

communiqué de presse

Paris, 7 March 2024

Malakoff Humanis' 2023 results: excellent financial solidity and a performance that confirms the power of its redistributive model

Insurance:

- Malakoff Humanis confirmed its **financial solidity** with a solvency ratio of **247%** compared with 246% in 2022, and own funds of **€8.7 billion** compared with €8.2 billion in 2022, an increase of €500 million.
- The Group's solidity and performance were confirmed by S&P Global Ratings and Fitch Ratings, which renewed Malakoff Humanis' **A+ rating** for the second year running. Available capital is rated **AAA level** by S&P Global Ratings and **Extremely Strong** by Fitch Ratings.
- **Revenue** increased by 5% from 2022, to nearly €6.8 billion.
- **Net income** increased to €183 million, thanks to prudent and responsible management.
- **Customer satisfaction**, a key issue in the Smile 26 corporate project, improved even farther, with 85% of customers satisfied.

Agirc-Arrco supplementary pension:

Malakoff Humanis, which accounts for **40%** of the Agirc-Arrco supplementary pension scheme, paid out **€42.2 billion** in benefits to **6.3 million** recipients, and manages **€34.5 billion** in contributions from **601,000 companies** and over **7 million employees**. The Group was on track for the first year of the new **Contract of Objectives and Means (COM 2023-2026)** defined with Agirc-Arrco, in line with the trajectory for management costs and quality of service.

Social support and community commitment:

- True to its **mission of redistribution**, the Group maintained a budget of **€201 million** for **social** support for customers made vulnerable by the deteriorating socio-economic climate, and a significant budget for **community** commitment.

So the Group continues to grow and remains ambitious. The strategic acquisitions and partnerships concluded in 2023 attest to this: signing of a memorandum of understanding in December 2023 with a view to a merger with La France Mutualiste, a specialist in savings; acquisition of 100% of the capital of Epsens, a specialist in employee savings schemes; acquisition of a majority stake in Zen'Up, a digital broker specialising in borrower insurance.

2023

key figures

<div style="background-color: #00838f; color: white; padding: 5px; font-weight: bold; margin-bottom: 10px;">INSURANCE</div> <p>414,000 corporate customers</p> <p>9 million persons protected (policyholders and beneficiaries)</p> <p>111 professional sectors</p>	<div style="background-color: #00838f; color: white; padding: 5px; font-weight: bold; margin-bottom: 10px;">FINANCIAL INDICATORS</div> <p>€6.77 billion - Revenue</p> <p>€183 million - Net income</p> <p>€8.7 billion - Own funds (S2)</p> <p>247% - Solvency ratio</p>	<div style="background-color: #00838f; color: white; padding: 5px; font-weight: bold; margin-bottom: 10px;">NON-FINANCIAL INDICATORS</div> <p>€201 million - Social and community commitment</p> <p>85% - Employee satisfaction in insurance</p> <p>88% - Satisfaction of individual insurance policyholders</p>
<div style="background-color: #00838f; color: white; padding: 5px; font-weight: bold; margin-bottom: 10px;">AGIRC-ARRCO SUPPLEMENTARY PENSION</div> <p>601,000 corporate customers</p> <p>> 7 million contributors</p> <p>6.3 million recipients</p> <p>€42.2 billion recipients paid</p> <p>€34.5 billion contributions managed</p>	<div style="background-color: #00838f; color: white; padding: 5px; font-weight: bold; margin-bottom: 10px;">SAVINGS</div> <p>A+ rating AAA level S&P Global Ratings Extremely strong Fitch Ratings</p> <p>€15.5 billion - Assets under management</p>	<p>91% - Satisfaction of AGIRC-ARRCO supplementary pension recipients</p> <p>Nearly 83% - Average payout rate</p> <p>96/100 - Gender equality in the workplace index</p> <p>8.85% - Employment rate of people with disabilities</p> <p>62.7% - SRI-labelled funds</p>

Data as at 31.12.2023 - bn: billion - m: million

“The strength and performance of the Smile 26 corporate project have been evident from its very first year. Despite the headwinds, the Group was able to increase customer satisfaction and, more than ever, fulfil its mission of redistributing benefits to customers, employees and society as a whole, while at the same time improving its results. Malakoff Humanis' results reflect the strength of its solidarity-based, mutual and non-profit social protection model. The Group has all the resources it needs to pursue its development while meeting its customers' growing need for protection.” says **Thomas Saunier, CEO of Malakoff Humanis.**

Insurance

Confirmed solidity

After the first year of its Smile 26 corporate project:

- The solvency ratio is **247%**, compared with 246% in 2022, with own funds of **€8.7 billion**, €500 million higher than in 2022 (€8.2 billion). 80% of these own funds come from the Group's solidarity-based institutions and 20% from the Group's mutuals.
- The Group has very little debt, €247 million compared with economic own funds of €8.7 billion.
- The Group's solidity is underlined by the rating agencies S&P Global Ratings and Fitch Ratings, which have renewed its **A+** rating with a 'stable' outlook.
- The agencies highlighted Malakoff Humanis' available capital: **AAA level** from S&P Global Ratings and **Extremely Strong** from Fitch Ratings.

Improved performance despite heavy pressure on the health and personal protection segments

Malakoff Humanis' performance was robust in 2023. The Group's main financial indicators improved:

- **Revenue** rose by 5% to almost **€6.8 billion**, driven by a strategy of growth and reducing the technical deficit.
- The technical income, or **combined ratio**, improved to **101.9%** from 102.9% in 2022, despite the drift in healthcare spending.
- **Net income** reached **€183 million**.

This comes against a backdrop of structural drift in healthcare and personal protection spending and high inflation.

The increase in healthcare spending and the growing share borne by supplementary insurers weighed on the results of the healthcare business. Reimbursements of healthcare costs rose at an unprecedented rate, particularly in **group health (+7.9%)**.

In personal protection, spending continued to increase. The drift was **almost 4%**, or 1 point above that seen at the end of 2022. This is explained by sick leave that remains at a high level - half of employees having been absent at least once in 2023 - as well as by the **increase in the number and duration of long-term sick leave (more than 30 days)**: the average duration of long-term sick leave has **risen from 97 days to 111 days**.

Against this unfavourable backdrop, the Group has stayed the course thanks to its prudent and responsible management:

- The overheads rate **fell by 0.5 point** from 2022, in an unfavourable inflationary environment.

- The **financial contribution** was **€266 million**, thanks to an asset allocation strategy that is evolving to secure a good rate of return while maintaining strong ESG commitments.

Performance at the service of the Group's customers

These sound fundamentals enable Malakoff Humanis to offer its policyholders an **average payout rate of almost 83%**, one of the best in the market. In health, the Group's average payout rate is even 85.8%.

The Group has also actively pursued its drive to improve customer satisfaction, which is at the heart of the Smile 26 corporate project:

- **85%** of employees of corporate insurance customers say they are satisfied with their relationship with the Group.
- This rate reached **88%** for individual policyholders (+2 points).

These results are the fruit of several years of action in improving customer satisfaction, simplifying processes and implementing a single information system.

Agirc-Arrco supplementary pension

The Group is committed to the COM 2023-2026 signed with Agirc-Arrco

In supplementary pensions, Malakoff Humanis remains fully committed alongside Agirc-Arrco to contribute to a continuous improvement of service quality and the satisfaction of companies, employees and pensioners, while keeping a close eye on management costs.

- The Group was on track for the first year of the new Contract of Objectives and Means (COM 2023-2026) defined with Agirc-Arrco, in line with the trajectory for management costs and quality of service.
- Malakoff Humanis paid out **€42.2 billion** in benefits to **6.3 million** recipients, and manages **€34.5 billion** in contributions from **601,000** companies and more than **7 million** employees, corresponding to 40% of the Agirc-Arrco supplementary pension scheme.
- Recipient satisfaction: in the context of pension reform and the roll-out of the Agirc-Arrco retirement advice agency network (75,000 customers welcomed in the 45 agencies managed by Malakoff Humanis) to provide a single point of contact, the satisfaction rate expressed by our recipients is **91%**, up 2 points on 2022.
- Company satisfaction: the single point of contact for companies resulted in a 3-point increase in company satisfaction, to **78%**.

A social utility mission bolstered by robust results

In 2023, Malakoff Humanis devoted **€201 million** to its social and community commitments in personal insurance and supplementary pensions.

Supporting customers in difficult economic and social conditions

Thanks to its results, Malakoff Humanis was able to pursue the **social utility mission** enshrined in its DNA. The Group provided concrete support to customers who had been made vulnerable by difficult socio-economic conditions, particularly inflation, which is a long-term trend.

- The “**Listening, Advice and Guidance**” line helped **145,000** customers in difficulty.
- **Financial assistance** was granted to **35,000** pension and insurance **customers**.
- For the third year running, **more than 5,000 customers** in financial difficulty received **assistance with the payment of their contributions**.
- Malakoff Humanis also supported its customers by simplifying their access to doctors and its Kalixia healthcare networks, and by making it easier for them to book appointments with healthcare professionals online.
- The launch of “**My Cardio Checkup**”, a cardiovascular disease prevention programme, illustrates Malakoff Humanis' desire to support its customers in health prevention. **More than 7,000 people** completed My Cardio Checkup, and 40% of them were referred to their GP because a cardiovascular risk was identified.

A powerful contribution to society:

- With regard to **disability**, the Malakoff Humanis Handicap Foundation, which celebrated its **10th anniversary** on 29 February under the patronage of the ministry for the disabled, continued its commitment to promoting access to employment, health, sport and culture. In particular, the Foundation enabled 16 music festivals to welcome 11,000 young disabled people. Seven athletes from Team Malakoff Humanis are currently taking part in the qualifying events for the **2024 Paralympic Games**. In ten years, **210 projects** have been supported, with a total budget of **€20.4 million**.
- In terms of support for **caregivers**, the Group continued its initiatives to support employed and retired caregivers: a specific helpline for caregivers, **support and respite solutions**, partnership with the French Association of Caregivers, with the association of **young caregivers**, etc. In 2023, the partnership with the “Je t'Aide” collective and the “Fondation des Femmes”, the Audencia management school and the “Le Laboratoire de l'Égalité” association led to the launch of an information campaign in companies to provide better support for **female employees who are caregivers**.
- With regard to the fight against **cancer**, and in addition to the initiatives undertaken with Cancer@work and the French National Cancer Institute to help people affected

by cancer return to or remain in work, in 2023 the Group financed a number of projects **providing access to supportive care** to improve the quality of life of patients undergoing treatment or in remission: Institut Gustave Roussy, Institut Line Renaud, etc. The Group also supported **research projects** carried out by leading institutions: Institut Curie, Institut Gustave Roussy, Unicancer federation, etc.

- On the subject of **ageing well**, and in conjunction with Agirc-Arrco, Malakoff Humanis extended its support for the **Civic service for seniors (SCSS)**, with more than 73,000 **isolated elderly people** supported by nearly 5,000 young people in civic service over three years. The Group has also stepped up its initiatives to help the **frail elderly**, with aid for day-to-day assistance, adapting homes and making them more secure. In 2023, specific initiatives were launched to support people made vulnerable by **bereavement**: asserting their rights, directing them to day-to-day support services, helping them to avoid financial hardship, offering psychological support for themselves or a family member, etc.

An ambitious SRI policy

Malakoff Humanis continued to roll out its ambitious socially responsible investment policy. In 2023, this was done on three levels: exclusion, labelling and impact.

The Group maintains strong ESG commitments in its asset allocation. It implemented its exclusion policies, which call for an effective phase-out of coal by the end of 2024 and of unconventional fossil fuels by 2030.

Fund labelling continued, reaching **62.7%**¹.

New impact investments have been made in support of the energy, ecological and social transition, including €1 billion invested in green, social and sustainable projects by the end of 2025.

For Group employees: a protective social contract

Recognition, value sharing, preservation of purchasing power and gender equality in the workplace are at the heart of the Group's social contract.

The mandatory annual salary negotiation for 2024 resulted in the **signing of a unanimous agreement** (CFDT, CFE-CGC, CFTC, CGT, FO, UNSA), notably granting:

- **General and individual pay rises of 4.2%, plus an additional incentive payment of €1,600**, including for work-study students.
- A guaranteed **minimum gross annual salary of €26,000** (22% above the minimum wage).
- An annual budget dedicated to **gender equality in the workplace** increased to **€750,000** (+€500,000 from 2023).

¹ According to the SRI label conditions valid until the end of 2023 [V2]

- A **€400 bonus** for work-study students.

The Group also maintained its excellent score of **96/100** on the **gender equality in the workplace** index.

Lastly, it continued its efforts to give **disabled people access to employment, with an employment rate of 8.85%** (compared with the legal rate of 6% imposed on companies with at least 20 employees and an actual rate of around 3.5%).

The Group has the resources to continue its ambitious development in 2024, in line with the challenges and opportunities ahead

On the back of these 2023 results, Malakoff Humanis will continue to implement its SMILE 26 corporate project with ambition. Its objective is clear: to offer its customers **simple and responsible** social protection.

Simple, because the social protection business is complex and needs to be made accessible, to create transparency and trust, and thereby improve customer satisfaction. This is the purpose of the proactive measures taken by Malakoff Humanis over the past year to simplify its solutions, make its contracts clearer and improve all its interactions with customers, measures which will continue to be rolled out in 2024.

Responsible in its management, in a context that remains inflationary in terms of healthcare spending, and while the government's intentions in this respect are not yet known, the prudent management and solidity of Malakoff Humanis are guarantees for its customers in the year to come. Responsible also in terms of its social, societal and environmental contribution, thanks to strong commitments whose impact will be systematically measured.

Lastly, Malakoff Humanis has the resources to enter new growth markets, first and foremost group and individual savings, markets in which the Group has major ambitions with the acquisition of a 100% stake in EPSENS (employee savings) in 2023 and a memorandum of understanding signed with La France Mutualiste in December 2023 with a view to a merger.

Press contacts:

MALAKOFF HUMANIS

Élisabeth Alfandari: +33 7 60 09 25 30

elisabeth.alfandari@malakoffhumanis.com

PRIMATICE Conseil

Hugues Schmitt: +33 6 71 99 74 58

huguesschmitt@primatice.com

Victoria Rey: + 33 6 26 94 54 79

victoriarey@primatice.com

About Malakoff Humanis

Malakoff Humanis, a major player in social protection, was created in January 2019 from the merger of the Malakoff Médéric and Humanis groups. With €8.7 billion in own funds, 414,000 corporate insurance and savings customers and more than 9 million people protected (policyholders and beneficiaries), Malakoff Humanis has a market share of almost 15% in group insurance.

As part of the Agirc-Arrco supplementary pension scheme, the Group pays out €42.2 billion in benefits to 6.3 million recipients, and manages the contributions of 601,000 companies and over 7 million contributors.

Malakoff Humanis is a solidarity-based, mutual, not-for-profit company that puts its performance at the service of social utility: in 2023, the Group devoted €201 million to support people in situations of social fragility.

www.malakoffhumanis.com

@MalakoffHumanis