i>	Gross amount at start of period	Acquisitions/ increases	Disposals/ decreases	Gross amount at end of period
Intangible assets	427,105	67,503	1,137	493,471
Land and buildings	490,830	52,586	376	543,040
Investments in related undertakings and undertakings linked by virtue of a participating interest	951,771	3,969,765	654,673	4,266,863
Total	1,869,706	4,089,854	656,186	5,303,374

Depreciation, amortisation and provisions for these assets

<i>(in thousands of euros)</i>	Depreciation, amortisation & provisions at start of period	Additions to depreciation, amortisation & provisions	Reversals of depreciation, amortisation & provisions	Depreciation, amortisation & provisions at end of period	Net value at end of period
Intangible assets	275,042	38,039	702	312,379	181,092
Land and buildings	40,122	1,606	214	41,514	501,526
Investments in related undertakings and undertakings linked by virtue of a participating interest	249,599	2,757	5,124	247,232	4,019,631
Total	564,763	42,402	6,040	601,125	4,702,249

OTHER INVESTMENTS – CHANGE IN DEPRECIATION, AMORTISATION AND PROVISIONS

Non-current assets

<i>(in thousands of euros)</i>	Gross value at end of period	Change in depreciation, amortisation and provisions				Net value at end of period
		1 Jan. 2021	Additions	Reversals	31 Dec. 2021	
Other investments	7,260,593	14,365	1,442	5,787	10,020	7,250,573
Receivables for cash deposited with ceding undertakings	19,097	-	-	-	-	19,097
Total	7,279,690	14,365	1,442	5,787	10,020	7,269,670

LIST OF INVESTMENTS

Summary of all investments

<i>(in thousands of euros)</i>	Gross value	Net value	Realisable value
I - Investments and forward financial instruments (details of asset items 3 and 4 and Forward Financial Instruments – FFI)			
1) Property investments (including property investments in progress)	543,040	501,526	1,175,863
FFI investment or divestment strategies			
FFI performance strategies			
2) Equities and other variable income securities, other than units of UCIs	2,889,420	2,642,038	3,672,798
FFI investment or divestment strategies			
FFI performance strategies			
3) Units of UCIs (other than those referred to under 4)	752,479	743,767	1,093,699
FFI investment or divestment strategies			
FFI performance strategies			
4) Units of UCIs investing exclusively in fixed income securities	1,337,954	1,337,092	1,389,371
FFI investment or divestment strategies			
FFI performance strategies			
5) Bonds and other fixed income securities	6,503,328	6,398,411	6,671,919
FFI investment or divestment strategies			
FFI performance strategies			
6) Mortgage loans	1,090	1,090	1,090
FFI investment or divestment strategies			
FFI performance strategies			
7) Other loans and similar instruments	26	26	26
FFI investment or divestment strategies			
FFI performance strategies			
8) Deposits with ceding companies	19,097	19,097	19,097
FFI investment or divestment strategies			
FFI performance strategies			
9) Cash deposits (other than those referred to under 8) and surety bonds, and other investments	40,175	40,175	40,175
FFI investment or divestment strategies			
FFI performance strategies			
10) Assets representing unit-linked policies			
Real estate investments			
Variable income securities other than units of UCIs			
UCIs investing exclusively in fixed income securities			
Other UCIs			
Bonds and other fixed income securities			
11) Other FFIs			
FFI investment or divestment strategies			
FFI performance strategies			
Other FFI transactions			

<i>(in thousands of euros)</i>	Gross value	Net value	Realisable value
12) Total investments and FFIs, lines 1 to 11, of which:	12,086,609	11,683,222	14,064,038
Total investments	12,086,609	11,683,222	14,064,038
Total FFIs	-	-	-
Summary of investments by estimation method			
a) of which:			
- Investments valued according to Article R. 343-9 and related forward financial instruments	4,834,907	4,729,676	4,993,698
- Investments valued according to Article R. 343-10 and related forward financial instruments	7,251,702	6,953,546	9,070,340
- Investments valued according to Article R. 343-11 and related forward financial instruments			
- Investments valued according to Article R. 343-13 and related forward financial instruments			
- Other FFIs			-
b) of which, for the undertakings referred to in Article L. 310-1:			
- Securities allocated to the representation of technical provisions other than those referred to below	11,152,727	10,853,311	12,997,008
- Securities guaranteeing commitments to employee benefit schemes or covering managed investment funds			
- Securities deposited with ceding undertakings (including securities deposited with ceding undertakings for whom the company has acted as joint surety)	19,097	19,097	19,097
- Securities allocated to technical provisions for insurance operations legally segregated in an allocation subledger in France			
- Other allocated or unallocated items (including FFIs)	914,785	810,814	1,047,933
Securities allocated to technical provisions for insurance operations legally segregated in an allocation subledger in France are itemised by type (A, R, RA, RE, RX).			
They are also presented in a separate statement, with a breakdown of investments by type.			
Of which, for the undertakings referred to in Article L. 310-1-1:			
<i>Securities deposited with ceding undertakings (including securities deposited with ceding undertakings for whom the company has acted as joint surety)</i>			
<i>Other securities</i>			
c) of which:			
- Investments and forward financial instruments in the OECD	12,081,954	11,678,804	14,058,859
- Investments and forward financial instruments outside the OECD	4,655	4,418	5,179
II - Assets allocated to the representation of technical provisions (other than investments, FFIs and reinsurers' share of technical provisions)	N/A	N/A	N/A
III - Securities belonging to employee benefit schemes (one line per employee benefit scheme)			
IV - Pledged securities received from reinsurers		626,432	626,432

N/A: Not applicable.

List of investments: other information
Amount of deposits included in the value of assets recorded in "Land and buildings"

N/A.

Breakdown of land and buildings (net value)

	Share of unlisted property companies	31 Dec. 2021 Rights in rem	Total	31 Dec. 2020 Total
<i>(in thousands of euros)</i>				
Operating assets	-	-	-	-
Other fixed assets	501,526	-	501,526	450,708
Total	501,526	-	501,526	450,708

Balance not yet amortised or reversed corresponding to the difference in the redemption price of securities valued in accordance with Articles R. 343-9 and R. 343-10

<i>(in thousands of euros)</i>	31 Dec. 2021	31 Dec. 2020
Total	-20,905	-44,160

DEBTORS AND CREDITORS AGEING REPORT
Receivables

	31 Dec. 2021			31 Dec. 2020
<i>(in thousands of euros)</i>	< 1 year	1 to 5 years	> 5 years	Net amount
Premiums earned and not written	4,565	-	-	4,565
Other debtors arising out of direct insurance operations	797,649	-	-	797,649
Debtors arising out of reinsurance operations	71,790	-	-	71,790
Personnel	237	-	-	237
State, social security organisations, local authorities	13,204	-	-	13,204
Sundry debtors	227,064	-	-	227,064
<i>Of which accrued income</i>				1,365
Called up share capital not paid	-	-	-	-
Total	1,114,509	-	-	1,114,509

Creditors

	31 Dec. 2021			31 Dec. 2020
<i>(in thousands of euros)</i>	< 1 year	1 to 5 years	> 5 years	Net amount
Deposits received from reinsurers	94,260	-	-	94,260
Creditors arising out of direct insurance operations	20,649	-	-	20,649
Creditors arising out of reinsurance operations	3,776	-	-	3,776
Debenture loans (including convertible bonds)	-	-	-	-
Amounts owed to credit institutions	-	-	-	-
Negotiable debt securities issued by the company	-	-	-	-
Other loans, deposits and surety bonds received	1,733	-	1,350,000	1,351,733
Personnel	99,596	-	-	99,596
State, social security organisations, local authorities	112,716	-	-	112,716
Sundry creditors	76,930	-	-	76,930
<i>Of which accrued expenses</i>				1,429
Total	409,660	-	1,350,000	1,759,660

LIST OF SUBSIDIARIES AND ASSOCIATES

(in thousands of euros)

Company name	Share capital	Shareholders' equity other than capital	Percentage of share capital held %	Carrying amount of securities held Gross	Carrying amount of securities held Net	Loans and advances granted by the company and not yet repaid	Amount of surety bonds and endorsements given by the company	Revenue excluding taxes for the financial year under review	Profit or loss for the last full financial year	Dividends received by the company during the financial year
A - Subsidiaries and associates whose gross value exceeds 1% of the capital of the company required to publish its financial statements										
Abeille Assurances	1,678,702	1,281,323	85%	1,802,860	1,802,860	-	-	-	30,103	-
Compagnie Foncière Macif	27,000	10,812	100%	68,615	48,793	38,610	-	1,675	1,520	-
Foncière de Lutèce	136,330	55,061	98%	143,737	143,737	-	-	16,967	4,860	1,954
HK Conseil*	50	625	80%	12,429	12,429	3,887	-	7,003	552	-
Macif Innovation	15,037	-	100%	28,204	16,388	2,039	-	-	183	-
Macif Participations	11,400	-2,195	100%	26,679	8,823	2,426	-	-	-376	-
Macifilia	8,840	8,586	100%	226,835	18,884	-	-	-	356	-
Macif Impact EES	10,037	-9	100%	5,028	5,028	-	-	-	-126	-
Mutavie	46,200	821,421	98%	115,946	115,946	-	-	2,414,785	34,515	-
OFI Holding	60,000	50,741	61%	39,235	39,235	-	-	-	24,684	3,656
Sécurimut	200	17,529	100%	40,582	40,582	-	-	25,571	7,048	6,215
Siem	114,400	105,634	100%	147,054	147,054	45,000	-	36,628	13,263	8,000
Thémis	2,500	3,644	100%	3,848	3,848	-	-	1,507	540	-
A1 - Subsidiaries more than 50% owned				2,661,052	2,403,607	91,962	-	2,504,136	117,122	19,825
Esfm*	44,493	6,626	24%	11,953	11,803	-	-	6	-955	-
Inter Mutuelles Entreprises (IME)*	22,763	43,750	40%	48,836	48,836	-	-	47,956	2,690	-
Inter Mutuelles Assistance (IMA)	36,754	174,928	29%	27,851	27,851	-	-	871,615	11,942	-
New Alpha Asset Management*	2,484	4,862	13%	2,755	2,755	-	-	12,564	2,828	271
Prévoyance Aésio Macif (PAM)	30,000	-7,586	50%	15,000	9,146	-	-	-	-4,198	-
Société d'Assurance de Prévoyance et de Santé*	6,343	5,897	41%	4,229	4,229	-	-	10,107	126	-
Socram Banque*	70,000	160,701	34%	41,780	41,780	-	-	51,329	1,354	-
SRS Holding*	63,418	27,131	18%	75,442	75,442	-	-	-	-491	910
A2 - Associates (10 to 50%)				227,846	221,842	-	-	993,577	13,296	1,181
B - Other subsidiaries and associates whose gross value does not exceed 1% of the capital of the company required to publish its financial statements										
B1 - French subsidiaries (in total)				4,127	1,522	20,410	-	-	-	3,555
B2 - Foreign subsidiaries (in total)				426	189	-	-	-	-	-
B3 - French associates (in total)				7,432	6,796	-	-	-	-	334
B4 - Foreign associates (in total)				3,367	3,367	-	-	-	-	57
C - General information on all subsidiaries and associates										
C1 - French subsidiaries (in total)				2,665,179	2,405,129	112,372	-	-	-	23,380
C2 - Foreign subsidiaries (in total)				426	189	-	-	-	-	-
C3 - French associates (in total)				231,049	224,409	-	-	983,470	13,170	1,515
C4 - Foreign associates (in total)				7,596	7,596	-	-	10,107	126	57

* Figures to 31 December 2020.

INVESTMENTS AND OPERATIONS INVOLVING RELATED UNDERTAKINGS AND UNDERTAKINGS LINKED BY VIRTUE OF A PARTICIPATING INTEREST

	Gross amount of shares held	Net amount of receivables	Amount of payables
<i>(in thousands of euros)</i>			
Related parties:			
Abeille Assurances	1 802 860	814 604 ¹	
Abeille IARD & Santé		300 000 ¹	
Abeille Vie		350 000 ¹	
Macifilia	226 835	138 ²	
		1 614 ³	
		19 047 ⁴	
GIE Macif Finance Épargne	1	387 ²	431 ²
GIE Aéma Finance	1	511 ²	
Mutavie	115 946	150 000 ¹	
		37 886 ²	
Thémis	3 848	171 ²	
With link:			
Coopest	1 190	1 950 ¹	
Darva	805	-	
Dom Plus	2 496	-	
Equigest	656	-	
Esfin	11 953	-	
Gironde et Gascogne	662	127 ²	
HK Conseil	12 429	3 887 ²	
Inter Mutuelles Assistance (IMA)	27 851	-	
GIE Inter Mutuelles Habitat	13	647 ²	
Inter Mutuelles Entreprises (IME)	48 836		
Macif Conseil EURL	426		
Aéma REIM	150		223 ²
M. A&S	38	130 ²	
Macif Impact ESS	5 028		
Macif Innovation	28 204	2 038 ²	
GIE Macif-Mutualité Gestion	1		
Macif Participations	26 679	2 426 ²	
New Alpha Asset Management	2 755		
OFI Holding	39 235		
Ofivalmo Partenaires	1 906		
Prévoyance Aésio Macif (PAM)	15 000	873 ²	
Société d'Assurance de Prévoyance et de Santé	4 229		
P&V Assurances	4 000	57 500 ¹	
Secta	1 555		
Sécurimut	40 582	10 699 ²	
Sferen Réparation	1		
Socram Banque	41 780	2 421 ²	
Skipper Macif 2	50		
SRS Holding	75 442	35 000 ¹	
Syneteristiki	2 177	1 500 ¹	
Vernier Participation SAS	2 210	-	
Total	2 547 830	1 793 556	654

¹ Bonds and equity securities.

² Current accounts.

³ Current accounts with ceding undertakings.

⁴ Cash deposits.

CHANGE IN EQUITY

	Opening balance	Appropriation of profit FY 2020	Increase	Decrease	Profit/(loss) for the period	Closing balance
<i>(in thousands of euros)</i>						
Initial capital*	257,034	-	1,367	-	-	258,401
Contingency margin	1,105,000	40,000	-	-	-	1,145,000
Special short-term capital appreciation reserve	-	-	-	-	-	-
Initial capital loan repayment reserve	-	-	-	-	-	-
Capitalisation reserve	-	-	-	-	-	-
Other reserves	224,266	-	-	-	-	224,266
Permanent impairment losses	-	-	-	-	-	-
Retained earnings	3,955	662	-	-	-	4,617
Net profit	40,662	-40,662	-	-	56,926	56,926
Investment subsidies	-	-	-	-	-	-
Total	1,630,917	-	1,367	-	56,926	1,689,210

* Membership dues received from new members.

SUBORDINATED LIABILITIES

In April and June 2013, Macif SAM issued redeemable subordinated securities totalling €400 million, redeemable at the 10-year maturity date (2023).

In 2014, an issue of new perpetual subordinated securities was made for €124.4 million (€74.4 million from the exchange of subordinated liabilities issued in 2005 and €50 million in invested securities). The rate used was 3.916% with a redemption option from October 2024.

In April 2018, the redeemable subordinated securities and perpetual subordinated securities were transferred from the Luxembourg Stock Exchange to the Euro MTF.

In 2021, Macif SAM issued:

- Perpetual subordinated securities for a total amount of €400 million. The rate used was 3.50% until 21 June 2029 with a redemption option from this date;
- Redeemable subordinated securities for a total amount of €1,350 million redeemable at maturity dates set for 2027 and 2052.

	31 Dec. 2021				31 Dec. 2020
	< 1 year	1 to 5 years	> 5 years	Net amount	Net amount
<i>(in thousands of euros)</i>					
Subordinated liabilities					
Perpetual subordinated loan - 2014	1,148	-	124,400	125,548	125,548
Perpetual subordinated loan - 2021	385	-	400,000	400,385	-
Redeemable subordinated loan 5.5% - March 2023	17,962	400,000	-	417,962	417,961
Redeemable subordinated loan 2.125% - June 2052	9,551	-	850,000	859,551	-
Redeemable subordinated loan 0.625% - June 2027	1,652	-	500,000	501,652	-
Total	30,698	400,000	1,874,400	2,305,098	543,509

Issue costs of loans issued in 2021 totalled €11,633 thousand and are spread over the term of loans in proportion to accrued interest. With regard perpetual subordinated securities, the duration of the spread is calculated using the first practicable early redemption date as the maturity date.

The charge to the income statement for the 2021 financial year was €571 thousand.

Redeemable subordinated securities issued in 2021 are subject to redemption premiums of €9,361 thousand which are amortised over the term of loans in proportion to accrued interest.

The charge to the income statement for the 2021 financial year was €381 thousand.

PROVISIONS FOR UNEXPIRED RISKS

	Opening amount	Addition or reversal	Closing amount
<i>(in thousands of euros)</i>			
Amount of provisions for unexpired risks	26,721	-18,347	8,374
Total	26,721	-18,347	8,374

PROVISIONS FOR CLAIMS – RECOURSE TO BE COLLECTED

(in thousands of euros)	Total
Amount of recoveries receivable deducted from provisions for claims payable	311,440
Difference between the amount of provisions recorded in the opening balance sheet relating to claims outstanding incurred in previous years, and the total amount of benefits paid during the year in respect of claims incurred in previous years, added to provisions for claims recorded in the closing balance sheet in respect of those same claims	164,493

Changes over the last three years in claims settled since the year of occurrence and the provision for claims outstanding

2019 inventory year

(in thousands of euros)	Year of occurrence		
	2017	2018	2019
Settlements	1,990,974	2,053,158	1,538,613
Provisions	535,709	921,022	1,316,723
Total claims	2,526,683	2,974,180	2,855,336
Earned premiums	3,199,089	3,234,133	3,329,514
Percentage claims/premiums earned	78.98%	91.96%	85.76%

2020 inventory year

(in thousands of euros)	Year of occurrence			
	2017	2018	2019	2020
Settlements	2,057,601	2,198,980	2,168,149	1,387,700
Provisions	486,132	804,065	803,840	1,180,149
Total claims	2,543,733	3,003,045	2,971,989	2,567,849
Earned premiums	3,199,089	3,234,133	3,329,514	3,446,991
Percentage claims/premiums earned	79.51%	92.85%	89.26%	74.50%

2021 inventory year

(in thousands of euros)	Year of occurrence				
	2017	2018	2019	2020	2021
Settlements	2,114,036	2,295,072	2,331,581	1,874,531	1,626,682
Provisions	395,737	724,075	621,627	705,307	1,316,997
Total claims	2,509,773	3,019,147	2,953,208	2,579,838	2,943,679
Earned premiums	3,199,089	3,234,133	3,329,514	3,446,991	3,536,594
Percentage claims/premiums earned	78.45%	93.35%	88.70%	74.84%	83.23%

OTHER INFORMATION ON BALANCE SHEET ITEMS

Assets with reservation of title clause

N/A.

Unamortised balance corresponding to the difference between the original amount received and the redemption price of the debt represented by a security issued by the company

Redeemable subordinated securities issued in the amount of €1,350 million in June 2021, maturing in 2027 and 2052, were issued below par value. This resulted in

an issue premium for which the unamortised balance was -€8,979,982.78.

Breakdown of prepayments and accrued income and accruals and deferred income**Assets**

<i>(in thousands of euros)</i>	Net closing amount	
	31 Dec. 2021	31 Dec. 2020
Accrued interest and rent not yet due	52,757	55,596
Deferred acquisition costs	70,139	64,355
Other prepayments and accrued income	54,966	25,056
Deferred property acquisition costs	11,061	-
Difference on redemption price receivable	12,235	10,663
Prepaid expenses	22,690	14,393
Revaluation of currency translation gains	-	-
Deferred expenses	8,980	-
Total	177,862	145,007

Liabilities

<i>(in thousands of euros)</i>	Net closing amount	
	31 Dec. 2021	31 Dec. 2020
Accruals and deferred income	121,954	116,863
Amortisation of differences on redemption prices	119,839	114,327
Prepaid or deferred income	349	697
Revaluation of currency translation losses	1,766	1,839
Total	121,954	116,863

Breakdown of provisions for risks and expenses

<i>(in thousands of euros)</i>	Opening balance	Additions	Reversals	Closing balance
Provisions for litigation	18,644	1,867	13,782	6,729
Provisions for foreign exchange loss	1,839	1,766	1,839	1,766
Other provisions for risks	1,868	1,074	846	2,096
Provisions for pensions and other post-employment benefits	1,182	-	1,182	-
Special depreciation allowance	36,847	1,026	9,727	28,146
Total	60,380	5,733	27,376	38,737

Foreign currency assets and liabilities – translation difference

<i>(in thousands of euros)</i>	31 Dec. 2021 Currency translation		31 Dec. 2020 Currency translation	
	Assets	Liabilities	Assets	Liabilities
Currency translation gains	1,766	-	1,839	-
Currency translation losses	-	-	-	-
Total	1,766	-	1,839	-

COMMITMENTS RECEIVED AND GIVEN

Breakdown by counterparty

	31 Dec. 2021	Of which commitments to:		
		Senior management	Related parties	Holdings
<i>(in thousands of euros)</i>				
Commitments received	462,290	-	350,000	2,000
Commitments given	1,271,518	-	-	-
Endorsements, surety bonds and credit guarantees given	249,492	-	232	-
Securities and other assets with resale commitment	-	-	-	-
Other commitments on securities and assets	440,258	-	-	169,025
Other commitments given	581,768	-	350,000	50,580
Pledged securities received from reinsurers	626,432	-	-	-
Commitments on FFI, performance strategies	-	-	-	-

Breakdown by type of commitment

	31 Dec. 2021	31 Dec. 2020
<i>(in thousands of euros)</i>		
Commitments received	462,290	479,051
Guarantee commitments (endorsements, surety bonds, pledges, other)	15,216	17,816
Joint surety bond from Crédit Coopératif for payments to the Macif Foundation	9,200	13,800
Bpifrance Assurance Export guarantee	4,016	4,016
Liability guarantee HK Conseil	2,000	-
Commitments on securities	350,000	365,579
Mutavie underwriting commitment for redeemable subordinated securities	350,000	350,000
Commitment on securities purchase	-	15,579
Other commitments received	97,073	95,656
Domicours Holding: earn-out clause	346	346
Staff pensions and other post-employment benefits	92,659	90,671
Supplementary pension scheme	324	1,155
Liabilities and commitments on GIE (MFE, MMF)	3,744	3,484
Commitments given	1,271,518	894,496
Endorsements, surety bonds and credit guarantees given	249,492	769
Liability guarantee on sale of Serena to IMA	-	531
Liability guarantee on sales of Macif Zycie securities	232	238
First request payment guarantee commitment - KEIKO	249,260	-
Other commitments on securities, assets or income	440,258	277,155
Remaining commitment on FPCI	151,509	141,749
Remaining commitment to be given on other securities	119,724	107,796
Current account commitment	169,025	4,531
Remaining commitment to be given on purchase of securities	-	23,079
Other commitments given	581,768	616,572
Payment commitment to the Macif Foundation	9,200	13,800
Liquidity commitment to Socram Banque	50,580	50,580
Mutavie underwriting commitment for redeemable subordinated securities	350,000	350,000
Staff pensions and other post-employment benefits	95,659	105,606
Supplementary pension scheme	75	479
Liabilities and commitments on GIE (MFE, MMF)	13,273	12,132
Other commitments given	62,981	83,975
Pledged securities received from reinsurers and retrocessionaires	626,432	570,425
Securities issued by reinsured undertakings with joint surety or substitution	-	-
Securities belonging to employee benefit schemes	-	-
Other securities held on behalf of third parties	-	-
Outstanding forward financial instruments	-	-

Commitment of Macif SAM General Management to Banque de France B418:I433

Macif SAM, as a shareholder of the company OFI Holding with 60.93% of the voting rights, undertakes to:

- Retain the participating interest indirectly held in OFI Asset Management and consult, for prior authorisation, the bank regulator in the event of a planned sale or reduction of this interest, for as long as that company remains a shareholder of OFI Investment Solution;
- Exercise, through OFI Asset Management, supervision over the management of OFI Investment Solution, to ensure that this institution is in a position at all times to comply with the obligations imposed under applicable banking regulations;
- Provide, where applicable, under Article L. 511-42 of the French Monetary and Financial Code, OFI Asset Management with the financial support it needs to provide OFI Investment Solution with the means to fulfil all its legal and regulatory obligations.

Macif SAM's commitment to Socram Banque

Macif SAM guarantees the commitments entered into by Socram Banque, as well as the successful outcome of the operations it carries out in accordance with its corporate purpose, in proportion to its voting rights.

As a distributor of Socram Banque loans, Macif SAM has agreed to cover the risks generated by its members above a mutualisation threshold.

Commitment of Macif SAM in Sgam Aéma Groupe

Macif SAM has financial solidarity obligations through Sgam Aéma Groupe.

Macif SAM's commitment to Société Générale

Macif SAM, a majority shareholder of the company Foncière de Lutèce, is committed to maintaining at least a 51% equity stake in the company for the entire term of the 15-year loan taken out by Foncière de Lutèce.

HK Conseil: price supplement and promise to purchase and sell

Macif SAM has also granted a promise to purchase to Crédit Expert and Crédit Expert has granted a promise to sell to Macif SAM for the remaining capital.

These promises are exercisable in 2023 and 2024, with the possibility of a 12-month deferral.

In the event that the defined criteria are met, Macif SAM may be required to pay an additional sale price.

Macif SAM's commitment to Abeille Assurances:

As part of the acquisition of Abeille Assurances, Macif SAM received liability guarantees offering protection against financial, tax-related, regulatory, legal risks.

On 17 December 2021, Macif SAM sold:

- to Apivia Macif Mutuelle, 9,326,126 shares in Abeille Assurances and 55 undated subordinated securities issued by the latter;
- to Aésio mutuelle, 18,633,596 shares in Abeille Assurances and 220 undated subordinated securities issued by the latter. Following this transaction, Macif SAM holds 85% of the capital of Abeille Assurances, and Aésio mutuelle and Apivia Macif Mutuelle 9.99% and 5% respectively.

In this context, promises to purchase and sell have been concluded between Macif SAM, Apivia Macif Mutuelle and Aésio mutuelle, which will be exercisable under the conditions defined by these three entities. In addition, should Macif SAM receive compensation for the acquisition of Abeille Assurances securities, Macif SAM will pay Apivia Macif Mutuelle and Aésio mutuelle the share of the compensation it has actually received in proportion to the percentage of Abeille Assurances' share capital held by each of the two mutual companies.

(in thousands of euros)

31 Dec. 2021

Breakdown of pension commitments

Pension commitments: commitments given	95,734
Plan assets: commitments received	92,983
Inventory of unrecognised actuarial losses (gains)	3,208
Inventory of prepaid expenses	-
Inventory of provisions for risks and expenses	-

2.1.3.3 Additional information on the income statement

INVESTMENT INCOME AND EXPENSES

	Related parties	31 Dec. 2021		31 Dec. 2020
		Other	Total	Total
<i>(in thousands of euros)</i>				
Income from associates	-	20,584	20,584	8,838
Income from property investments	-	11,504	11,504	3,593
Income from other investments	15,412	176,484	191,897	152,039
Other financial income	-	759	759	966
Total investment income	15,412	209,331	224,743	165,436
Total financial expenses	-	66,902	66,902	43,795

BREAKDOWN OF INCOME AND EXPENSES FROM NON-LIFE TECHNICAL OPERATIONS BY CATEGORY

(in thousands of euros)

Non-life technical operations (categories 20 to 39)	Personal injury individual policy (Cat. 20)	Motor third-party liability (Cat. 22)	Motor damage (Cat. 23)	Damage to personal property (Cat. 24)	Damage to business assets (Cat. 25)
Earned premiums	328,390	806,719	1,202,615	850,025	15,105
Premiums	332,880	813,732	1,211,533	855,020	15,648
Change in unearned premiums	-4,490	-7,013	-8,918	-4,995	-543
Benefit expense	-156,520	-597,349	-940,606	-739,578	-8,200
Benefits and fees paid	-139,868	-636,789	-902,076	-648,230	-7,011
Benefit and other provision expenses	-16,652	39,440	-38,530	-91,348	-1,189
A. Underwriting balance	171,870	209,370	262,009	110,447	6,905
Acquisition costs	-32,158	-98,596	-106,035	-119,067	-1,101
Other net management expenses	-23,182	-73,349	-109,179	-108,395	-978
B. Acquisition expenses	-55,340	-171,945	-215,214	-227,462	-2,079
Investment returns	18,492	79,765	8,332	18,280	578
Profit-sharing	78	-	-1	11	-
C. Financial balance	18,570	79,765	8,331	18,291	578
Reinsurers' share of earned premiums	-30,319	-6,950	-10,551	-45,241	-1,169
Share of organisations exempt from authorisation in earned premiums	-	-	-	-	-
Reinsurers' share of benefits paid	29,767	18,190	1,671	7,567	32
Share of organisations exempt from authorisation in benefits paid	-	-	-	-	-
Reinsurers' share of accrued benefit provisions expenses	-1,107	-64,393	-1,335	-24,700	-61
Share of organisations exempt from authorisation in accrued benefit provisions expenses	-	-	-	-	-
Reinsurers' share of profit-sharing	-	-	-	-	-
Commissions received from reinsurers	606	-	-	3	-
D. Reinsurance balance	-1,053	-53,153	-10,215	-62,371	-1,198
Underwriting result	134,047	64,037	44,911	-161,095	4,206
Excluding account:	-	-	-	-	-
Provisions for unearned premiums (closing)	75,532	199,422	299,185	210,900	4,068
Provisions for unearned premiums (opening)	71,042	192,409	290,267	205,905	3,526
Provisions for claims outstanding (closing)	310,374	3,726,819	232,065	908,952	30,988
Provisions for claims outstanding (opening)	312,941	3,763,145	193,534	811,746	29,783
Other technical provisions (closing)	777,846	916,075	11	41,743	1,032
Other technical provisions (opening)	759,322	919,189	9	47,612	1,047

Natural disasters (Cat. 27)	General liability (Cat. 28)	Legal protection (Cat. 29)	Assistance (Cat. 30)	Financial loss (Cat. 31)	Transport (Cat. 34)	Acceptance (non-life) (Cat. 39)	FPS	Total
88,765	240	38,876	196,009	2,121	7,683	41	5	3,536,594
89,589	227	39,387	200,197	2,295	7,672	27	-	3,568,207
-824	13	-511	-4,188	-174	11	14	5	-31,613
-91,781	-671	-43,152	-171,930	1,850	-3,137	2,045	6	-2,749,023
-80,927	-461	-34,771	-170,030	437	-4,066	-231	-1	-2,624,024
-10,854	-210	-8,381	-1,900	1,413	929	2,276	7	-124,999
-3,016	-431	-4,276	24,079	3,971	4,546	2,086	11	787,571
-8	-25	-1,793	-	-266	-493	-	-	-359,542
-554	-24	-4,431	-	-235	-440	-47	-	-320,814
-562	-49	-6,224	-	-501	-933	-47	-	-680,356
9,307	33	1,288	951	79	141	333	54	137,633
-	-	-	-	-	-	-	-	88
9,307	33	1,288	951	79	141	333	54	137,721
-60,862	-	-1	-1	-	-	-	-	-155,094
-	-	-	-	-	-	-	-	-
63,676	-	-	-	-	-	-	-	120,903
-	-	-	-	-	-	-	-	-
2,358	-	-1	-	-	-	-2	-	-89,241
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
713	-	-	-	-	-	-	-	1,323
5,885	-	-2	-1	-	-	-2	-	-122,109
11,614	-447	-9,214	25,029	3,549	3,754	2,370	65	122,827
-	-	-	-	-	-	-	-	-
22,458	118	9,906	50,613	732	1,868	18	2	874,824
21,634	132	9,394	46,425	559	1,879	32	6	843,212
502,345	1,935	72,251	10,366	3,469	6,254	19,144	3,274	5,828,235
477,687	1,710	64,570	8,466	4,882	7,183	21,420	3,281	5,700,349
47,939	48	755	-	1,062	-	-	-	1,786,511
61,743	64	55	-	1,062	-	-	-	1,790,103

BREAKDOWN OF SPECIFIC ITEMS IN THE INCOME STATEMENT**Staff costs**

<i>(in thousands of euros)</i>	31 Dec. 2021	31 Dec. 2020
Wages and salaries	405,211	395,392
Pensions	4,019	3,897
Social security costs	172,880	169,682
Other staff costs	10,638	19,964
<i>Of which Competitiveness and Employment Tax Credit (CICE)</i>	-	-
Total staff costs	592,748	588,935

Commissions

<i>(in thousands of euros)</i>	31 Dec. 2021	31 Dec. 2020
Commissions for direct insurance operations	1,646	2,071
Total commissions paid	1,646	2,071

Breakdown of gross written premiums

<i>(in thousands of euros)</i>	31 Dec. 2021	31 Dec. 2020
France	3,568,207	3,456,514
European Union outside France	-	-
Outside European Union	-	-
Total written premiums	3,568,207	3,456,514

Portfolio inflows and outflows

N/A.

STATUTORY AUDITORS' FEES

The amount of Statutory Auditors' fees recorded in the income statement was €1,249,000.

<i>(in thousands of euros)</i>	Groupe Y Audit	Mazars	Total
Statutory audits	458	470	928
Other services	163	158	321
Total	621	628	1,249

BREAKDOWN OF NON-TECHNICAL AND EXTRAORDINARY INCOME AND EXPENSES**Non-technical income and expenses**

<i>(in thousands of euros)</i>	31 Dec. 2021	31 Dec. 2020
Non-technical income	405	-
<i>Apprentice Training Centre (CFA) activity</i>	405	-
Non-technical expenses	12 801	19 497
<i>Apprentice Training Centre (CFA) activity</i>	514	-
<i>Subsidies granted</i>	12 287	19 497
Total	-12 396	-19 497

Extraordinary income and expenses

<i>(in thousands of euros)</i>	31 Dec. 2021	31 Dec. 2020
Extraordinary income	27,100	39,150
Reversal of special depreciation allowances	9,727	28,386
Other extraordinary income	8,948	3,761
Proceeds from asset disposals	153	351
Use or reversal of provision for extraordinary impairment	8,272	6,651
Extraordinary expenses	20,792	65,612
Carrying amounts of property, plant and equipment other than buildings sold	611	418
Extraordinary subsidies granted	-	-
Fines and penalties	184	86
Other extraordinary expenses	18,649	29,611
Addition to provisions for extraordinary charges	322	294
Addition to special depreciation allowance	1,026	35,201
Total	6,308	-26,462

DEROGATION FROM GENERAL VALUATION PRINCIPLES UNDER TAX REGULATIONS

N/A.

INFORMATION ON THE DEFERRED OR UNREALISED TAX POSITION

<i>(in thousands of euros)</i>	Tax deductions - add-backs			Taxes*
	Start of period	Change	End of period	
Temporarily non-deductible expenses	8,434	8,757	17,191	4,916
Expenses deducted (or not imposed) for tax purposes and not yet recognised	128,518	74,723	203,241	58,121
Total	136,952	83,480	220,432	63,037

* Based on tax rates applicable at 31 December 2021.

BREAKDOWN OF INCOME TAX

<i>(in thousands of euros)</i>	Before corporation tax	Corporation tax	After corporation tax
Ordinary operations	93,452	-44,690	48,762
Extraordinary operations	6,308	1,856	8,164
Total	99,760	-42,834	56,926

MACIF TAX CONSOLIDATION GROUP

The Macif tax consolidation group is governed according to the principles of neutrality defined by the French tax authority.

In this respect, the consolidated subsidiaries pay Macif SAM, the consolidating company, the amount of taxes

they would have been liable for in the absence of tax consolidation. The consolidating company thus retains the corporation tax savings generated by the existence of the tax group.

EMPLOYEE PROFIT-SHARING AND INCENTIVES

The expense recognised for the 2021 financial year includes:

- Incentives: €38.3 million;
- Profit-sharing: €2.1 million.

2.1.3.4 Other material disclosures**CONSOLIDATION**

Since 2018, Macif SAM's financial statements are included in the scope of combination of Aéma Groupe SGAM (formerly Macif SGAM) whose registered office is

located at 17/21, place Étienne Pernet 75015 Paris, France.

EMPLOYEE INFORMATION**Average headcount in Full Time Equivalent (FTE) during the year**

<i>(number)</i>	31 Dec. 2021	31 Dec. 2020
Non-executives	5,685	5,833
Executives	2,895	2,802
Total	8,580	8,635

Compensation of members of administrative and management bodies

<i>(in thousands of euros)</i>	31 Dec. 2021	31 Dec. 2020
Compensation of members of administrative and management bodies	1,732	1,544

2.2 Statutory Auditors' reports

2.2.1 STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

For the year ended 31 December 2021

To the General Meeting of Macif,

OPINION

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying financial statements of Macif for the year ended 31 December 2021.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company for the past financial year and of the results of its operations at the close of that year in accordance with French accounting principles.

The above opinion is consistent with the content of our report to the Audit Committee.

BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of this report.

Independence

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for Statutory Auditors for the period from 1 January 2021 to the date of our report, and specifically we did not provide any prohibited nonaudit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. The exceptional measures taken in the context of the state of sanitary emergency, such as travel restrictions and

remote working, have had an impact on the companies' internal organisation and the performance of the audits.

It is against this complex and evolving background that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the financial statements for the period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on specific items of the financial statements.

Valuation of provisions for permanent impairment of financial investments

Note 2.1.3.1 "Statement of accounting principles and valuation methods used" and Note 2.1.3.2 "Additional information on balance sheet items" in the notes to the financial statements

Your mutual company records provisions for permanent impairment of financial investments according to Article R. 343-10 of the French Insurance Code, as described in Note 2.1.3 of the notes to the financial statements.

As at 31 December 2021, these provisions amounted to €298.8 million, of which €41.5 million were related to real estate investments (land and buildings), €247.4 million to investments in related parties with a shareholding relationship, and €9.9 million to other investments.

The evaluation of the fair value of financial investments is based on:

- The determination of a recoverable amount for listed securities, by capitalising the market value at stocktaking date when the security is considered impaired and at a rate of future evolution over a period equal to the holding period of the investments, consistent with the duration of the liabilities;
- A case-by-case review carried out at each reporting date based on the events occurred on unlisted securities.

In view of the significant involvement of management judgment, we considered that the estimation of provisions for permanent impairment of financial investments is a key point of our audit.

Our response

In order to assess the reasonable character of the provisions for permanent impairment of financial

investments, we have performed the following procedures:

- We have checked the correct classification of securities in the portfolio in accordance with regulations;
- We have assessed the appropriate character of the methodology used for the valuation of the provisions for permanent impairment of financial investments;
- We have analysed the methods used to implement the census of the securities concerned;
- We have checked the correct application of the methodology used to calculate the provision on a sample of securities and we have assessed the consistency of the fair value calculation used for the valuation of the provision;
- We have reconciled the accounting data with the data from the investment management system.

Finally, we have also verified the appropriate character of the information provided in the notes to the financial statements.

Valuation of technical provisions for claims outstanding

The paragraph "Provisions for claims" of Note 2.1.3.1 "Statement of accounting principles and valuation methods used" and the paragraph "Changes over the last three years in claims settled since the year of occurrence and the provision for claims outstanding" of the notes to the financial statements

Identified risk

Provisions for claims outstanding, totalling €5,828 million in the balance sheet as at 31 December 2021, represent 40% of the liabilities.

They represent the estimated value of principal expenses and accessorize costs, both internal and external, relating to the claims settlement incurred and not paid, whether reported or not, including the capital of annuities not yet charged to the mutual insurance company.

They are calculated as described in paragraph 2.1.3.1 and the note "Changes over the last three years in claims settled since the year of occurrence and the provision for claims outstanding" of the notes to the financial statements.

They require the exercise of management's judgment in selecting the assumptions, the calculation models to be used and the management fee rate to be applied.

Given the relative weight of these provisions in the balance sheet and the involvement of management judgment, we considered the valuation of technical provisions for claims reserves payable to be a key issue in our audit.

Our response

In order to assess the reasonable character of the estimation on technical provisions for claims outstanding, our audit approach was based on the information provided to us and included the following work:

- We have assessed the reliability of the internal control system deployed in the Macif regions that encompasses the activity of the claim managers;
- We have assessed the appropriateness of the calculation methods used to estimate technical provisions and the assumptions used for their calculation.
- We have verified the valuation made by the managers of Macif's serious casualty department;
- We have audited the process for the provisioning of the Mandatory Third-Party Liability Insurance Guarantee Fund (FGAO);
- We have analysed the unwinding of the previous year's provision with the actual claims expenses (gain/loss);
- We have performed our own assessment of the provisions based on a sample of products/covers;
- We have tested the quality of the data used in the valuation of claims outstanding;
- We have performed general computerised checks on the business applications affecting the valuation of non-life claims outstanding.

Finally, we have also verified the appropriate character of the information provided in the notes to the financial statements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

Information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to members of the General Meeting

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to the members of the General Meeting except for the following point.

For the purposes of fair presentation and consistency with the annual financial statements, we report as follows with regard to the information relating to payment terms referred to in Article D. 441-6 of the French Commercial Code: as indicated in the management report, this information does not include insurance and reinsurance companies, as your mutual company considers that they do not fall within the scope of the information to be produced, in accordance with the circular issued by the French Insurance Federation on 22 May 2017.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Macif by the General Meeting held on 20 June 2010 for Groupe Y Audit and Mazars.

As at 31 December 2021, Groupe Y Audit and Mazars were both in the 12th year of uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the mutual company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

It is the responsibility of the Audit Committee to monitor the financial reporting process and the effectiveness of the internal control and risk management systems, as well as of the internal audit system if applicable, with regard to the procedures for preparing and processing financial and accounting information.

The financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional

standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of your mutual company or the quality of its management.

A more detailed description of our responsibilities for the audit of the financial statements is contained in the notes to this report, of which it is an integral part.

Report to the Audit Committee

We submit a report to the Audit Committee that principally sets out the scope of the audit work, the programme of work carried out and the conclusions arising from our work. We also bring to the Committee's attention any significant weaknesses in internal control with regard to the procedures for preparing and processing financial and accounting information.

Among the points in the report to the Audit Committee are the risks of material misstatement that were of most significance in our audit of the financial statements and which therefore constitute the key audit matters, which it is our responsibility to describe in this report should they arise.

We also provide the Audit Committee with the declaration required by Article 6 of Regulation (EU) No. 537/2014 confirming our independence under the rules applicable in France, as laid down particularly in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. When necessary, we speak with the Audit Committee about the risks to our independence and the safeguards we take.

Statutory auditors

Mazars
Paris, 16 May 2022

Pierre de LATUDE

Groupe Y Audit
Paris, 16 May 2022

Pierre FROIDURE

DETAILED DESCRIPTION OF THE STATUTORY AUDITORS' RESPONSIBILITIES

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit. In addition, it must:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates

and related disclosures made by management in the financial statements;

- Assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the mutual company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

2.2.2 STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

To the General Meeting of Macif,

In our capacity as statutory auditors of the accounts of your mutual insurance company, we hereby present to you our report on regulated agreements.

It is our responsibility, based on the information provided to us, to report to you on the fundamental methods and characteristics of the agreements notified to us or of which we became aware during our audit, but we are not required to comment on their usefulness or merit, nor to seek out other agreements. It is your responsibility, in accordance with Article R. 322-57 of the French Insurance Code, to rule on any and all agreements authorised pursuant to said Article.

We have performed the procedures we deemed necessary in accordance with the professional guidance issued by the French association of statutory auditors (Compagnie nationale des commissaires aux comptes) in relation to this audit. This involved checking that the information provided to us was consistent with the underlying documents from which it came.

AGREEMENTS PUT BEFORE THE GENERAL MEETING

Agreements approved and entered into during the year under review

Pursuant to the provisions of Article R. 322-57 of the French Insurance Code, we were informed of the following agreements that were entered into during the year under review having been approved by your Board of Directors.

1. Letter of support and loan agreement

Directors involved

Florence Defiolles, Françoise Largeur, Catherine Le Gac, Clarisse Gérard, Marc Bérenguel, Cyril Coste, Pierre Gros, Jean-Louis Grosse, Alain Lebrun, Pascal Michard, Philippe Perrault, René Valladon and Claude Verne.

Nature, purpose and methods

On 18 March 2021, within the framework of Macif SAM's acquisition of 99.99% of the shares and voting rights of Abeille Assurances (formerly Aviva France), the Macif SAM Board of Directors:

- Approved the loan agreement and letter of support to be entered into with Crédit Suisse AG, as well as the resulting obligations;
- Authorised the signing of the letter of support to be concluded with Crédit Suisse AG.

Under the terms of the loan agreement, the Sgam Aéma Groupe guarantees to Crédit Suisse AG that it shall unconditionally and irrevocably stand surety jointly and severally for all amounts owed by Macif SAM.

This agreement included the option to take out two term loans for €2,200,000 thousand and €1,000,000 thousand respectively, covering the sale price of the Aviva France shares, redemption of subordinated debt issued by Aviva France to Aviva PLC, and related costs and expenses.

These loans have not been disbursed because of the issuance of subordinated debt.

The agreement resulted in the payment of €9,366 thousand before tax to Crédit Suisse, this amount being recognised as financial expenses in Macif SAM's financial statements.

2. Dissolution of Prévoyance Aésio Macif

Directors involved

Alain Lebrun, Claude Verne, Cyril Coste, Jean-Louis Grosse, Marc Bérenguel, Pascal Michard, Philippe Perrault, René Valladon, Catherine Le Gac, Clarisse Gérard, Florence Defiolles and Françoise Lareur, in relation to the addendum to the Prévoyance Aésio Macif shareholder agreement.

Pierre Gros in relation to the addendum to the Prévoyance Aésio Macif shareholder agreement and the indemnification agreement.

Nature, purpose and methods

Within the framework of the plan to dissolve Prévoyance Aésio Macif, on 18 May 2021, the Macif SAM Board of Directors authorised the signing of:

- The addendum to the Prévoyance Aésio Macif shareholder agreement;
- The indemnification agreement.

This agreement has no impact on Macif SAM's income statement.

3. Addenda to the IOBSP mandate with Socram Banque

Directors involved:

Rémi Cerdan and Pascal Michard.

Nature, purpose and methods:

On 29 June 2021, the Board of Directors authorised the signing of addenda 5 and 6 for the purpose of:

- Formalising personal data protection obligations;
- Updating Annex 2 "Compensation" following the termination of everyday banking services.

This agreement generated income of €118 thousand in Macif SAM's financial statements.

4. Addendum to the loan agreement with Macif Centre de Voile

Directors involved:

Catherine Le Gac, Claude Verne and René Valladon.

Nature, purpose and methods:

On 24 February 2021, the Board of Directors authorised:

- An addendum to the cash loan agreement with the sailing school Macif Centre de Voile in order to extend the repayment date until 31 December 2021;
- Payment to Macif Centre de Voile of two short-term cash advances up to a total of €602,217 inclusive of tax.

Since these are cash advances, they have no impact on Macif SAM's income statement.

5. Renewal of the fee agreement with Mutavie

Directors involved:

Jean-Louis Grosse, Alain Lebrun, Rémi Cerdan, Pascal Michard, Catherine Le Gac, Florence Defiolles, Christiane Heintz and Katia Planquois.

Nature, purpose and methods:

On 15 December 2021, the Board of Directors authorised the renewal of:

- The fee agreement concerning the establishment of terms for the payment of fees by Mutavie SE to Macif SAM in exchange for the distribution of policies;
- Addendum 3 to this agreement establishing the principle under which Macif SAM can conditionally waive the distribution fees paid by Mutavie;
- Addendum 4 to this agreement concerning changes to the structure of the distribution fees paid by Mutavie SE to Macif SAM on Multi Vie and Livret Vie policies.

Since this is a renewal, the aforementioned agreement will take effect in the year ending 31 December 2022. It has no financial impact on 2021.

Since these are renewals, the effect at 1 January 2022 will be the same as during the year just ended. For the policies in question, the fee structure is as follows, up to 0.30% of assets:

- 0.10% on managed savings;
- 7% on initial payments;
- 1% on one-off or regular payments.

Done in Niort and Paris La Défense, 16 May 2022

Statutory auditors

Groupe Y Audit

Pierre FROIDURE

6. Renewal of the submandate with the EIG MFE

Directors involved:

Rémi Cerdan, Jean-Louis Grosse, Pascal Michard, Florence Defiolles, Lysiane Ferriere, Christiane Heintz, Catherine Le Gac and Katia Planquois.

Nature, purpose and methods:

On 15 December 2021, the Board of Directors authorised the renewal of the IOBSP (banking and payment services intermediary) submandate with the economic interest grouping (EIG) MFE.

Since this is a renewal, the aforementioned agreement will take effect in the year ending 31 December 2022. It has no financial impact on 2021.

7. Transactional protocol between Macif and Skipper Macif 2 for the M101 program

Directors involved:

Claude VERNE, Françoise LAREUR and Emmanuelle FANTINO.

Nature, purpose, and modalities:

The board of Directors of 18 November 2021 authorized the conclusion of a settlement protocol intended to compensate Skipper Macif 2 for the internal costs that the company had to incur to organize the unforeseen consequences of the end of the M101 program and the draft sponsorship agreement that should have been concluded with Macif, and the organization of the sale of the Trimaran M101.

Under this transactional protocol with Skipper Macif 2, your mutual insurance company has covered 2,960,333.86 euros as compensation covering the loss on the disposal of the vessel.

In addition, the protocol provided for an indemnity payment of EUR 914,684 (EUR 115,261 in 2020 and EUR 799,423 in 2021) to cover the damage suffered by Skipper Macif 2, due to the termination of relations decided by Macif.

Mazars

Pierre de LATUDE



03

COMPANY GOVERNANCE

3.1	The Board of Directors	70
3.2	Specialised committees	71
3.3	The commissions	73
3.4	The compensation policy	74
3.5	General Management – Executive Officers	75

3.1 The Board of Directors

Macif SAM is managed by a Board of Directors composed as at 31 December 2021 of:

- 18 directors, elected by national delegates representing members at General Meetings.

- Three directors appointed or elected by an inter-union committee.

As at 31 December 2021, 43% of directors representing members were women.

Surname and first name of members of the Board of Directors	Date of birth	Date of beginning of term of office or renewal	Expiry of term of office (date of the Meeting)
BÉRENGUEL Marc	14/05/1963	10/07/2020	2022
CERDAN Rémi	05/03/1967	10/01/2018	2024
COSTE Cyril ¹	31/10/1966	05/06/2021	2024
DEFIOLLES Florence	14/05/1962	10/01/2018	2024
FANTINO Emmanuelle	07/04/1965	10/01/2018	2022
FERNANDEZ Nathalie	20/08/1968	19/09/2020	2026
FERRIÈRE Lysiane	19/05/1955	10/01/2018	2022
GÉRARD Clarisse	28/12/1957	07/01/2021	2026
GRÉMILLON Frédéric ¹	20/10/1964	20/02/2018	2024
GROS Pierre	13/06/1961	10/01/2018	2022
GROSSE Jean-Louis	13/09/1961	19/09/2020	2026
HEINTZ Christiane	11/01/1956	18/05/2021	2024
LAREUR Françoise	06/10/1961	10/01/2018	2024
LE GAC Catherine	18/05/1959	19/09/2020	2026
LEBRUN Alain	25/05/1965	10/01/2018	2024
MARTINACHE Stéphane ¹	26/01/1966	05/06/2021	2024
MICHARD Pascal	16/04/1954	19/09/2020	2026
PERRAULT Philippe	23/11/1955	10/01/2018	2024
PLANQUOIS Katia	25/10/1959	10/01/2018	2022
SAMBUGARO Jonathan	18/08/1985	19/09/2020	2026
VALLADON René ²	21/09/1950	10/01/2018	2021
VERNE Claude	31/07/1960	10/01/2018	2022

¹ Directors elected by the employees.

² Director leaving office at 5 June 2021.

The terms of office of the directors are monitored in accordance with the regulatory obligations relating to the rules governing the accumulation of directorships.

The term of office for members of the Board of Directors is six years. Directors can be re-elected and their term of office may be renewed a maximum of twice. A third of their terms of office are renewed every two years. The first outgoing members are decided through the drawing of lots. Renewals are then carried out based on seniority.

The term of office of the directors representing the employees is three years. They may be re-elected.

In 2021, the Board of Directors met nineteen times. The register shows an attendance rate of 97%.

In accordance with its governance charter, the Board is supported in its decision making by the opinions and conclusions provided by the specialised committees, the Strategic Commission, the Joint Commissions, the Management Board (see 3.5 Executive Management – executive officers), the Bureau and the work of the Executive Bureau.

The Bureau is an extension of the Board of Directors. It works by delegation from the Board of Directors and under its control.

It is composed of:

- The Chairman of Macif SAM;
- Seven directors from each type of background, including the Vice-Chairman and secretary;
- The Chairman of Apivia Macif Mutuelle as a permanent guest, with a reciprocal seat on Apivia Macif Mutuelle's Bureau for the Chairman of Macif SAM.

The Executive Bureau is a joint governance body aimed at improving the efficiency of the Board of Directors and Executive Management, giving meaning to and increasing cooperation and cohesion among the P&C and Finance/Savings business lines.

It is composed of members of the Bureau of the Board of Directors and Chief Executive Officer. Others may, where appropriate, be invited to meetings of the Executive Bureau.

3.2 Specialised committees

Specialised committees are intended to provide assistance and advice to Macif SAM and its subsidiaries upstream of their decision-making process, in areas exclusively relating to the decision-making ability of their Board of Directors or Supervisory Board.

As at 31 December 2021, the specialised committees were as follows:

The Audit Committee

The scope of review of Macif SAM's Audit Committee covers its entity and its subsidiaries.

The committee issues an expert opinion on:

- The financial statements and consolidated financial statements of the entities within its scope;
- The monitoring of the selection process and the independence of the statutory auditors within the framework predefined by the Group's procedure;
- The efficiency of the permanent and periodic control mechanism within its scope.

It is informed regarding the combined financial statements of Aéma Groupe.

Macif SAM's Audit Committee informs its subsidiaries regarding work that affects them.

During the 2021 financial year, the Audit Committee met nine times and the register shows an attendance rate of 97%.

The Risk Committee

The scope of review of Macif SAM's Risk Committee covers its entity and its subsidiaries.

The committee issues an expert opinion on:

- The steering of strategic challenges facing the entities within the scope, as part of the mechanism overseen by the Group via the review of:
 - the annual ORSA and the special-purpose ORSA that may be triggered in the event of significant events that lead to a substantial change in the risk profile or level of financial resources available,
 - the adequacy between the strategy and risk management (strategic, financial, insurance and operational) of entities within the scope,
 - the growth strategy and financial transactions likely to impact the solvency of entities within the scope,
 - stress tests and the strategic allocation of the capital of entities within the scope;
- The review of the risk profiles specific to the activities of each of the entities within the scope within the framework set by the decision-making process;
- The risk management mechanism: the Risk Committee ensures that the risk management mechanism rolled out at entities within the scope is correctly defined, comprehensive and efficient;
- All written policies within the scope, by issuing an opinion on any specific provisions;

- Solvency II regulatory reports and reports on the key functions within the scope.

Macif SAM's Risk Committee informs its subsidiaries regarding work that affects them.

During the 2021 financial year, the Risk Committee met seventeen times and the register shows an attendance rate of 93%.

The Selection Committee

This committee is responsible for producing opinions or recommendations for Macif SAM's Board of Directors, upstream of its decision-making process, relating to the selection procedures for corporate and mutual officers in terms of:

- The application of the competence and integrity policy defined by the Group;
- Compliance with the training programme;
- The definition and monitoring, within its scope, of the support policy for terms of office, as defined by the policy platform;
- The monitoring, in partnership with the selection committees of Macif SAM's subsidiaries, of compliance with these criteria in terms of their implementation;
- The identification and recommendation of candidates for the role of director at Macif SAM;
- The monitoring of candidates' compliance with the competence and integrity criteria;
- The identification and recommendation of candidates representing Macif SAM within the entities in which they hold a representational role or in which the proposed candidate is nominated on the basis of his or her term of office at Macif SAM;
- The verification of candidates' compliance with the competence and integrity criteria;
- In partnership with Aéma Groupe's Selection Committee, evaluating each member of the Board individually and collectively once a year with regard to competence and integrity criteria;
- The assessment of the selection and appointment policy for executive officers and corporate officers;
- The achievement of targets regarding the balanced representation of men and women within the Boards of Directors of entities within the scope based on objectives defined by the policy platform;
- The contribution to the preparation of the annual operating report on Group governance based on methods defined by the policy platform.

The Selection Committee reports back on its work to Aéma Groupe Sgam's Selection Committee.

It has authority over Macif SAM and all of its subsidiaries regarding:

- Directors of Macif SAM and its subsidiaries;
- Representatives of Macif SAM in the entities in which it holds a representational role or in which the proposed candidate is nominated on the basis of his or her term of office at Macif SAM (this does not include the Board

of Directors' Joint Commissions, the composition of which is the responsibility of the Bureau).

During the 2021 financial year, Macif SAM's Selection Committee met eight times and was consulted, by email, three times. The register shows an attendance rate of 94%.

The Compensation Committee

This committee is responsible for producing opinions and recommendations for the Board of Directors, upstream of its decision-making process, relating to:

- The application of Group policy in terms of compensation or indemnities and the reimbursement of the costs of corporate officers and executive officers;
- The compensation or indemnities of corporate officers and executive officers of entities within the scope and the terms of their employment contract for salaried managers;

- Disclosures relating to compensation, indemnities and the reimbursement of costs included in the management and governance reports of entities within the scope.

This committee also oversees the application of Group policies in terms of indemnities, compensation and the reimbursement of costs within the entities of the scope.

It has authority over Macif SAM and all of its subsidiaries regarding:

- Directors of Macif SAM and its subsidiaries;
- Representatives of Macif SAM within the entities in which they hold a representational role or in which the proposed candidate is nominated on the basis of his or her term of office at Macif SAM.

During the 2021 financial year, the Compensation Committee met four times and the register shows an attendance rate of 74%.

3.3 The commissions

The Macif Brand Strategic Commission is responsible for steering and monitoring the application of the former Macif Group's *Raison d'être* within the scope of the Macif Brand. It coordinates the implementation of the Macif strategy within the P&C, life insurance and savings business lines led by Macif SAM and the health/personal risk business line of Apivia Macif Mutuelle. It is responsible for the strategic monitoring of prevention with the support of the Prevention working group which is responsible for its operational monitoring.

The Joint Commissions bring together Macif SAM's Directors and national delegates, as well as employee representatives.

The breakdown of employee representation is proposed to the Board of Directors by the Inter-Union Elections Committee, in line with the protocol agreement relating to the representation of employees.

The list, purpose and composition principles of these commissions are defined by the Board of Directors.

These commissions have the power of proposal but do not have a decision-making role. They monitor the implementation of the Board of Directors' decisions regarding areas in which elected representatives are inherently involved.

As at 31 December 2021, the Joint Commissions included:

- **The Mutualist Commitment Commission**, responsible for defining the annual national commitment plan as part of the Mutualist Agenda, brings together the Prevention, Corporate foundation, Corporate Social Responsibility (CSR) and Social and Solidarity Economy (SSE) activities.

It ensures the coordinated implementation of measures aimed to apply the Mutualist Agenda within the framework of the defined strategic focus and raises awareness of these measures among members and the relevant stakeholders.

- **The Joint Digital Governance Commission** is responsible for:

- monitoring the deployment of information systems under the "Trajectoire SI" Programme and in particular the implementation of cyber risk prevention and management solutions,
- contributing to the definition of a data ethic within the group,
- assessing the challenges facing the Group and its members in order to enhance the image and visibility of member data management systems.

- **The Partnership/Elections Commission** is responsible for steering the partnership policy strategy, its application at the regional level and its assessment at both the national and regional level. It also oversees the smooth running of the electoral process and of the campaigns of candidates representing members, across all aspects, as part of the process and rules set by Macif SAM's Board of Directors.

- **The Social and Solidarity Economy (SSE) Commission** is tasked with taking part in drawing up the Mutualist Agenda programme.

The role of this commission is to support, train, draft the mission statements, monitor and manage the terms of office of Macif SAM elected representative within SSE organisations, in particular France Active and regional SSE chambers.

It prepares and monitors the social/societal impact measures of Macif SAM and is responsible for monitoring CSR and Socially Responsible Investment (SRI) policies and, more generally, the Macif Brand certification policy.

It contributes to the building of SSE training modules for employees and elected representatives and, at the request of the Board of Directors, monitors SSE partnerships.

It monitors, in partnership with the Macif corporate foundation, the implementation of SSE financing measures including the Macif impact fund dedicated to SSE.

- **The Solidarity Commission** is responsible for ensuring the implementation of the Group's *Raison d'être* in terms of solidarity and inclusion, especially for vulnerable members of the public and young people.

It assesses and improves the impact of the solidarity schemes and ensures the monitoring of unemployment benefit.

It takes the results from Macif SAM's social monitoring analyses and turns them into proposals for action.

The role of this commission is to prevent social vulnerabilities by ensuring that new solidarity measures are adapted to new needs and new identified situations by being a source of suggestions and recommendations.

It ensures that solidarity mechanisms are included in the members omni-channel relations and process, and promotes the image and visibility of our solidarity schemes.

3.4 The compensation policy

Applicable to Macif SAM and its subsidiaries (excluding Abeille Assurances), the purpose of the compensation policy is to guarantee:

- The appeal, commitment and long-term loyalty of employees while also ensuring the appropriate management of risks and compliance and promoting the shared values of all Aéma Groupe entities;
- Compliance with the framework of sound and prudent management to prevent the compensation system from leading to excessive risk for the company.

In accordance with the provisions of the French Insurance Code, the roles of director and of mutual officer are not compensated. The Board of Directors is authorised to allocate indemnities within the limits set by the General Meeting. This possibility is expressly provided for in Macif SAM's bylaws (Article 24).

The General Meeting is informed each year of the amount of indemnities actually allocated and expenses

reimbursed to directors and mutual officers. To do so, the Board of Directors relies on the opinion of Macif SAM's Compensation Committee.

During its meeting of 5 June 2021, the General Meeting, in accordance with Articles R. 322-53 II and R. 322-55-1 of the French Insurance Code and with Article 14 of the bylaws, decided that the amount of indemnities paid:

- To directors, in respect of the 2021 financial year, would be limited to a maximum overall amount of 0.07% of the annual amount of insurance premiums issued by Macif SAM to its members in respect of the 2020 financial year;
- To mutual officers, in respect of the responsibilities conferred on them in the exercise of their mandate for the 2021 financial year, would be limited to a maximum overall amount of 0.12% of the annual amount of insurance premiums issued by Macif SAM to its members in respect of the 2020 financial year.

3.5 General Management – Executive Officers

Jean-Philippe Dogneton is the Chief Executive Officer of Macif SAM since 27 May 2019.

In accordance with Article 27 of the bylaws, the Chief Executive Officer is responsible, under the authority and supervision of the Board of Directors, for the executive management of Macif SAM which he represents in its relations with third parties.

He has the broadest powers to act in all circumstances on behalf of the company and to ensure its management and administration, within the framework of the defined strategic focus, the objectives set by the Board of Directors and the supervision of the control and risk management system. He reports on the company's business to the Board of Directors.

His appointment, removal and restrictions on his powers are the responsibility of the Board of Directors. The age limit for performing the duties of Chief Executive Officer is set at six five years. When he reaches this age limit, he shall be reputed to have resigned from office.

In the exercise of his strategic, operational and managerial responsibilities, the Chief Executive Officer relies on technical bodies placed under his authority.

Nicolas Bouffard, Macif SAM's Deputy Chief Executive Officer and Chief Risk, Economic Steering and Financial Officer, is the Executive Director of Macif SAM, within the meaning of Article R. 322-168 of the French Insurance Code, since 6 January 2021.



MACIF - MUTUELLE ASSURANCE DES COMMERÇANTS ET INDUSTRIELS DE FRANCE ET DES CADRES SALARIÉS DE L'INDUSTRIE ET DU COMMERCE.

A French mutual insurance company (Société d'assurance mutuelle - SAM) with variable premiums.

A company regulated by the French Insurance Code.

Registered office: 1 rue Jacques Vandier - 79037 Niort cedex 09, France.