



# SUSTAINABILITY REPORT

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**2023**



Groupama

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# MESSAGE FROM THE CEO

## ”The future is about cooperation and solidarity”

The following pages contain many figures and detailed analyses, behind which lie not only valuable conclusions about our work, but also a strong set of values that we proudly carry forward.

We often talk about how important it is to build a project, a strategy, or a business, by always starting from a solid foundation. From a strong base, on which you know you can later build your achievements, floor by floor.

### **Sustainable development.**

A concept often encountered nowadays, which for us has its origins in the agricultural world of over 100 years ago. Back then, a few people understood that the future meant cooperation and solidarity. Thus, a mutualist group was born, where people are at the center of activity, and the commitment to stand by them is one assumed for the long term.

Today, more than ever, this commitment is becoming increasingly important in a constantly changing world, where climatic, economic, or social issues call into question the quality of our future. A future for which each of us is responsible, from decision-makers to economic actors and regular citizens.

### **What do we do to fulfill our responsibility?**

We measure our success not only in numbers but also in the contribution we make to the common good. Our story began with a united community, so today, through our actions and projects, we strive to encourage the development of more and more of these communities – strong, sustainable communities where everyone can build their future with confidence. We achieve this through our CSR Ambassador programme, which gives our nationwide colleagues the opportunity to become the voices of the communities in which they grew up, live, or work. Together with them, we implement projects that address basic needs, from access to education and culture to combating inequalities and encouraging development.

Together with our partners from the SMURD Foundation, we continue to travel across



the country with first aid workshops from the Life Savers (“Salvatorii de vieți”) programme, aiming to make prevention a norm. Since its launch, more than 5,500 people have attended over 200 workshops held in more than 50 cities across the country. Every year, we engage in actions that help us reduce our carbon footprint, an indicator that we voluntarily measure and continuously strive to improve. Whether we talk about actions at the company level or individual level, the changes we make together are dedicated to ensuring a better future for each of us.

A future to which we, as an insurer, have a firm commitment: to offer our clients simple, predictable, and flexible solutions that help them more easily overcome the challenges of the present, so they can focus with greater confidence on building the desired future.

Sustainability has always been an important aspect for us, whether it bears this label or not. We have focused on creating added value through everything we do for those who have chosen us – colleagues, clients, and partners. We have voluntarily chosen to always view our activities with a critical eye, to understand what we can improve and how we can have a positive impact. We strive to align with the most rigorous reporting standards and to integrate the concept of sustainability into all our activities. And the results have not been long in coming. We know that our economic performance also means a significant positive impact on the economy and the communities in which we operate. That is why sustainability is a central element of our financial activities, and our investments take into account the current and future impacts on the local economy, incorporating environmental, social, and governance criteria – essential elements for sustainable growth, which is crucial for us. In these challenging times, be they economic, social or political, our direction remains centered on sustainable development, approaching our CSR and sustainability strategy in the most authentic way possible, responding to real and concrete needs.

**Călin Matei**

**CEO Groupama**

# ABOUT THE REPORT

The Groupama story begins with an act of solidarity more than 100 years ago, and this makes sustainable development part of our DNA. That is why we have been concerned about the future ever since today, and why we value solidarity and responsibility. We have been publishing an annual sustainability report since 2017, and in 2022 we began transitioning to more elaborate reporting guided by rigorous reporting standards. In 2023 we continued to embed sustainability at all levels of the business and took significant steps to transform the way we report. As such, the current report, which covers the period January 1 to December 31, 2023, provides detailed non-financial reporting information, addressing the sustainability themes that are significant to us.

The report complies with the requirements of Directive 2014/95/EU on non-financial reporting (NFRD), transposed into Romanian law by Order of the Minister of Public Finance No. 1938/2016 and subsequent amendments thereto.

In addition, both our company and the Groupama Group are subject to the provisions of Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019, on sustainability reporting in the financial services sector (SFDR), including the requirements set out in Regulation (EU) 2020/852, on establishing a framework facilitating sustainable investments.

The report was prepared in accordance with the GRI 2021 (Global Reporting Initiative) standards and the SASB (Sustainability Accounting Standards Board) reporting frameworks. It provides relevant data on the company’s sustainable development, including performance indicators specific to our business model, with quantitative and qualitative details integrated into each section of this report.

The development of the report was based on the results of the materiality analysis process conducted between March and May 2023, during which various categories of stakeholders, both internal and external, were consulted. We evaluated the sustainability aspects relevant to us, considering our economic, social, and environmental impact. The report also includes references to the internal policies through which we manage material aspects within the company.

Groupama Asigurări S.A. is the only entity included in this reporting session.

## Material aspects

The report covers 20 material aspects, structured in 5 chapters:

- General information (About us)
- Environment
- Social
- Governance
- Products and Services

### Review of 2022 information:

In our 2023 sustainability report, we have made some revisions to the information reported in the previous report for the 2022 reporting period. These changes were necessary to reflect changes in our calculation methodologies.

#	Indicator name	Report 2022	Revised information	Reason for the revisions
1	Total number of investments incorporating environmental, social and governance (ESG) criteria	17	7	We have revised the criteria for classifying ESG investments
2	Total value of investment incorporating environmental, social and governance (ESG) criteria	67 300 000 lei	23 272 885 lei	We have revised the criteria for classifying ESG investments
3	Total value of securitization proceeds for which environmental, social, and governance (ESG) factors have been taken into account	10 709 771 lei	0	We have revised the classification and calculation of these types of income
4	Total value of revenues from transactions for which environmental, social, and governance (ESG) factors have been taken into account	10 800 000 lei	1 020 677 lei	We have revised the criteria for classifying ESG investments
5	Employees' salaries	125 769 940 lei	152 328 349 lei	We have changed the calculation methodology, adding salary bonuses
6	Operational costs	1 809 063 811 lei	70 323 844 lei	We have updated the criteria for classifying administrative expenses, isolating only specific expenses
7	Related taxes and charges	1 945 781 lei	0	We have updated the approach and classification of only the Corporate Income Tax (CIT) expenses in this category

### Support and external audit

The report has not been subject to the external audit process.

### Contact

For any queries or feedback related to the data presented in this report, you can contact us at [office@groupama.ro](mailto:office@groupama.ro), by phone on 0374 110 110 110 or at Bucharest, Sector 1, Mihai Eminescu Street, 45, Mihai Eminescu Street, Bucharest, Romania.

# GENERAL INFORMATION



# 1.1 THE YEAR 2023 IN FIGURES

## ENVIRONMENT

Total amount of heat energy used by the company

**120 544 kwh**

Investment in local communities - total amount of contribution

**1 750 319 lei**

Total value of transaction revenues for which environmental, social and governance (ESG) factors have been taken into account

**1 366 232 lei**

Total number of suppliers

**1 288**

Fleet fuel consumption - gasoline

**203 458 l**

Retention rate at the end of the year

**91%**

## PRODUCTS AND SERVICES

Number of policies addressed to individuals

**2 168 825**

Total number of local suppliers

**1 189**

Fleet fuel consumption - diesel

**90 260 l**

## GOVERNANCE

Net sales

**4 087 128 393 lei**

Percentage of procurement budget spent with local suppliers

**92%**

Total electricity consumption in the organization

**842 070 kwh**

Net profit

**217 756 675 lei**

Total number of international brokers

**17**

## SOCIAL

Number of new hires

**246**

Total investments in shares or bonds

**3 824 260 155 lei**

Number of policies in force (life insurance)

**45 813**

Total number of local brokers

**220**

Total number of employees

**1 446**

Total value of investments incorporating environmental, social and governance (ESG) criteria

**29 214 033 lei**

Number of claims uploaded on online platforms

**149 572**

Total number of leasing partners

**32**

## 1.2 STRATEGIC ANALYSIS, ACTION AND OBJECTIVES

### Groupama Group's sustainability strategy

Social responsibility is an integral part of Groupama's history, a mutual insurance company whose story has been built on a set of strong values: solidarity, responsibility, proximity, and commitment.

With a mission to help people build their lives with confidence, knowing that they have a partner they can rely on, the Groupama Group is developing a business model that offers efficient and sustainable solutions.

Groupama Group's sustainability strategy is based on five commitments:

- **Developing partnerships based on trust and responsibility**
  - more than 1 million proactive calls to customers a year, especially during extreme weather events, to provide useful advice in such situations
- **Providing products and services that respond to changing environments and different lifestyle needs**
  - numerous innovative solutions and products designed to respond to today's transformations and various risks linked to climate change, mobility, habitat, cyber-sphere or aging.
- **Active contribution to the sustainable development of local life**
  - a regional actor, taking into account the economic, social and environmental dimensions of its activities, stimulating the local economy by: creating jobs, purchasing from local suppliers or supporting entrepreneurship.
- **Adoption of a clear, public, Group-wide sustainable investment policy**

**Extend the ESG approach to all investment activities, using a common approach for all Group entities:**

  - €2.3 billion in additional sustainable investments since the beginning of 2022;
  - reducing the carbon intensity of its equity and corporate bond portfolio by 50% between 2021 and 2030, on a trajectory of alignment with the Paris Accords
  - and by joining the Net Zero Asset Owners Alliance and the PRI (Principles for Responsible Investment).
- **Alignment with a set of values that promote responsible, solidarity-based behaviour**
  - commitment to reduce our organisation's carbon footprint: -20% by 2024 and -40% by 2030
  - strengthening responsible management policy and integrating sustainability into the Group's governance, including in all its projects and activities.

Groupama Group's sustainability strategy for the period 2022-2024 was validated by the Groupama Assurances Mutuelles Board of Directors on December 16, 2021. The year 2023 was a milestone in strengthening governance and integrating sustainability into the Group's business model, so that a common Action Plan was developed for all entities and subsidiaries. It covers relevant sustainability aspects and maturity criteria as well as regulations, while maintaining the principle of subsidiarity.

### Groupama Romania Sustainability strategy

On a local level, Groupama has developed a strategy aligned with the principles of the Group to which it belongs, based on two main axes: sustainable growth and customer preference.

In today's world, full of major risks that affect each and every one of us differently, we need an insurer that offers a partnership based on proximity and solidarity.

Our mission thus becomes to help our clients and partners view life with optimism and to enjoy every moment, whether big or small, knowing that we will be by their side no matter how great the challenge

Objectives assumed by Groupama at local level:

1. Reduce carbon footprint: - 20% by 2024 and - 40% by 2030
2. Making responsible investments
3. Informing and raising awareness among our employees, clients, and partners on risk prevention topics
4. Investments in communities through a CSR strategy that puts people and their impact at its centre.

## 1.3 ABOUT US

### Born from an act of solidarity

Groupama is part of a mutual group with over 100 years of tradition in France. Since the group was founded at the end of the 19th century on the initiative of a farming community, Groupama has continually developed and adapted to the economic challenges and ever-changing needs of its customers and partners, while remaining faithful to the action principles inherited from French agricultural mutualism.

Evolving within a consolidated perimeter, the Group continues to develop through its strong positioning in France and its international activities, to the benefit of its customers, its employees and the markets in which it operates.

Our story in Romania began in 2007 with the acquisition of three local insurance companies: Asiban, BT Asigurări and OTP Asigurări. The official launch of the Groupama brand took place in September 2009.

The shareholders of our company are GROUPAMA HOLDING FILIALES ET PARTICIPATIONS S.A., a French joint stock company, that has its registered office at 8 - 10, Rue d'Astorg, 75008 Paris, France. It is registered in the Paris Trade and Companies Register under number 822 131 579, holding shares representing 99.9999983% of the share capital and voting rights, and GROUPAMA INVESTISSEMENTS S.A.S., a French simplified joint-stock company, with its registered office at 8 - 10, Rue d'Astorg, 75008 Paris, France, registered in the Paris Trade and Companies Register under number 428 767 909, holding shares representing 0.000007% of the share capital and voting rights.

Our company is headquartered in Bucharest, Sector 1, Mihai Eminescu Street, no. 45, Romania, identified by the unique identification code RO 6291812, and registered in the Trade Register under no. J40/2857/17.03.2010. In Romania, there is also REPANAR SRL (formerly Groupama Services SRL, with Groupama Asigurari S.A. as the sole shareholder), headquartered in Bucharest, Sector 1, I Mărăști Boulevard, no. 2, Romania, identified by the unique fiscal identification code 15381850, registered in the Trade Register under no. J40/7059/2013. The company has had its activity suspended since 2020, and its dissolution was decided in December 2023. As of the drafting of this document, the procedure for striking off this company from the Trade Register has been completed.

Groupama România is organized as a joint stock company, governed by applicable Romanian laws and regulations, as well as its articles of incorporation, being an insurance company that operates entirely on Romanian territory.

According to its articles of incorporation, the company's main activities are offering, negotiating, and concluding life and general insurance and reinsurance contracts.

Our activity consists of the following business areas:

- Other insurance activities (except life insurance) - NACE Code 6512;
  - Life insurance activities - NACE Code 6511;
- both under Insurance activities - NACE code 651, as well as Reinsurance activities - NACE code 6520, under Reinsurance activities - NACE code 652.

## VISION

In today's world, full of major risks that affect each and every one of us differently, we need an insurer to offer a partnership based on proximity and solidarity.

## MISSION

We help our clients and partners to look at life with optimism, to enjoy every moment, big or small, because they know we will be there for them, no matter how big the challenges they encounter.

## OUR VALUES

### Proximity

We are close to people. At both individual and community level, we understand what the risks are and how they can affect lives. People are not just our customers, they are our partners.

### Responsibility

In order to meet our economic and social commitments, we promote a sense of responsibility to all those involved at all levels of our structures.

### Solidarity

Solidarity is at our origins. It continues to guide us today, with every decision we make.

### Devotion

It is the local culture that helps us to become a partner of trust in people's lives. By being close to everyday realities, challenges and what really matters, we get actively engaged in people's lives

## OUR STRENGTHS

### Quality of customer relations

We are attentive when it comes to our relationship with customers. Quality human interaction, together with technological innovations and automation, help us to be there for them, when and where they need us.

### Innovation

Our ability to innovate and reinvent ourselves for more than 100 years. Today, we are able to offer our customers flexible customized, predictable products that integrate advanced technological solutions.

### Adapting to customer needs

We respond to our customers' everyday needs in a personalized way with simple and flexible products, always adding a touch of humanity and empathy.

### Local culture

The expertise and credibility of an international insurer combined with the skill and commitment of a local insurer that understands the specific needs of its community.

### Credibility

Trust is essential for an insurer. For us, trust is not a given but a consequence of everything we do, every day.

### Ability to understand real life

Because we are close to people, we understand them better. We know what real life is like: with its joys, its sad moments, its challenges.

## Groupama, insurance market leader

As a market leader in the insurance industry, we recognize the significant role we play in society. Our responsibility manifests itself through the insurance products and services we offer, ensuring that risks are managed effectively and that our customers are protected against unforeseen events. We strive to be a reliable partner for both our customers and our suppliers through close collaboration, reliability and reputation. As a result, we serve over 2 million individual customers and over 175 thousand businesses.

We offer our customers a broad portfolio of insurance products, whether they are individuals or legal entities, small and medium-sized enterprises (SMEs) or large companies. Our portfolio includes both compulsory insurance, such as MTPL, and optional insurance, such as general property and motor insurance, liability insurance, agricultural insurance, life insurance, and health insurance.

Today, we are the market leader in insurance, with a diverse portfolio of products and services addressing all insurance needs. Our distribution network is complex and includes partners (brokers, banks, leasing companies) and our own retail channels (direct sales and agents).



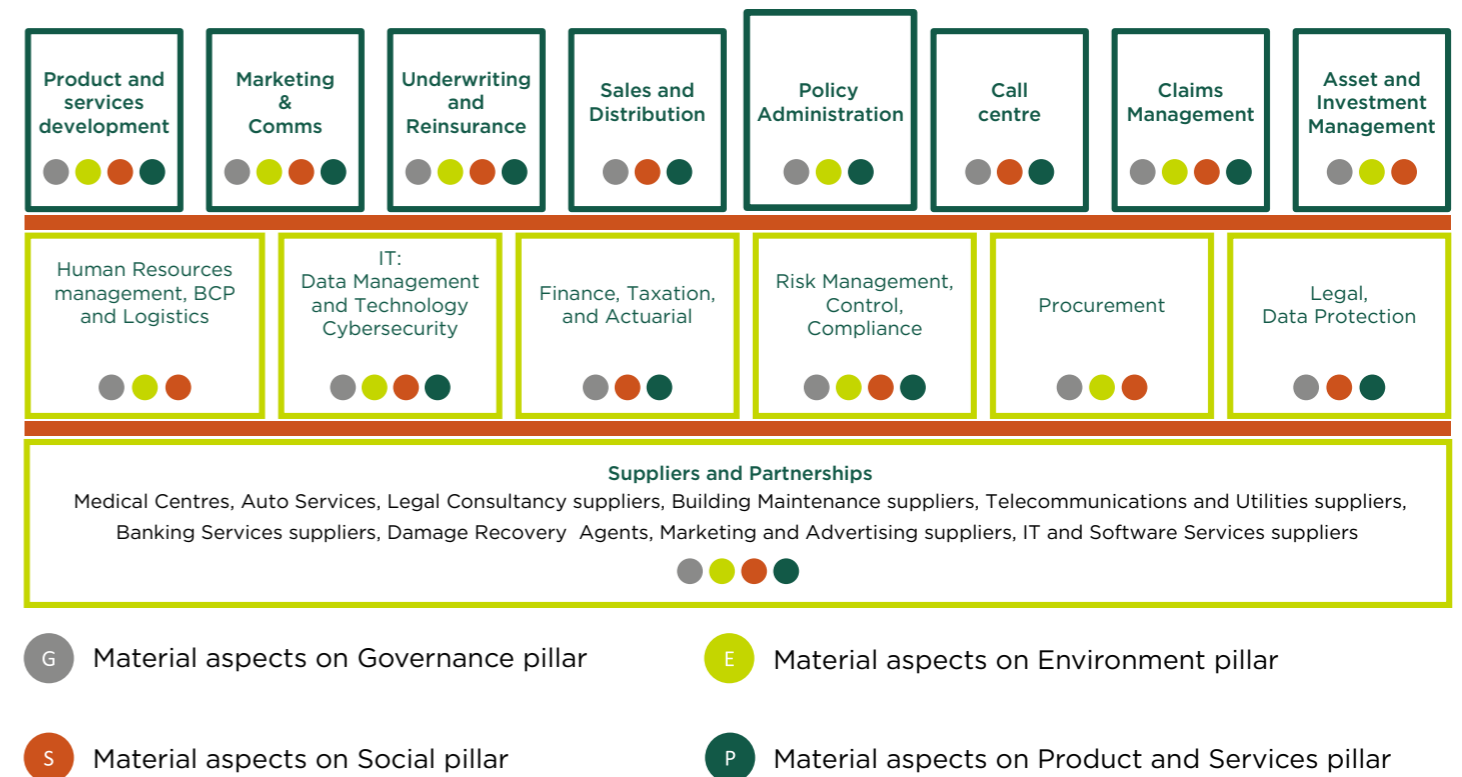
## 1.4 THE VALUE CHAIN

For us, responsibility is defined by care and respect for our customers and society, which is why we have built the portfolio of products and services we offer carefully, prioritizing quality at a fair price. At the same time, we attach great importance to the impact that the services and products offered by our company can have on the environment and society.

Throughout this process, optimizing the value chain is key to ensuring the financial sustainability of both our company and our customers. Our company's value chain reflects the complexity of our operations, starting with the identification of the target market, product development, and continuing with the finalization of the sale of insurance products based on customer needs, policy administration and claims management. We address the sustainability issues critical to us throughout the value chain, integrating responsible environmental, social and governance (ESG) criteria and practices into all aspects of our operations.

To understand and assess the impact of environmental change on the sustainability of our business and the impact that our organization has on the environment and society, we have examined each stage of the value chain and identified the material issues relevant to each.

Our value chain, shown below, illustrates how we integrate key sustainability themes throughout the whole process:



The supply chain starts with the identification and formulation of purchase need, and continues until the finalization of the sale of our products and services and, if the situation requires it, includes the payment of damages. The identification of procurement needs and the entire process of procuring goods and services are managed by the Procurement Department in accordance with the Procurement Procedure for Goods and Services and the Supplier Selection Procedure. This ensures that the procurement process is consistent, impartial and objective, in line with the company's strategy, and that our suppliers deliver high quality products and services.

The Code of Ethics and Professional Conduct provides clear guidelines on the ethical standards that our company adheres to and applies, as well as to our business partners. It can be consulted on our website here: [Supplier Relations | Groupama](#). Our suppliers are required to implement necessary measures to ensure that their subcontractors also comply with the principles set out in our Code of Ethics and Professional Conduct. Through the implementation of our Procurement Policy and Code of Ethics and Professional Conduct, we commit our partners to social responsibility and environmental protection standards, thereby addressing key sustainability issues including human rights, labour conditions, health and safety, environmental protection and business ethics.

Driven by the guiding principles that set out our expectations of suppliers, in 2023 we implemented for the first time an annual supplier evaluation process focused on key sustainability issues. This evaluation process is structured based on the following criteria:

- Environment (E)
- Social (S)
- Governance (G)
- Innovation

The objective is to understand how our suppliers integrate environmental, social and governance criteria into their operations. Furthermore, the process not only raises awareness of these key issues among our partners, but also serves as a tool to strengthen and develop our partnerships in a sustainable way.

The process addressed the following categories of providers:

- General procurement
- Claims partnerships (Car services)

We will continue to adapt our activities and processes to meet future challenges and contribute to long-term, sustainable development.

## 1.5 STAKEHOLDER INVOLVEMENT

Once again, as part of the materiality analysis and sustainability reporting process this year, we have initiated a stakeholder consultation process. The main aim has been to identify how our stakeholders regard the sustainability topics that we consider to be material for our company. The sustainability topics consulted are those topics that relate to our economic, social and environmental impacts and are key to understanding and assessing how our activities influence and are influenced by these dimensions.

At the same time, the results of this annual exercise help us to identify key strategic sustainability directions and to update our performance in our sustainability report.

We recognize the importance of maintaining relationships based on mutual trust and transparency, and continue to engage our stakeholders in analyzing and developing our company's strategic directions, thus ensuring sustainable growth.

We have identified the main categories of stakeholders, taking into account their level of interest and ability to influence our organization. In order to better understand their perspectives and concerns, we conducted a consultation process through an online questionnaire between March and April 2024.

IDENTIFIED STAKEHOLDERS <sup>1</sup>
<b>Managers</b>
<b>Non-managerial employees</b>
<b>Legal entities</b>
<b>Individual Customers</b>
<b>Public Authorities</b>
<b>Media</b>
<b>Groupama Providers</b>
<b>Partner - intermediary (Leasing Company / Broker, Bank)</b>
<b>Partners</b>
<b>Regulatory authorities</b>

<sup>1</sup> In terms of changes in this reporting year compared to the previous year, we have revised the stakeholder categories included in the consultation. Thus, we have included "Corporate Customers" and "SMEs" in the "Legal Entity Customers" category, "Customer Service Providers" in "Groupama Providers", and added a new category, "Partners", for business partners that did not fit into the other stakeholder categories.

We obtained 1,124 responses and we appreciate the involvement and interest that our partners have shown in our company through the valuable responses and suggestions we received from them. By involving them in the materiality analysis process, we have been able to identify and prioritize the key issues that support us in developing effective and relevant initiatives to improve our sustainability performance.

Top Management was consulted through dedicated interviews to identify what topics could influence our business model and the company's economic performance. We ensure fair working conditions for all employees, thus 100% of our total employees are covered by the collective labour agreement, guaranteeing a stable and protected working environment for every member of our team.

### How do we communicate with stakeholders?

Main categories of stakeholders	Channel/mode of communication and feedback collection	Topics covered
Employees (including Managers)	Feedback questionnaires ; Dedicated events ; Internal communication (Newsletters, Intranet)	Company and industry information; Satisfaction and commitment; Other types of feedback and needs
Customers (individual clients or legal entities)	Feedback questionnaires and satisfaction surveys; Market research; Communication through the Alo Groupama Customer Service Center, by e-mail, through the Amelie Virtual Assistant or on social networks; Regular newsletters	Quality of services and products offered by Groupama; Post-damage satisfaction surveys; Brand awareness studies; Registration, analysis and resolution of petitions and complaints; Information
Public Authorities	Direct dialogue; Consultations through Working groups	Topics on the public agenda
Media	Interviews; Press releases; Participation in TV or online broadcasts and debates; Participation in public conferences	Relevant company, industry, economic and other issues on the public agenda
Groupama Providers	Direct communication; Evaluation questionnaires	Satisfaction with working together
Partner - intermediary (Leasing Company / Broker, Bank)	Direct communication; Working groups	Joint projects
Partners	Direct communication; Working groups	Joint projects
Regulators	Direct dialogue; Consultations through Working groups; Regular reports	Monitoring legal requirements; Joint industry projects

## 1.6 MATERIALITY ANALYSIS

As the field of sustainability continues to evolve rapidly, we strive to have a clear view of the important issues in the field and aim to provide a deeper understanding of associated risks and opportunities. Therefore, in developing our 2023 sustainability report, we have undertaken a review of material issues to maintain the relevance of our materiality matrix. We have also rethought our actions so that we can adapt to developments in the field.

**Double materiality analysis** is a strategic tool used to identify and assess economic, social and environmental issues that are relevant to the organization and its stakeholders.

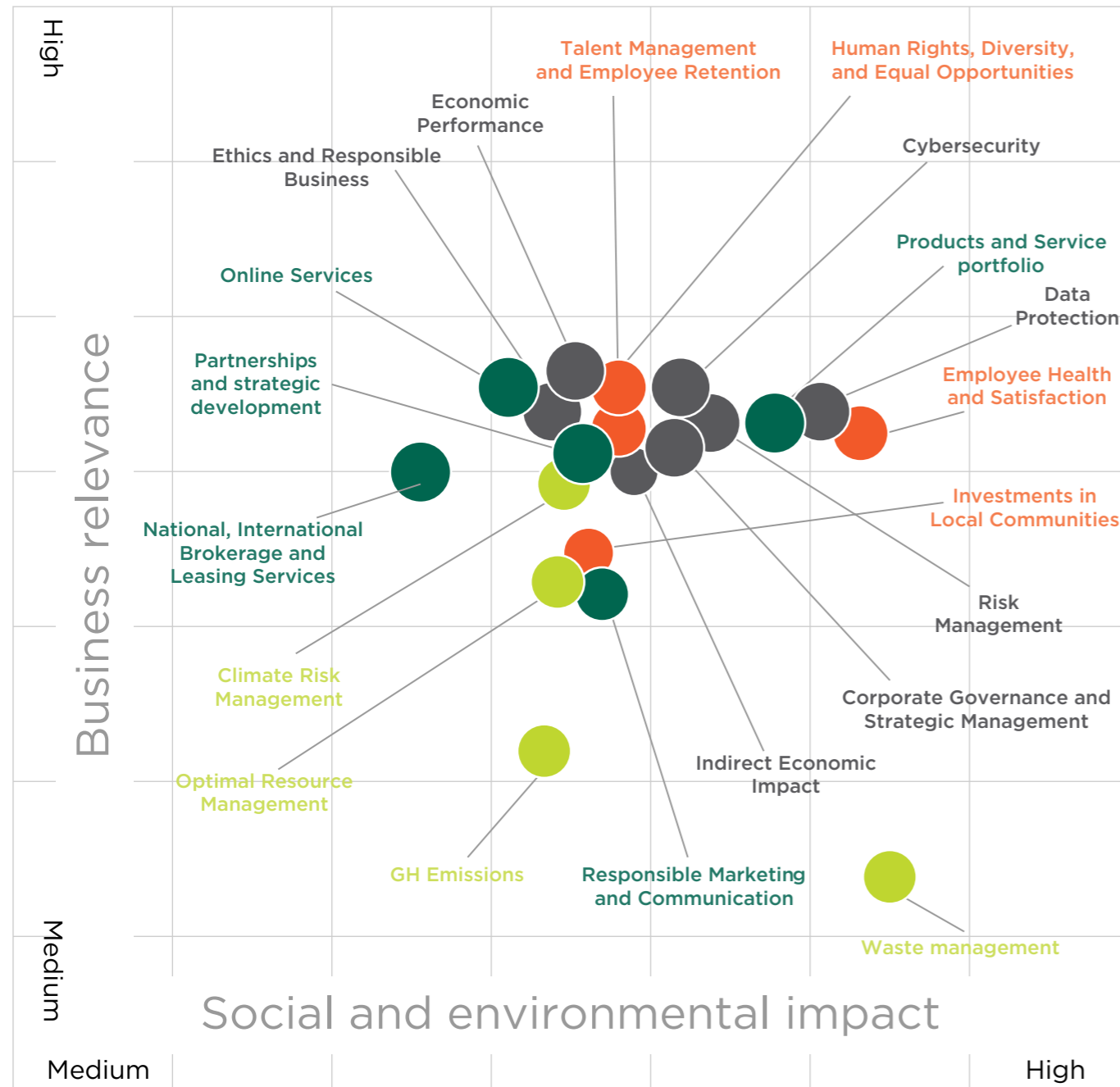
The assessment of material aspects was carried out from two perspectives:

- The company's impact on the environment, natural resources, society and the communities in which we operate (**inside-out perspective**);
- Business relevance (financial impact) focused on risks and opportunities (**outside-in perspective**).

Thus, the material aspects included into the evaluation process are:

GOVERNANCE	SERVICES	MEDIA	SOCIAL
Corporate Governance and Strategic Management	Portfolio of products and services	Optimal resource management	Employee health and satisfaction
Economic performance	Responsible marketing and communication	GHG emissions	Human Rights, Diversity and Equal opportunities
Indirect economic impact	Online help centers	Waste Management	Talent management and employee retention
Ethics and responsible business	National and international brokerage and leasing services	Climate risk management	Investment in local communities
Risk management	Partnerships and strategic development		
Data protection			
Cybersecurity			

Double Materiality Matrix 2023:



Note - the size of the bullets shows the potential size of the impact on financial capital on certain material themes due to poorly managed risks

Interpretation of results

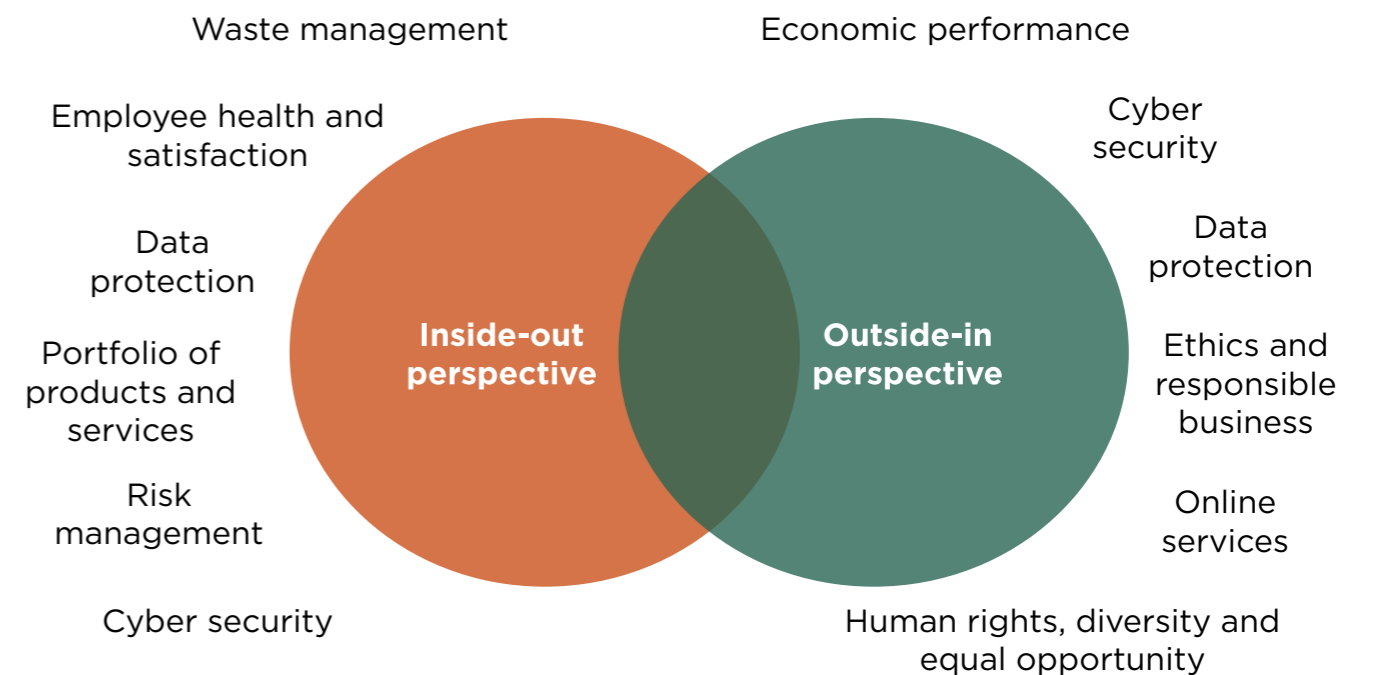
The Double Materiality Matrix reconfirms that the defined material aspects can have a significant impact both on environment and society, as well as for Groupama's business, from a financial point of view.

Environmental and social impacts:

Employee Health and Satisfaction, Data Protection, Product and Service Portfolio, Risk Management and Cyber Security.

Business relevance:

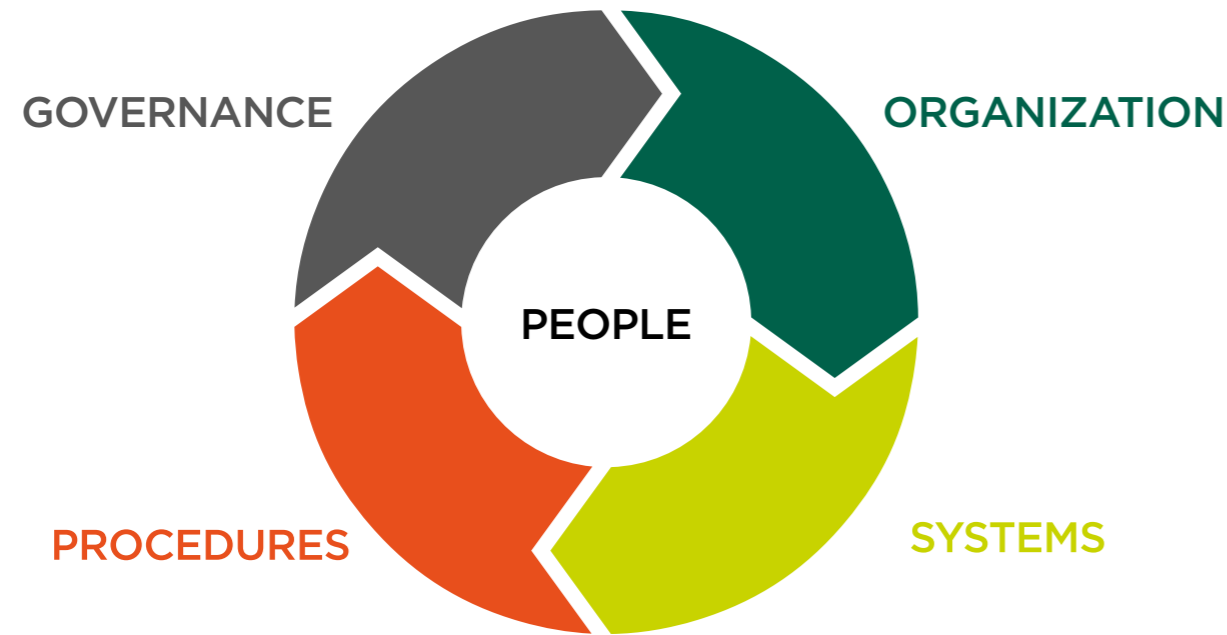
The material aspects with the greatest financial influence on Groupama's business are Economic Performance, Cyber Security, Data Protection, Ethics and Responsible Business, Online Services and Human Rights, Diversity and Equal Opportunities.



**Environmental and social impacts** **Business relevance**

# 1.7 RESPONSIBILITY

In 2023, we continued to integrate sustainability principles into our business activities, including measuring and reducing our carbon footprint, actions that complement a CSR strategy that puts people and their impact in communities at its center. We are strengthening our commitment to social responsibility and environmental protection, gradually and responsibly integrating sustainability principles into our operating model.

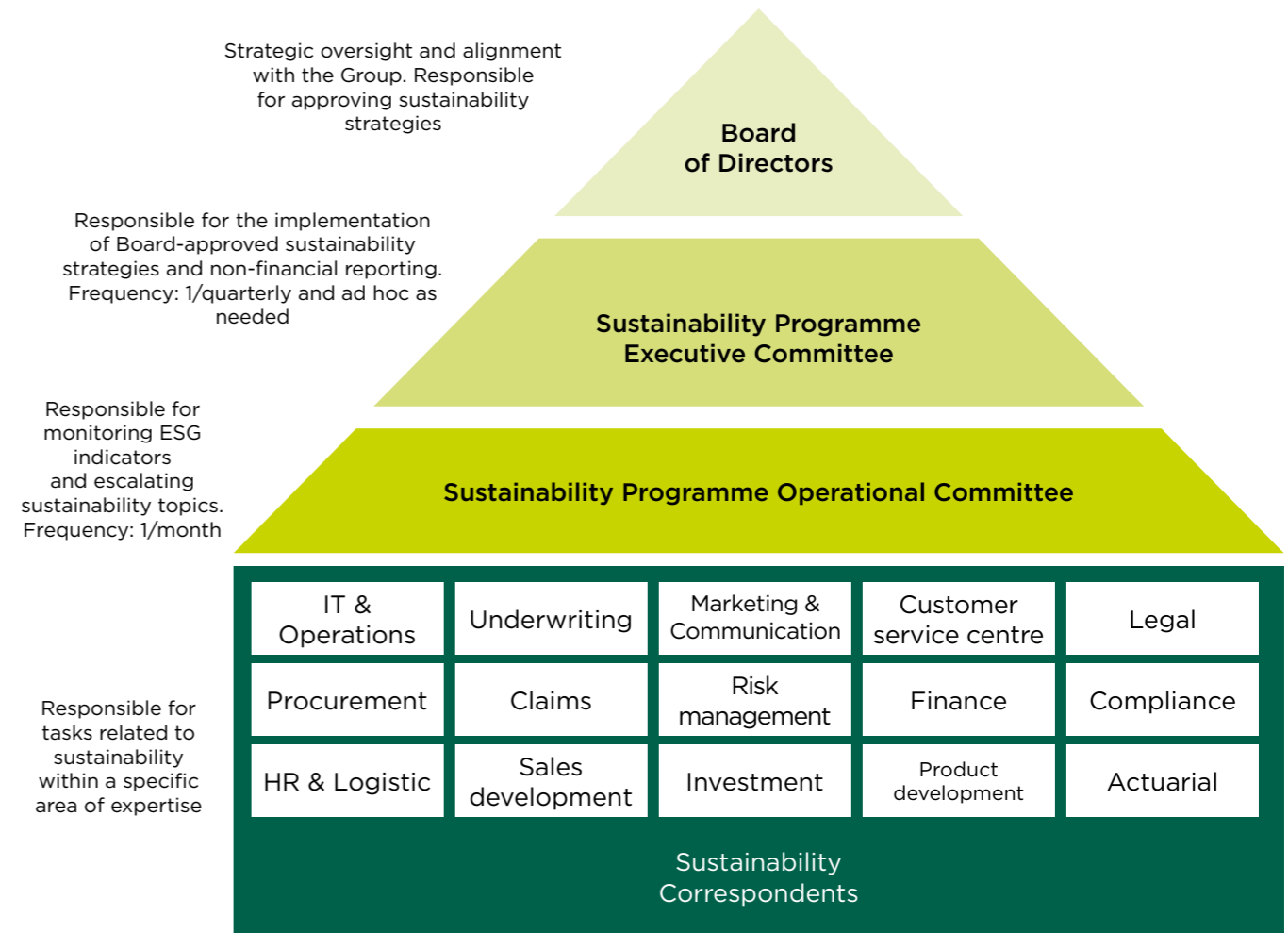


We encourage collaboration and responsibility at all levels of the organization. We work closely with operational departments to ensure that we comply with applicable legal sustainability regulations and actively contribute to achieving Group and local sustainability goals.

Sustainability governance involves strategic supervision and alignment with the Group and is supported by the Executive Committee, which is responsible for reviewing and approving sustainability strategies and non-financial reporting.

The sustainability programme, which includes the reporting process, carbon footprint calculation for 2023, alignment with the European taxonomy, structure and governance implementation, is part of our strategic project portfolio, sponsored by CEO.

Groupama also has a Climate Governance Policy in place. This policy complies with the applicable sustainability legislative framework and applies to all structures within our organization. Aligning this with Group strategy and local strategy, demonstrates our commitment to social and environmental responsibility and good governance.



- The Climate Governance Policy covers the following aspects:
- developing an adequate understanding of all sustainability risks that may be material to our company, including physical and transition risks, their characteristics and potential impact on our business;
  - assigning responsibility for managing these sustainability risks within the company and tracking how they are mitigated;
  - establishing remuneration systems taking into account sustainability risk management to assess exposure to market risk, liquidity risk, sustainability risks, operational risk;
  - establishing or including in policies the management of conflicts of interest that may arise as a result of the integration of sustainability risks into our processes and systems as well as internal controls, including those arising from remuneration or personal transactions of relevant personnel;
  - including members with expertise in sustainability risk management in the executive management and supervisory bodies; adherence to international best practice or principles on climate governance.

The Climate Governance Policy is under the competence of the Board of Directors and is reviewed annually or following significant internal or external events without limitation: significant changes in the activity, in the company or in governance, legislative changes, and new risk factors.

# 1.8 MAIN RISKS IDENTIFIED

Main risks identified and their definition	Type	Material aspect managed	Pillar	Performance indicators monitored
The risk of not taking into account the environmental impact (waste, consumption, pollution, including carbon emissions) generated by the operation of our organization and the activities entrusted to subcontractors and suppliers.	Risk of non-compliance	GHG Emissions; Optimal management of resources; Waste Management; Indirect Economic Impact	ENVIRONMENT	- Direct GHG emissions (Scope 1); - Indirect energy emissions (Scope 2) GHG; - Reducing GHG emissions; - Indicators on optimal resource management and waste management; - Value of significant investments in infrastructure
<b>Adapting to climate change:</b> Inability to meet the needs of insureds in terms of resilience and support for climate transition.	-	Climate risk management	ENVIRONMENT	- Probable Maximum Loss (PML) - the maximum expected monetary loss that may affect the insurance portfolio in the case of weather-related natural disasters, for probability scenarios 1, 2 and 3; - Total amount of monetary losses attributable to insurance payments from modeled and unmodeled natural catastrophes.
<b>Talent management and employee retention:</b> Risk of not adapting to the changing business environment: the risk of not adapting employee training to the new demands of the business environment (e.g., increasing complexity of insurance products, digitalization, etc.)	Human resources risks	Talent management and employee retention	SOCIAL	- Number of programmes to improve employee skills; - Average number of training hours per employee; - Retention rate; - Staff turnover rate (involuntary)
<b>Employee health and satisfaction:</b> The risk of not integrating into our human capital policies the pressures of performance demands, psychosocial risks, and current social aspirations (quality of work life, work-life balance)	Human resources risks	Employee health and satisfaction	SOCIAL	Number of employees covered by an OHS programme; - Number of workplace accidents; - Total benefits package (% of salary) ; - Well-being programmes
<b>Human Rights, Diversity and Equal Opportunities:</b> Risk of violation of equal treatment for certain identified categories.	Human resources risks	Human Rights, Diversity and Equal Opportunities	SOCIAL	- Total number of employees for the identified categories; - Ratio of women's basic pay to men's pay

<b>Human Rights, Diversity and Equal Opportunities:</b> The risk of overlooking a situation where, as a result of our work, the fundamental rights, freedoms and integrity of our employees are compromised or potentially compromised.	Human resources risks	Human Rights, Diversity and Equal Opportunities	SOCIAL	- Total number of discrimination incidents
<b>Investing in local communities:</b> The risk of not considering the economic and social impact of our activities on society.	-	Investments in local communities	SOCIAL	- Total amount of contribution in local communities
Risk of non-compliance with applicable laws and regulations.	Risk of non-compliance	Corporate Governance and Strategic Management	GOVERNANCE	- Significant non-compliance with laws and regulations for which fines were imposed; - Total monetary value of fines
<b>Responsible investment:</b> The risk of not taking into account the social and environmental impact of the companies in which Groupama invests; - the level of pollution, including carbon emissions, of the companies in which the company invests; - the potential impact of environmental and climate constraints on asset values.	Financial risks	Corporate Governance and Strategic Management - Responsible investment policy	GOVERNANCE	- Total number of investments incorporating environmental, social and governance (ESG) criteria; - Total amount of investments which incorporates environmental, social and governance (ESG) criteria
<b>Ethics and responsible business:</b> Risks of corruption and influence peddling.	Risks of corruption and influence peddling	Ethics and responsible business	GOVERNANCE	- Total number of employees who have received anti-corruption training; - Total number of employees who have been communicated the organization's anti-corruption policies and procedures; - The total number of members of governing bodies who have been made aware of the organization's anti-corruption policies and procedures.

<p><b>Data protection:</b> the risk of not taking into account the (potentially negative) impact of our services and data protection commitments</p>	Lack of data protection and cyber security	Cyber Security; Data Protection; Online Services	PRODUCTS AND SERVICES; GOVERNANCE	<ul style="list-style-type: none"> <li>- Number of employees trained on cyber security;</li> <li>- Total number of cyber security breach incidents;</li> <li>- Number of substantiated complaints received from customers or other external stakeholders about breaches of customer privacy and loss of customer data;</li> <li>- Total number of identified leaks, thefts or losses of customer data;</li> <li>- Number of complaints from online policyholders about breaches of their privacy</li> </ul>
<p>The risk that Groupama does not take into account the environmental impact of policyholders' activities and their need for resilience or support in the ecological transition.</p>	General insurance underwriting risk	Products and services portfolio	PRODUCTS AND SERVICES	<ul style="list-style-type: none"> <li>- Net premiums for related insurance energy efficiency and low-carbon technologies;</li> <li>- Number of policies incorporating criteria that promote health, safety and/or environmental responsibility</li> </ul>
<p><b>Services:</b> Quality of advice: Risk of failing to provide advice or of providing non-explicit, erroneous, or misleading information.</p>	Breaches of conduct in customer relationship	Responsible marketing and communication; National, international brokerage and leasing services	PRODUCTS AND SERVICES	<ul style="list-style-type: none"> <li>- Total number of incidents of non-compliance with regulations and/or voluntary codes on customer information;</li> <li>- Complaints-to-claims' ratio;</li> <li>- Total number of substantiated complaints about breaches of customer confidentiality for brokerage and leasing services</li> </ul>
<p><b>Customer satisfaction:</b> risk of failure at key moments in the customer relationship.</p>	Image risk in customer relations	Responsible marketing and communication	PRODUCTS AND SERVICES	<ul style="list-style-type: none"> <li>- Customer retention rate;</li> <li>- Customer satisfaction (net satisfaction score)</li> </ul>
<p><b>Responsible procurement:</b> the risk of disregarding a situation where, as a result of work entrusted to subcontractors and suppliers, rights, fundamental freedoms and integrity of employees are compromised or potentially compromised.</p>	Supplier risks	Partnerships and strategic development	PRODUCTS AND SERVICES	<ul style="list-style-type: none"> <li>- Number of suppliers assessed in terms of environmental impact;</li> <li>- Number of suppliers assessed for social impact;</li> <li>- Percentage of new suppliers that have been assessed using social and environmental criteria</li> </ul>

# ENVIRONMENT



**WE REMAIN COMMITTED TO TACKLING CLIMATE CHANGE, CONSTANTLY STRIVING TO REDUCE CO2 EMISSIONS, THROUGH ENERGY EFFICIENCY AND THE OPTIMAL USE OF RESOURCES, TO HELP LIMIT THE IMPACT OF CLIMATE CHANGE FOR CURRENT AND FUTURE GENERATIONS.**

We continue to be involved with our partners in actions related to preventing and mitigating the impacts of climate risks for our customers and the communities in which we operate. Reducing our carbon footprint, responsible management, approaching CSR strategy in the most authentic way, responding to the real and concrete needs of our customers are the basic pillars of our sustainability strategy in a period full of economic, social and human challenges.

Because we are responsible and aware of the impact our company can generate, we track our greenhouse gas emissions annually through specific calculations under the Green House Gases (GHG) protocol. At the same time, we are committed to fighting climate change through concrete actions such as reducing our carbon footprint.

In line with the Group’s guidelines, we have adopted a sustainable investment policy based on environmental, social and governance (ESG) criteria with the aim of supporting the environmental and energy transition towards a more sustainable economy.

### Material aspects & ESG impact

Material aspect	Economic impact	Social impact	Environmental impact
Optimal resources management	At Groupama, we are aware of the negative economic impact that can be generated by mismanagement of resources. We are therefore careful to properly monitor and manage the resources required to carry out our activities, taking into account the associated costs.	The availability of natural resources is an issue with a strong social impact. From this perspective, the actions we take within our company aim at optimal resource management for a sustainable future that pursues a positive social impact.	Economic activities depend on a global ecosystem - in particular its ability to provide resources and absorb pollution and waste. Our company aims to minimize resource consumption and, where applicable, use resources from sustainable sources.
GHG emissions (climate-relevant emissions)	High temperatures caused by greenhouse gas emissions can have negative economic consequences across the country, including reduced agricultural yields, lower labour productivity and reduced industrial output. We are committed to reduce our company’s greenhouse gas emissions. We therefore carry out detailed calculations aimed at monitoring, controlling and reducing emissions (Scope 1, Scope 2 and Scope 3).	Scientific studies show that climate change will have, and in some cases has already had, serious consequences for society, such as the spread of disease or increased food insecurity. Therefore, by knowing the amount of greenhouse gas emissions from our activity, we will be able to implement measures to minimize this effect.	We are constantly concerned about the emissions generated by our business. We are aware of the impact they can have on the environment, which is why we have chosen to calculate our Carbon Footprint (Scope 1 and Scope 2), monitor it and set targets to reduce it. And, for a positive environmental impact, we have extended this analysis downstream and upstream of our activities (Scope 3).

Waste Management	Waste pollution not only affects the health of our communities, of wildlife and ecosystems, but also has a real, significant economic impact.	Waste pollutes soil, air and water, affecting human health. We try to protect people’s health by recycling waste and paying attention to monitoring and controlling the waste we generate.	Landfills can contaminate soil and pollute water and air. We avoid uncontrolled waste disposal which can lead to the release of dangerous chemicals that can harm the environment and our health. To control our waste, we have collaborators who recycle the waste we generate.
Climate risk management	Climate change is important and can have a significant impact on our business as an insurer. We are actively engaged in climate risk management, with our business performance supported by specific analysis of identified risks or opportunities.	As the climate continues to change, millions of people face growing challenges in terms of extreme events, health impacts, livelihood security, migration, loss of cultural identity and other related risks. By engaging in understanding and working with climate risks, we seek to reduce their social impact.	Environmental and climate risks, including extreme weather events and failure to adapt to climate change, are among the main risks we face today. Through effective climate risk management, we can help mitigate climate change.

## 2.1 TAXONOMY

By providing stakeholders with a uniform framework, in particular with the environmental objectives set out in the Taxonomy Regulation, the European Commission has structured the transition process towards a resilient and more environmentally friendly economy.

The taxonomy is part of a trio of European texts for the transition to sustainable finance with the “SFDR” on sustainability reporting and soon the “CSRD” (Corporate Sustainability Reporting Directive) on non-financial reporting.

Taxonomy Regulation 2020/852 sets common criteria for classifying environmentally sustainable economic activities. It was published by the European Commission (EC) in June 2020 and transposed into national legislation by OMFP No. 1239/2021, published on October 4, 2021, which amends and supplements the requirements of OMFP 1802/2014 and OMFP 2844/2016, as amended, on the reporting of non-financial information. The Taxonomy Regulation aims to redirect capital flows towards sustainable investments and combat greenwashing.

On July 6, 2021, the EC adopted Delegated Regulation 2021/2178 which complements Article 8 of the Taxonomy Regulation and requires large financial and non-financial entities to provide information to investors on the environmental performance of their assets and business activities. The overall objective of this delegated act is to increase market transparency by clearly specifying the content, methodology and nature of the information to be disclosed. The objective is to provide information to financial market players so that they can design financial products and portfolios on the basis of the data thus provided. The delegated regulation became applicable from January 1, 2022.

On March 9, 2022, the European Commission published Delegated Regulation (EU) 2022/1214 amending and supplementing Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation

(EU) 2021/2178 as regards public disclosure of these economic activities. The Regulation introduces specific criteria for classifying economic activities in the energy sector as environmentally sustainable activities under the requirements of the Taxonomy. This Regulation has implications for companies within the insurance sector - specifically, the Regulation outlines the conditions under which investments in companies with gas and nuclear energy activities can be considered as aligned with the Taxonomy criteria.

### 1. Eligible and aligned capital investments according to taxonomy criteria

As an insurance company, Groupama is required to publish the key performance indicator (KPI) on investments made in 2023, reported at market value at December 31, 2023.

$$\frac{\text{KPI on investments}}{\text{Total investment}} = \frac{\text{Investments intended to finance or associated with taxonomy-eligible economic activities}}{\text{Total investment}}$$

At the same time, in addition to the aligned investment indicator, our company must publish the following quantitative information:

- Exposures to and investments in derivatives;
- Exposures to and investments in financial and non-financial companies subject to Articles 19a and 29a of Directive 2013/34/EU;
- Exposures to and investments in financial and non-financial companies established in the Union which are not covered by Articles 19a and 29a of Directive 2013/34/EU;
- Exposures to and investments in financial and non-financial companies established in a third country not covered by Articles 19a and 29a of Directive 2013/34/EU; Exposures to and investments in other counterparties
- Breakdown of percentages for each environmental objective mentioned by the taxonomy criteria: Mitigation of climate change, Adaptation to climate change, Sustainable use and protection of water and marine resources, Transition to a circular economy, Pollution prevention and control, Protection and restoration of biodiversity and ecosystems

By investments we mean all assets held directly and indirectly on the balance sheet of Groupama life and general insurance company. This is therefore a transparent picture of the company's assets. In accordance with Article 7(1) of Delegated Regulation 2021/2178, sovereign exposures are excluded from the calculation of the KPI on investments, both numerator and denominator. Derivatives are excluded from the numerator but included in the denominator of the report. Non-NFRD (Non-Financial Reporting Directive) companies are not subject to the taxonomy. Thus, exposure to them should not appear in the calculation of the report numerator. Cash has been excluded from the numerator due to the impossibility to allocate it to a specific economic sector.

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

Asset Type	Numerator exclusion	Denominator exclusion
Exposures to central governments, central banks and supranationals	X	X
Derivatives	X	
Exposures to companies not subject to the NFRD	X	
Cash	X	

As an insurer, Groupama is obliged to publish, in addition to the Key Performance Indicators (KPIs) on investments (according to Annexes IX-XI of the Regulation - investments intended for financing or associated with eligible economic activities according to the taxonomy / Total investments):

- The 5 (five) templates related to activities in the gas and nuclear sectors:
- Annex XI - containing qualitative information for asset managers, credit institutions, investment firms and insurance and reinsurance companies.

For calculations based on year-end 2023, the methodology adopted by Groupama remains aligned with the Group's one for consistency reasons. Green bonds are subject to a specific analysis, which is unrelated to the issuer, but focuses on the financed activity ("Use of proceeds").

In accordance with European Commission communications, the information used is based on actual data provided by non-financial or financial entities. Therefore, Groupama has excluded the use of estimates or proxies for this reporting. In this regard:

- We have chosen an external data provider for 2023, from which we extract data published by companies and which performs the aforementioned analysis on green bonds;
- All real estate assets and Groupama's investments in infrastructure, private equity and unquoted corporate and unquoted non-corporate debt have been assigned a zero alignment due to operational difficulties in obtaining data for this first year of alignment publication;
- To compensate for the lack of available information on gas & nuclear templates, Groupama's teams have internalized the collection of related information for companies representing 80% of the market value of the assets concerned. Other companies or those for which no specific reporting on gas & nuclear related activities is available, have been assigned the total alignment/eligibility reported by the issuer without double counting.

The weighted average value of all investments in insurance or reinsurance companies that are intended to finance or are associated with economic activities aligned to the taxonomy, as a proportion of the value of total assets covered by the KPI, with the following weights for investments in the enterprises below:		The weighted average value of all investments in insurance or reinsurance companies that are intended to finance or are associated with economic activities aligned to the taxonomy, with the following weights for investments in the enterprises below:	
		RON	
Based on turnover: %.	0%	Based on turnover: [monetary value]	4 749 456
Based on capital expenditure: %	1%	Based on capital expenditure: [monetary value]	9 394 551
Percentage of assets covered by KPI as a proportion of total investments of insurance or reinsurance companies (total AuM). Excluding investments in sovereigns entities.	27%	Monetary value of assets covered by KPI. Excluding investments in sovereign entities.	1 299 880 758
Additional, complementary information: breakdown of the denominator of the KPI			
Percentage of derivatives as a percentage of total assets covered by the KPI.	0%	Monetary value of derivatives.	-13 088
The proportion of exposures to financial and non-financial companies not covered by Articles 19a and 29a of Directive 2013/34/EU in relation to the total assets covered by the performance indicator:		The amount of exposures to financial and non-financial companies not covered by Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial companies:	4%	For non-financial companies: [monetary value]	51 889 141
For financial companies:	20%	For financial companies: [monetary value]	258 492 204
The proportion of exposures to financial and non-financial companies in non-EU countries not covered by Articles 19a and 29a of Directive 2013/34/EU out of the total assets covered by the performance indicator:		The amount of exposures to financial and non-financial companies in non-EU countries not covered by Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial companies:	1%	For non-financial companies: [monetary value]	4 749 456
For financial companies:	4%	For financial companies: [monetary value]	57 886 677
The proportion of exposures to financial and non-financial companies subject to Articles 19a and 29a of Directive 2013/34/EU in relation to the total assets covered by the performance indicator:		The value of exposures to financial and non-financial companies subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial companies: X %	3%	For non-financial companies: [monetary value]	37 554 461
For financial companies: X %	8%	For financial companies: [monetary value]	99 693 042
The proportion of exposures to other counterparties in relation to total assets covered by the KPI:	60%	The amount of exposures to other counterparties:	781 504 030

The proportion of investments of the insurance or reinsurance companies, other than investments held for life insurance contracts, where the investment risk is borne by the policyholders:	100%	The value of investments of the insurance or reinsurance companies, other than investments held for life insurance contracts, where the investment risk is borne by the policyholders :	1 294 721 712
The value of all investments financing tax-ineligible economic activities as a proportion of the value of the total assets covered by the KPI:	91%	The value of all investments financing tax-ineligible economic activities:	1 184 055 107
The value of all investments that finance taxonomy-eligible but non-taxonomy-aligned economic activities, as a proportion of the value of total assets covered by the KPI:	9%	The value of all investments that finance taxonomy-eligible but non-taxonomy-aligned economic activities:	111 076 195

Additional, complementary disclosures: breakdown of the KPI count

Proportion of exposures aligned with the taxonomy on financial and non-financial companies subject to Articles 19a and 29a of Directive 2013/34/EU in relation to total assets covered by the performance indicator:		Value of exposures aligned with the taxonomy on financial and non-financial companies subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial companies:		For non-financial companies:	
Based on turnover: %.	71%	Based on turnover: [monetary value]	3 368 680
Based on capital expenditure: %	84%	Based on capital expenditure: [monetary value]	7 876 683
For financial companies:		For financial companies:	
Based on turnover: %.	29%	Based on turnover: [monetary value]	1 380 781
Based on capital expenditure: %	15%	Based on capital expenditure: [monetary value]	1 372 471
The proportion of the insurance or reinsurance companies' investments, other than investments held in respect of life insurance contracts where the investment risk is borne by the policyholders, which are intended to finance or are linked to an insurance contract aligned to the taxonomy:		The value of the insurance or reinsurance companies' investments, other than investments held in respect of life insurance contracts where the investment risk is borne by the policyholders, which are intended to finance or are linked to an insurance contract aligned to the taxonomy:	
Based on turnover: %.	100%	Based on turnover: [monetary value]	4 749 456
Based on capital expenditure: %	100%	Based on capital expenditure: [monetary value]	9 249 149
Proportion of taxonomy aligned exposures to other counterparties in total assets covered by the KPI:		The value of taxonomically aligned exposures to other counterparties relative to total assets covered by the KPI:	
Based on turnover: %.	0%	Based on turnover: [monetary value]	0
Based on capital expenditure: %	2%	Based on capital expenditure: [monetary value]	145 397

Taxonomy aligned activities - provided a positive assessment of social safeguards and social safeguards and «do not pose significant harm» (DNSH):				Turnover	CapEx
1. Climate change mitigation	Turnover: %	99.5%	Transition activities: A % (Turnover; CapEx)	10%	2%
	CapEx: %	99.0%	Enabling activities: B % (Turnover; CapEx)	17%	17%
2. Adapting to climate change	Turnover: %	0.1%	-	-	-
	CapEx: %	0.8%	-	-	-
3. Sustainable use and protection of water and marine resources	Turnover: %	0.0%	-	-	-
	CapEx: %	0.0%	-	-	-
4. Transition to a circular economy	Turnover: %	0.1%	-	-	-
	CapEx: %	0.0%	-	-	-
5. Pollution prevention and control	Turnover: %	0.3%	-	-	-
	CapEx: %	0.2%	-	-	-
6. Protection and recovery biodiversity and ecosystems	Turnover: %	0.0%	-	-	-
	CapEx: %	0.0%	-	-	-

### Nuclear and fossil gas activities (values in RON):

	Turnover						CapEx			
	CCM+CCA		CCM		CCA		CCM+CCA		CCM	
	Book value	%	Book value	%	Book value	%	Book value	%	Book value	
Taxonomy-aligned economic activities related to nuclear and gas in relation to assets covered by KPIs	1 299 880 758	100%	1 299 880 758	100%	0	0%	1 299 880 758	100%	1 299 880 758	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.26	-	0%	-	0%	-	0%	-	0%	-	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.27	999	0%	999	0%	-	0%	54 644	0%	54 644	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.28	183 505	0%	183 505	0%	-	0%	264 163	0%	264 163	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.29	-	0%	-	0%	-	0%	-	0%	-	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.30	5	0%	5	0%	-	0%	-	0%	-	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.31	5	0%	5	0%	-	0%	-	0%	-	
Investments financing other economic activities aligned to the taxonomy, other than nuclear and gas related economic activities	1 299 696 244	100%	1 299 696 244	100%	-	0%	1 299 561 951	0%	1 299 561 951	
Taxonomy-aligned economic activities related to nuclear and gas as a percentage of total taxonomy-aligned economic activities	4 749 456	100%	4 749 456	100%	-	0%	9 394 551	0%	9 394 551	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.26	-	0%	-	0%	-	0%	-	0%	-	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.27	999	0%	999	0%	-	0%	54 644	0.60%	54 644	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.28	183 505	3.90%	183 505	3.90%	-	0%	264 163	2.80%	264 163	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.29	-	0%	-	0%	-	0%	-	0%	-	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.30	1	0%	5	0%	-	0%	-	0%	-	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.31	1	0%	5	0%	-	0%	-	0%	-	
Investments financing other economic activities aligned to the taxonomy, other than nuclear and gas related economic activities	4 564 947	96.1%	4 564 947	96.1%	-	0%	9 075 744	96.60%	9 075 744	

Taxonomy-eligible but not taxonomy-aligned economic activities related to nuclear and gas in relation to the assets covered by the KPI	111 076 195	100%	22 455 513	100%	0	0%	111 076 195	100%	111 076 195
Investment financing Economic activities aligned to the taxonomy mentioned in 4.26	-	0%	-	0%	-	0%	-	0%	-
Investment financing Economic activities aligned to the taxonomy mentioned in 4.27	1	0%	5	0%	-	0%	-	0%	-
Investment financing Economic activities aligned to the taxonomy mentioned in 4.28	42 090	0%	42 090	0%	-	0%	6 683	0%	6 683
Investment financing Economic activities aligned to the taxonomy mentioned in 4.29	-	0%	-	0%	-	0%	21 829	0%	21 829
Investment financing Economic activities aligned to the taxonomy mentioned in 4.30	4 773	0%	4 773	0%	-	0%	3 091	0.00%	3 091
Investment financing Economic activities aligned to the taxonomy mentioned in 4.31	47	0%	232	0%	-	0%	351	0.00%	351
Investments financing other economic activities aligned to the taxonomy, other than nuclear and gas related economic activities	111 029 090	100%	111 029 090	100%	-	0%	111 044 246	100%	111 044 246
Not taxonomy-eligible economic activities related to nuclear and gas in relation to assets covered by KPIs	1 184 055 107	100%					239 372 305	100%	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.26	-	0%					-	0%	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.27	1	0%					-	0%	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.28	2 313 592	0%					460 259	0.20%	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.29	-	0%					4 413	0%	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.30	4 773	0%					625	0%	
Investment financing Economic activities aligned to the taxonomy mentioned in 4.31	232	0%					71	0%	

## 2. Insurance premiums eligible and aligned according to the criteria

Compared to the taxonomy reporting approach in 2022, for FY 2023, mandatory reporting of the percentage of insurance premiums written that are aligned according to the taxonomy criteria has been introduced. Thus:

- For financial year 2022, the focus has shifted to mandatory eligibility percentage reporting for insurance premiums written. This reporting indicates whether an insurance product falls under the broad scope of an environmental objective as defined under the taxonomy. Reporting the percentage of alignment with the taxonomy criteria was optional.
- For the financial year 2023, in addition to the mandatory reporting of the percentage of eligible premiums, based on the clarification document (FAQ) on Taxonomy reporting published by the European Commission at the end of 2023, the obligation to publish the percentage of alignment according to the Taxonomy criteria has been introduced. Thus, companies falling within the scope of the Taxonomy have to disclose information on the analysis of their portfolio of products that are “environmentally sustainable” (= eligible) but also the extent to which they contribute substantially to one of the environmental objectives, without significantly harming the other objectives and meeting the minimum guarantees (= aligned).

Minimum social guarantees is a criteria defined in Article 18 of the Taxonomy Regulation. Minimum social standards are a set of procedures implemented by the company to ensure compliance with the following guiding principles:

- OECD guidelines for multinational companies
- UN Guiding Principles on Business and Human Rights
- Basic principles and rights from the eight fundamental conventions of the International Labour Organization
- Principles of the International Bill of Human Rights

Compliance with the minimum safeguards was assessed according to the Final Report on Minimum Safeguards for four areas: Human Rights, including Labour Law, Bribery/Corruption, Taxation and Fair Competition. Each of these areas was analyzed to determine whether the relevant process and outcome criteria for compliance with the minimum guarantees were met.

Underwriting KPIs reflect general insurance income based on “gross written premiums” generated by insurance companies that can be considered eligible and aligned to the taxonomy, out of the total underwriting income for general (non-life) insurance. The proportion is conditional on the underwriting of climate-related perils as set out in the “Description of business” in section 10.1. of Annex II of Delegated Regulation (EU) 2021/2139 (the Climate Delegated Act).

Thus, for the year 2023, as an insurer, Groupama is required to publish the following report for the data as of December 31, 2023:

<p>KPI on general insurance =</p> $\frac{\text{Gross non-life insurance premiums eligible/aligned for taxonomy}}{\text{Total gross non-life insurance premiums}}$
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The Climate Delegated Act sets out which activities are eligible for the objective of adaptation to climate change, which is the objective under which general insurance falls. The Act also sets out the criteria that insurers must meet to be aligned with the taxonomy. The publication of the percentage of alignment under these technical criteria for insurance products applies from 2024 (fiscal year 2023).

In accordance with Annex I of the Delegated Regulation, the lines of business A3 to A9 and A18 so named according to the financial reporting to the Financial Supervisory Authority (ASF) have been identified as eligible for the taxonomy, as long as the coverage of a weather risk event is explicit in the general conditions presented in the insurance factsheet of the product covered. The following 8 lines of business are considered potentially eligible for 2023:

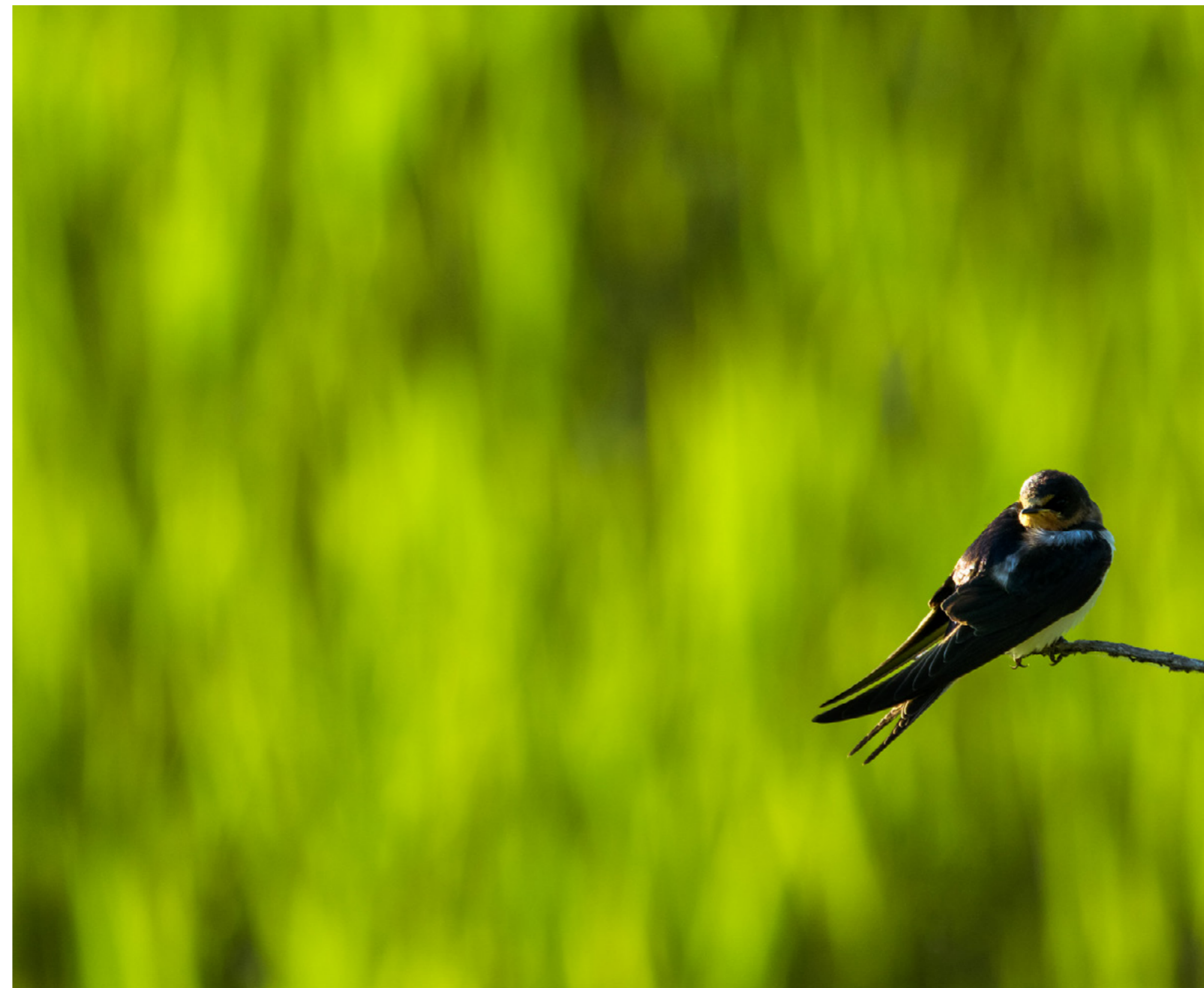
- A3. Land vehicles, excluding railway rolling stock
- A4. Railway rolling stock
- A5. Aircraft
- A6. Sea, lake and river vessels
- A7. Goods in transit
- A8. Fire and natural disasters
- A9. Hail, frost and other hazards other than those listed in class A8
- A18. Assistance to persons in need while traveling

For the purpose of calculating the alignment with the taxonomy these insurance premiums, or the corresponding shares of the insurance premiums in the case of multi-risk insurance contracts, only relate to the cover of climate-related risks. In accordance with point 1 of the Technical Screening Criteria (TSC) on Substantial Contribution in Section 10.1 of Annex II to the Climate Delegated Act, Groupama uses an appropriate internal methodology to determine the amount of premiums related to climate risks, based on the pricing process. For the purpose of calculating eligibility, the full insurance premium for a product covering climate risks has been taken into account in order to maintain comparability with the methodology used in the previous year, as the European Commission's FAQ document does not provide specific clarifications for the calculation of eligibility.

The table below shows the total gross written insurance premiums at the end of 2023 considered eligible and aligned according to the Taxonomy criteria out of the total gross written premiums in the general insurance product category:

- Total gross written premiums at the end of 2023: 4,199,800,000.00 RON (this total contains all premiums written by the company at the end of 2023, according to the P&L, and includes General Insurance, Travel Insurance, MTPL and excludes Life and Health Insurance, as defined by the classes of insurance in the Taxonomy Regulation.)
- Total eligible gross written premiums at the end of 2023: 1,380,640,106.00 RON (this total includes all premiums written by the company for General and Travel Insurance, as defined by the classes of insurance in the Taxonomy Regulation.)

The results of the analysis performed indicate that 32.87% of the total gross premiums written by the end of 2023 were associated with taxonomy eligible activities. At the end of 2022, the percentage of premiums considered eligible under the Taxonomy criteria was 38.30%. This difference is due to an increase in gross written premiums of 37% in 2023 compared to 2022. Growth in the MPTL line of business was significant in 2023 with total gross written premiums totaling RON 2.45 billion.



Economic activities	Substantial contribution to adaptation to climate change			DNSH (Do No Significant Harm/'do no harm in significantly')								Category (facilitation activity)	Category (transitional activity)
	Absolute premiums, Year 2023	Share of premiums, Year 2023	Share of premiums, Year 2022	Adapting to climate change	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum guarantees			
	Lei	%	%	%	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	E	T	
A.1. Underwriting activities in general insurance and reinsurance aligned to the taxonomy (environmentally sustainable)	0	0%	0%	0%	-	N/A	N/A	N/A	N/A		E	N/A	
A1.1 Of which reinsured	0	0%	0%	0%	-	N/A	N/A	N/A	N/A		E	N/A	
A1.2 Of which from reinsurance business	0	0%	0%	0%	-	N/A	N/A	N/A	N/A		E	N/A	
A1.2.1 Of which reinsured (retrocession)	0	0%	0%	0%	-	N/A	N/A	N/A	N/A		E	N/A	
A.2. Underwriting activities in general insurance and reinsurance eligible under the taxonomy but not environmentally sustainable	1,380,640,106	32.87%	38.30%										
B.1. Underwriting activities in general insurance and reinsurance not eligible under the taxonomy	2,819,159,894	67.13%	61.70%										
Total	4,199,800,000	100%	100%										

Meeting the taxonomy criteria and legal requirements for sustainability is a priority for our company, contributing to a greener and more sustainable economy. As sustainability is a pillar of our long-term strategy, we will continue to scrutinize our business and environmental impact to align with applicable standards and regulations.

## 2.2 CLIMATE RISK MANAGEMENT

### Explaining the material aspect

We are committed to assessing climate risks responsibly, being aware of their impact on our business and our customers, taking into account temperature changes, extreme weather events and other environmental issues. Assessing these risks helps us to develop insurance products and services tailored to the needs of our customers to support them in the transition to a sustainable society.

### Managing the material aspect

Groupama has implemented a Capital Management Policy in order to ensure a sufficient and adequate level of capital in relation to the risk profile and in compliance with Solvency II regulatory requirements, as well as to ensure that solvency capital ratios are maintained in line with risk appetite. Climate change risks are integrated into the risk management system and their impact is assessed as part of the risk identification, assessment, mitigation and monitoring processes.

### Sustainability risks are:

- Physical risk - is the risk of negative impacts from global warming materializing. It is generated by an increase in the frequency and severity of extreme weather events such as landslides, floods or fires and measures the direct impact of climate change on people and property. Our company is directly exposed to this risk as a result of its business.
- Transition risk are risks inherent in the transition to a low-carbon economy and fall into the following categories:
  1. regulatory risks,
  2. technological risks,
  3. market risks,
  4. reputational risks.
- Liability risk - is the insurable risk of damage arising from climate risks covered by liability insurance policies, as well as the risk of direct legal action against insurers as a result of their failure to manage climate risks. The Task Force on Climate-related Financial Disclosures (TCFD), the Network of Central Banks and Supervisors for Greening the Financial System, the Bank for International Settlements, the International Monetary Fund, the World Bank and the IAIS consider this risk as a climate risk together with physical and transition risks.

The integration of climate risks into investment policy is also taken into account, based on several elements: fossil fuel exclusion policies, analysis of companies' positioning with regard to their green transition and assessment of the environmental performance of our investments.

We analyze financial and sustainability risks to limit negative impacts on sustainability drivers: environmental, social and workforce issues, human rights, anti-corruption.

Groupama considers both the risks and opportunities associated with climate change in order to understand and adapt to them, being aware of the direct impact on business performance, taking into account actions already taken or planned over a medium-term horizon, as follows:

- supporting customers, both from a risk awareness and prevention perspective by providing information on how to increase resilience after a damage event.
- During 2023, farmers enrolled in the Insurance pays off Groupama Star („Asigurările dau roade Groupama Star”) programme received the “AgroMeteo” newsletter (information received from ANM) twice a month and the “AgroNews” newsletter once a month.
- Gradual inclusion of alignment criteria as required by the taxonomy to contribute to climate change mitigation and environmental conservation.
- In 2023 we made available to our customers, impactful insurance products in energy efficiency and low-carbon technologies designed to deliver environmental benefits.
- Measures to reduce the risks of environmental and climate deterioration associated with our organization’s activities, through the objectives of reducing greenhouse gas emissions and the fight against climate change, both through initiatives already implemented and those planned for the coming period, and by encouraging environmentally friendly behaviour among stakeholders.
- Better identification and monitoring of climate change risks using geolocation solutions as part of a prudent underwriting policy.

### Performance in figures

Total monetary losses attributable to insurance claims paid following modelled natural disasters **1 535 395,43 RON**

Total monetary losses attributable to insurance claims paid following non-modelled natural disasters **34 491 431,68 RON**

	2022	2023
Probable Maximum Loss (PML) - The maximum anticipated value of monetary losses that may affect the insurance portfolio in the event of weather-related natural disasters, for probability scenario 1: 2% (1 in 50)	87 758 114 RON	111 914 844 RON
Probable Maximum Loss (PML) - The maximum anticipated value of monetary losses that may affect the insurance portfolio in the event of weather-related natural catastrophes, for probability scenario 2: 1% (1-in-100)	364 068 354 RON	441 854 993 RON
Probable Maximum Loss (PML) - The maximum anticipated value of monetary losses that may affect the insurance portfolio in the event of weather-related natural catastrophes, for probability scenario 3: 0.4% (1-in-250)	1 165 776 404 RON	1 479 022 831 RON

Our company’s exposure to catastrophe risks (both climatic and non-climatic) in 2023 is protected through a reinsurance contract, CAT XL, with a maximum capacity of 430 MEuro, which corresponds to a payback period of about 500 years, thus higher than the three PML scenarios analyzed above.

## 2.3 CLIMATE-RELEVANT EMISSIONS (GES EMISSIONS)

### Explaining the material aspect

Understanding and mitigating a company’s carbon footprint is key to developing a sustainable business model. At Groupama we recognize the importance of our impact on the environment and work to identify the best solutions to reduce our carbon footprint.

### Green House Gases (GHG) Protocol

The GHG Protocol is the global standard for measuring and managing greenhouse gases. GHG emissions are divided into 3 broad categories (Scope):

1. Scope 1: Direct emissions - produced from stationary/mobile sources that are owned or controlled by a company, e.g. fleet of cars (mobile sources) or heating plants (stationary sources)
2. Scope 2: Indirect emissions resulting from the purchase of electricity and/or heat and used by a company. These emissions are generated by the generating unit and not at the point of consumption
3. Scope 3: Indirect emissions associated with the organization’s activities throughout the value chain, downstream or upstream of the company’s activities, such as business travel, employee commuting or value chain activities..

It is important to analyze and understand as accurately as possible the emissions generated for all 3 purposes in order to be able to calculate and manage the carbon footprint of our company.

### Direct and Indirect Emissions

We monitor direct and indirect emissions in order to carefully study the evolution of our carbon footprint and to take the necessary measures to reduce it. The Groupama Group has set the following carbon footprint reduction targets:

- 20% by the end of 2024
- 40% by the end of 2030

In order to achieve these objectives, a decarbonization plan is to be developed at Group level, to which each local organization, including the Romanian subsidiary, will contribute. The emissions calculated for 2023 are 3,888 tCO2 eq. with a reduction of 6,100 tCO2 eq. compared to 2022.

## Scope 1:

The Scope 1 greenhouse gas emissions in 2023 were generated by the consumption of fuel (gasoline and diesel) used in the fleet of vehicles for field operations (sales, damage claims, risk inspections, customer support and advice), as well as by the consumption of natural gas used to heat the office premises.

Calculated emissions in 2023 are 1 116 tCO<sub>2</sub> eq, 161 tCO<sub>2</sub> eq higher than in 2022. This increase is due to the growth in business recorded by Groupama in the year under review. This growth in business has implicitly generated an increase in travel by employees to serve customers. Compared to the baseline year 2019, CO<sub>2</sub> emissions decreased by 39.79%.

	2019 (reference year) (tCO <sub>2</sub> eq.)	2022 (tCO <sub>2</sub> eq.)	2023 (tCO <sub>2</sub> eq.)	Difference from reference year	
				Absolute value (tCO <sub>2</sub> eq.)	Relative value (%)
Scope 1	1 853	955	1 116	-737	-39,79%

In order to reduce Scope 1 greenhouse gas emissions, our organization is pursuing fleet renewal and replacing fuel-intensive vehicles with new, fuel-efficient vehicles and new hybrid or electric powertrains and in the headquarters, there are even charging stations for electric vehicles from the own fleet.

## Scope 2:

Scope 2 greenhouse gas emissions in 2023 were generated by the consumption of electricity and thermal energy required for daily operations in all offices and workplaces throughout Romania. Scope 2 emissions were calculated both using the national grid emission factor (location-based) and using the emission factor of electricity suppliers (market-based).

The results are as follows:

	2019 (reference year) (tCO <sub>2</sub> eq.)	2022 (tCO <sub>2</sub> eq.)	2023 (tCO <sub>2</sub> eq.)	Difference from reference year	
				Absolute value (tCO <sub>2</sub> eq.)	Relative value (%)
Scope 2 (market-based)	547,2	155	209	-339	-61,89%
Scope 2 (location-based)	513,6	228	215	-299	-58,23%

Electricity consumption decreased in 2023 due to investments in energy efficiency solutions, but market-based emissions increased by 53 tCO<sub>2</sub> eq compared to 2022. This increase is due to the increased carbon footprint of the electricity supplier in 2023 compared to 2022.

Low electricity consumption still resulted in a decrease in location-based emissions by 14 tCO<sub>2</sub> eq. The final result for Scope 2 emissions is 423 tCO<sub>2</sub> eq, an increase of 39 tCO<sub>2</sub> eq compared to 2022.

Our company is constantly on the lookout for opportunities that can be capitalized on to reduce Scope 2 emissions. The lighting sources have been replaced with new generation energy-efficient ones and a BMS (Building Management System) heating and cooling management system has been implemented in the headquarters.

As previously mentioned, our company saw an increase in business in 2023 compared to 2022. In terms of carbon footprint versus economic performance, the numbers look like this:

Year	Scope 1 emissions + Scope 2 (market-based) -calculate-	Scope 1 + 2 (market-based) emissions	Gross written	Performance (tCO <sub>2</sub> eq. emitted per million RON subscribed)
2019	2 400.20	-54%	1088574141	2,2049
2022	1 110	-45%	2974048000	0,3732
2023	1 324	19%	4087128000	0,3240

In order to be able to report on our business expansion and to monitor our efficiency, we have established an emissions intensity indicator, by relating CO<sub>2</sub> eq emissions to the value of gross written premiums (tons CO<sub>2</sub> eq / million RON).

It can thus be seen that although the total carbon footprint in 2023 has increased compared to 2022, the emissions intensity per million RON subscribed by our organization has decreased.

## Scope 3:

The big picture of our company's impact on the environment is important, therefore also in 2023 we analyzed and measured the carbon footprint resulting from the emissions of Goal 3 - indirect emissions associated with value chain activities. The materiality analysis resulted in the following sub-categories:

- Scope 3.1 - Goods and services purchased
- Scope 3.2 - Capital goods
- Scope 3.3 - Other emissions from energy and fuel consumption
- Scope 3.5 - Waste from operations
- Scope 3.6 - Business travelers
- Scope 3.7 - Employee commuting

	2019 (reference year) (tCO2 eq)	2022 (tCO2 eq.)	2023 (tCO2 eq.)	Difference from reference year	
				Absolute value (tCO2 eq.)	Relative value (%)
Scope 3.1	-	1 164	1 957	793	68,13%
Scope 3.2	-	6 650,45	461,03	-6 189	-93,07%
Scope 3.3	-	228,60	256,50	28	12,21%
Scope 3.5	-	107,70	161,53	54	49,98%
Scope 3.6	-	177,55	167,98	-10	-5,39%
Scope 3.7	-	772,30	813,23	41	5,30%

\*in 2019 there were NO data related to Objective 3 to calculate the baseline

Total Scope 3 emissions totaled 3,817 tCO2 eq in 2023, a decrease of 5,283 tCO2 eq from 2022.

In the year 2022, the largest share of Scope 3 emissions was accounted for by emissions from the purchase of photovoltaic panels. In 2023, no photovoltaic panels were purchased, resulting in a lower carbon footprint on Scope 3.2 - Capital Assets. The result for Scope 3.7 - Employee commuting was calculated based on the questionnaire completed by Groupama employees in 2023 (related to 2022 reporting) on travel mode preference and number of days worked in hybrid mode) and adjusted to the number of active employees at the end of 2023.

In terms of reducing the carbon footprint related to Goal 3, our company encourages hybrid working to reduce employee commuting fuel consumption and provides alternative transportation solutions such as bicycles purchased and made available to employees.

For the year 2024 we aim to continue to analyze the opportunities and make the right decisions from both an environmental and business perspective. In insurance, the largest Scope 3 emissions remain in the Scope 3.15 - Investment category. For the year 2023 we have not been able to quantify the emissions related to this category, therefore they are excluded from the results published in this report.

Thus, Groupama has a corporate carbon footprint of 5 142 tCO2eq, 5 069 tCO2 eq less than in 2022.

	2022	2023	The difference 2023 vs 2022	
			Absolute value (tCO2 eq.)	Relative value (%)
Total Scope 1	955	1 116	161	16,88%
Total Scope 2 (market-based)	155	209	40	28,30%
Total Scope 3	9 100	3 817	-5 283	-58,05%
Total	10 211	5 142	-5 069	-49,65%

## 2.4 OPTIMAL RESOURCE MANAGEMENT

### Explaining the material aspect

The company recognizes the importance of responsible resource management and its impact on the environment and society. We recognize our responsibility to strike a balance between sustainable economic development and environmental protection. By optimally managing our resources, we ensure that we are prepared to meet the challenges of the industry by providing the best service and insurance solutions. To this end we are committed to identifying and implementing effective processes to optimize and control the use of our resources.

### Managing material aspect

Due to the nature of our business, which is carried out in our 110 offices across the country or by traveling to clients, the direct impact our company has on the environment is relatively limited. However, we are concerned and focused on improving all aspects of sustainability through:

- Adopting methods that support the idea of protecting the environment, of a “green” or “eco-friendly” company;
- responsibility and solidarity - conserving resources, making the transition from linear to circular economy;
- engagement - information, awareness, involvement in actions aimed at preserving the environment.

Our strategic objectives show our concern for conserving resources and minimizing the effects that our operational activities may have on the environment. We have measures in place to streamline, monitor and control consumption so that we can proactively make optimal decisions.

The company’s concern for process quality, efficiency and continuous improvement is attested by ISO 9001 certification (since 2019) and Gold Lean Six Sigma Certification (obtained in 2022).

The Procurement Department is responsible for the purchase of consumables, electricity and other necessary utilities in collaboration with the related departments (Logistics, Continuity Planning and Technical Projects Department, IT and Operations Division).

## PAPER AND INK

During the reporting period (January - December) 2023, the following were purchased:

- 943 toners with an estimated weight of 943 kg, showing a slight decrease (3%) compared to the previous year when 968 toners with a total estimated weight of approximately 968 kg were used. We note that accurately estimating the weight used is difficult because the efficiency of each toner varies.
- 29,730 kg of paper (copy paper and pre-printed) - a 3% increase compared to the previous report (when 28,900 kg were consumed). This increase is a consequence of the business volume growth and a 39% increase in the number of insurance policies issued.

## MOBILITY FLEET AND FUEL CONSUMPTION

In order to reduce our carbon footprint, one of the objectives assumed by our company through the “Mobility” Procedure is the gradual electrification of the vehicle fleet, the gradual elimination of the use of diesel, the diversification of alternative means of transportation, the use of less polluting fuels and the financial compensation of carbon emissions caused by the vehicle fleet. To this end, we have started implementing concrete actions such as:

- Sustainable Mobility - where we purchase electric or hybrid cars. We encourage our employees to use alternative, sustainable transportation. To this end, in 2023 we purchased 13 bicycles, which we make available to employees both during the week and on weekends. Promoting a sustainable mode of transportation contributes to our environmental goals and is a shared commitment to reducing carbon emissions.
- OMV Fuel Offset Certificate - offset fuel purchased by investing in climate protection measures. For every liter of fuel supplied in the OMV Petrom network, we pay a fixed fee to offset CO2 emissions in the atmosphere through the OMV portfolio of projects.

Groupama currently uses gasoline, diesel and electricity for the cars in its own fleet. Importantly, the use of electricity instead of fossil fuels contributes to reducing carbon emissions and protecting the environment, as our company has installed electric car charging stations at two of its headquarters.

During the reporting period, total fleet fossil fuel consumption was: 293,718 liters for 4,859,317 km driven versus a consumption of 195,020 liters for 3,939,500 km driven in 2022. This increase of approximately 51% in fuel consumption in 2023 versus 2022 reflects business growth, a significant part of our activity consisting of meetings at clients’ premises.

It is also noteworthy that compared to the baseline year 2019, total fuel consumption was 22% lower (293 718 liters in 2023 versus 377 821 liters in 2019).

By component, it can be seen that diesel consumption has decreased. Thus:

- Diesel consumption of the fleet has steadily decreased from 200 245 liters in 2019 reference year to 94 660 liters for 1 789 286 km in 2022 and 90 260 liters for 1 665 314 km traveled in 2023;
- The fleet’s gasoline consumption of 203 458 liters for 3 194 003 km during the reporting period is higher than both 2022 (when 100 360 liters were consumed for 2 150 214 km) and 2019 with a consumption of 177 576 liters of gasoline.

This gasoline-diesel mix confirms our commitment to reduce CO2 emissions by phasing out diesel from fleet use, with the amount of diesel consumed in 2023 9% less than the previous year. As such, in 2023, 34% of trips were made using diesel (1 665 314 km with diesel out of a total of 4 859 317 km traveled) compared to 2022 when diesel was used for 45% of trips (1 789 286 km with diesel out of a total of 3 939 500 km traveled).

FLEET			
TYPE OF ENERGY (L)	Consumption 2019	Consumption 2022	Consumption 2023
Petrol	177 576	100 360	203 458
Diesel	200 245	94 660	90 260
TOTAL FLEET TRAVEL DISTANCE (no. of km)			
	Consumption 2019	Consumption 2022	Consumption 2023
Petrol		2 150 214	3 194 003
Diesel		1 789 286	1 665 314

## ENERGY RESOURCE MANAGEMENT

In Groupama’s offices we use different types of energy, such as: electricity from the national grid, thermal energy, energy obtained from natural gas and pellets, as well as energy from renewable sources (photovoltaic) located in some of our own buildings.

The company has implemented various technologies and solutions to reduce energy consumption and increase energy efficiency. During the reporting period our actions were focused on both continuing with previously initiated projects and supplementing the installed capacity of photovoltaic panels in operation.

So we continued:

- the installation of photovoltaic systems for solar energy production, the use of energy-efficient heat pumps for heating and cooling in the headquarters and other own sites in the territory.
- Replacing traditional light fittings in all premises with LED technology and using timed presence sensors for lighting control.

Some of the gas-fired central heating and air-conditioning units were also replaced with more energy-efficient ones. We have emphasized on environmentally friendly, non-flammable (which will not damage the ozone layer), non-toxic performance refrigerant, as it is known that previously used Freon during the application process damages the ozone layer in the atmosphere.

In the 2023 reporting period, the cumulative amount of energy from gas and electricity is 2 867.47 MWh, and the total area to which we refer is 18 295.41 sq.m, down from 2022 (with a consumption of 3 291.71 MWh on a total area of 17 773.72 sq.m) and down from the 2019 reference year (with a consumption of 5 998.05 MWh on a total area of 22 904.46 sq.m).

As a result, compared to the reference year 2019, our company saved 3 130.58 MWh, equivalent to 11 270 070 MJoules (using the conversion factor 1kWh = 3.6 MJouli).

## ELECTRICITY

As a result of the technical projects implemented and the constant concern for monitoring and control, electricity consumption decreased in the reporting period (842 070 KWh) by 12.42% compared to the previous period when 946 690 KWh were consumed and by 74.05% compared to the reference year 2019 when 1 465 684 KWh were consumed.

ENERGY TYPE (KWh)	Consumption 2019	Consumption 2022	Consumption 2023
Electricity	1 465 684	946 690	842 070

## THERMAL ENERGY

Thermal energy is utilized on a limited basis, in a few Groupama sites, with the total amount of thermal energy consumed by the company during the reporting period being 120 545 KWh. Compared to the previous year (with a consumption of 102 905 KWh), the consumption was higher by approx. 17%, due to the specific weather conditions in each region, and compared to the reference year 2019, the consumption decreased by 41% both as a result of the implemented efficiency measures (e.g. installation of distribution meters) and the smaller space in use.

ENERGY TYPE (KWh)	Consumption 2019	Consumption 2022	Consumption 2023
Thermal energy	204 912	102 905	120 545

Also, starting from 2023 our company has prosumer status and the production of energy from own sources (photovoltaic panels) has increased more than 5 times from 17 336 KWh in 2022 to 89 870 KWh in 2023.

ENERGY produced from own sources/ YEAR	2022	2023
Total (KWh)	17 336	89 870

## NATURAL GAS

We use natural gas in some of the premises where our company operates. The consumption of natural gas, is related to gas-fired heating plants, and during the reporting period, amounted to 2 025 403 KWh. Compared to previous years, the consumption decreased by 13.62% compared to 2022 (with a consumption of 2 345 027 KWh) and by 55.31% compared to the reference year 2019 (with a consumption of 4 532 364 KWh).

The decrease in natural gas consumption is the result of a combination of factors including: efficiency measures, reorganization of premises, climatic conditions.

FUEL CONSUMPTION			
ENERGY TYPE (KWh)	Consumption 2019	Consumption 2022	Consumption 2023
Natural gas	4 532 364	2 345 027	2 025 403
Fuel		0	0
oil		0	0
Gas		0	0
Diesel		0	0
Coal		0	0
Other		0	0

In conclusion, Groupama has achieved reductions in electricity and gas consumption, with energy savings calculated on the basis of the power installed in photovoltaic systems and heat pumps. These data are obtained from manufacturers and specialized websites and are used to assess progress in energy efficiency.

We are committed to continue to reduce energy consumption and implement energy conservation and efficiency initiatives by:

- Implementation and expansion of photovoltaic panel systems within the company to generate sustainable electricity;
- Integrating heat pumps to make energy use more efficient and help heat and cool buildings in an eco-friendly way.

## WATER RESOURCES MANAGEMENT

Groupama uses drinking water supplied by the public network only for consumption and sanitary purposes on the premises, with a relatively limited impact on the environment. The water is filtered before use and is discharged through the public sewage network. We also note that we do not have any sites located in water stressed areas.

As a consequence of the increase in the number of users through an increase in the number of employees working from the office, water consumption in the reporting period (year 2023) was 13.8% higher than the previous reporting (year 2022), specifically : 6,869 ML/year consumed in 2023 versus 6,035 ML/year consumed in 2022. Being aware of the importance of responsible water resource management, the company aims to identify and optimize water consumption through employee awareness programmes.

WATER	Consumption 2022	Consumption 2023
Total water consumption in mega liters (ML)	6,035	6,869

## 2.5 WASTE MANAGEMENT

### Explaining the material aspect

Our company recognizes the importance of responsible management of waste generated in its own operations, as well as in all related production and distribution stages. As a result, we make every effort to properly and responsibly manage all aspects of waste reduction, recycling and control of the volume of waste generated, thereby contributing to the protection of the environment and the health of the population.

### Managing the material aspect

To minimize waste, we are guided by the principles of the circular economy - a model of production and consumption in which waste is minimized and the life cycle of products is extended as far as possible, through methods such as collaborative economy, leasing, reuse, repair, refurbishment and recycling. In doing so, we align ourselves with three key principles: eliminating waste and pollution, keeping products and materials in use, and regenerating natural systems.

In order to prevent waste, Groupama has streamlined the use of certain products and equipment, for example:

- by digitizing communication and internal processes, we reduce the amount of paper used
- plastic products have been replaced by biodegradable ones
- to ensure energy efficiency, smart plugs have been chosen, and light bulbs have been replaced with LED lighting
- we have partnerships with associations and companies specialized in waste recycling.

The Logistics Department is responsible for the smooth running of the waste management process by implementing actions to monitor and optimize waste management, as well as by managing the contractual relationship with the sanitation companies. The contracts concluded with these companies include, among other things, aspects related to selective waste collection, highlighting our concern for the proper and responsible management of resources and waste.

Through these measures, Groupama is demonstrating the importance it attaches to protecting the environment and helping to promote a sustainable and environmentally responsible way of life.

In this regard, our company has implemented a series of projects and initiatives for waste reduction and responsible management, such as:

- **Separate collection** - we have implemented separate collection at all sites where feasible, providing dedicated recycling bins and separate collection services. Separate waste collection areas are appropriately marked at all our sites, encouraging employees, customers and partners to join the company's responsible waste management efforts.
- **WEEE recycling** - based on partnerships with specialized companies, we ensure the proper management of waste electrical and electronic equipment in compliance with applicable legislation.
- **Battery recycling** - all our sites are equipped with containers for the collection of spent batteries and accumulators for recycling, and a partnership with a non-governmental association ensures the proper management of spent batteries.
- **"Zero Plastic" initiatives** - includes measures to reduce the use of plastic products/packaging in the company and replace them with biodegradable products, such as:
  1. use biodegradable paper cups and chopsticks instead of plastic ones.
  2. we use glass carafes in meeting rooms (in headquarters) instead of plastic containers.
  3. we replaced plastic water dispensers with purifiers equipped with ozonation devices (Ozi)
- **Zero Paper" project** - where we promote the digitization of documents and redefine internal processes, with the aim of reducing paper consumption and thus paper waste
- **Coffee grounds recycling** - coffee grounds from the headquarters are recycled and used for environmental purposes, (organic fertilizer or other sustainable products). Each month it is collected by an NGO and then turned into strong fertilizer, used for fertilization in greenhouses, gardens or for house plants.
- **Venue management** - we ensure that all construction and demolition waste resulting from the site development will be deposited in metal containers, which will then be taken to a locally authorized landfill site by a specialized environmental protection company, in accordance with the legislation in force.

Performance in the management of waste generated is continuously monitored and transparently reported through annual reports and other various communications. One of the biggest obstacles to responsible waste management is the lack of separate collection services in all counties of the country.

In 2023, the total amount of waste generated by the company and employees was 384.85 tons, of which 360.83 tons (approximately 94%) was household waste. Compared to the previous year, when 259.98 tons of waste was generated, the amount of waste generated increased by 48% due to an increase in the number of employees and the number of days worked in the office.

During the reporting period, 24.02 tons of non-hazardous, non-household waste were generated, with 100% of this quantity sent for recycling.

In summary, the types of waste we generate are: household waste, paper/cardboard, plastics, glass, used batteries and electronic equipment. We hand over plastic, glass, and electronic equipment to authorized collectors who issue scrapping certificates after collecting them. In the case of used batteries, we collect them selectively and hand them over to a certified partner for collection.

In the near future, we plan to continue our sustainability and awareness initiatives related to waste management by expanding selective collection in all premises where there are waste management companies offering this type of service. Additionally, in the second half of 2024, we have planned two waste collection actions involving our employees. The aim is to minimize the impact on the environment and local communities through responsible waste management.

WASTE GENERATED		
WASTE TYPE	QUANTITY (tons) - 2022	QUANTITY (tons) - 2023
Total amount of plastic waste	2,53	3,13
Total amount of paper/cardboard waste	10,85	14,84
Total amount of waste glass	2,02	3,46
Total amount of metal packaging waste	0	0
Total amount of waste oil	0	0
Total amount of household/municipal waste	240,41	360,83
Total amount of WEEE (electronic) waste	4,17	2,59
<b>Total amount of waste generated</b>	<b>259,98</b>	<b>384,85</b>
RECYCLED WASTE		
WASTE TYPE	QUANTITY (tons) - 2022	QUANTITY (tons) - 2023
Total amount of plastic waste recycled	2,53	3,13
Total amount of paper/cardboard waste recycled	10,85	14,84
Total amount of glass waste recycled	2,02	3,46
Total amount of metal packaging waste recycled	0	0
Total amount of waste oil recycled/recovered	0	0
Total amount of household/municipal waste recycled/recovered	0	0
Total amount of WEEE (electronic) waste recycled	4,171	2,59
Total weight of non-hazardous waste recycled	15,4	24,02
Total weight of non-hazardous waste recovered for reuse	0	0
Total weight of reused non-hazardous waste	0	0
<b>Percentage of hazardous waste recycled</b>	<b>0%</b>	<b>0%</b>
WASTE FOR DISPOSAL		
WASTE TYPE	QUANTITY (tons) - 2022	QUANTITY (tons) - 2023
Total weight of waste diverted from disposal	0	0
Total weight of waste sent for disposal	240,41	0
Total weight of non-hazardous waste for disposal	0	0
Total weight of hazardous waste sent for disposal	0	0

# PEOPLE: OUR PERFORMANCE BASE

# 3

TO SUPPORT OUR STRATEGY OF BEING THE PREFERRED EMPLOYER IN INSURANCE FOR THE BENEFIT OF EMPLOYEES, CANDIDATES, AND COMPANY PERFORMANCE, WE PROMOTE A CULTURE AND LEADERSHIP THAT IS HUMAN, EMPATHETIC, AND RESPONSIBLE, FOR A SUSTAINABLE COMPANY.

## Our strategic people vision

*Groupama is here to generate trust, continuity and a great colleague experience, as an employer of choice. We support a human, empathetic and responsible culture and leadership for a sustainable company.*

*Our colleagues are here because they share common values with Groupama, they feel that their work is meaningful and because they are interested in generating value for the company and for themselves: "trust, continuity, development, financial and non-financial success."*

At Groupama, people management is an integrated set of activities through which our organization ensures that it attracts, retains, motivates and develops people, thereby creating an environment conducive to individual and business performance. We strive and invest to constantly grow the skills and capabilities of our colleagues, ensuring that we support sustainable development for both the company and the employees.

Sustainable development, care and appreciation for our colleagues is a constant concern for us, so we have built a leadership culture that provides an optimal working environment, space and support for development. We encourage performance, collaboration and honest communication and take colleagues' needs into account. We also support and encourage our colleagues to be actively involved in the programmes we run for the benefit of our local communities and offer them access to wellness, counselling and personal development programmes. Engagement is at an all-time high thanks to our leadership, people value propositions and our positioning as a market leader, with retention higher than the overall market.

All actions and investments in people have led to TOP Employer certification for the sixth consecutive year.

## GROUPAMA



## Material Aspects & ESG Impact

Material aspect	Economic impact	Social impact	Environmental impact
Talent management and employee retention	Talent management is an investment in the company's future through a proactive approach in terms of people, which will enable us, in the medium and long term, to match the quality of human resources to support the business strategy. The aim of the talent management process is to develop, retain and motivate employees who stand out for their skills, their ongoing performance and their commitment to the organisation. We recognize that the source of performance is in the development of competencies, and that the quality and quantity of talent is a strong indicator of organizational health and directly influences the ability to execute the business.	Because people experience and engagement are strategic components, we focus on creating a dynamic work environment where innovation and flexibility, under acceptable risk, performance and organizational commitment are recognized and rewarded. We offer a working environment with fair and transparent practices, focus on the consistent respect of the commitments made to our customers and employees, with opportunities for learning and personal and professional development, involvement in new and exciting projects and cross-cutting collaborations with other structures, wellbeing programme, access to coaching and counseling.	It is our collective responsibility to make a difference for our planet. We appreciate our colleagues' initiatives in this regard and support them so that we can make the biggest possible contribution to protecting the environment.
Employee health and satisfaction	We know that our success depends on the people on our team, so we make it a priority to ensure the health and satisfaction of our employees and to make their time at work both enjoyable and productive. We focus on ensuring their health and safety by creating an optimal working environment, ensuring appropriate and safe equipment, preventive measures incidents/accidents at work and procedures for their assessment.	When people feel accepted and feel that they are truly part of a company, their retention, performance and job satisfaction increases. In our company we promote a professional and open working environment. Our colleagues form a diverse collective, held together by shared values rather than by common traits, which allows us to enjoy each other every day and together the little things that make us human and set us apart	Our company encourages employees to get involved in environmental issues, both by providing information and raising awareness, and by getting them involved in projects and campaigns aimed at creating and maintaining our environment as sustainable as possible.

Human Rights, Diversity and Equal Opportunities	In our company we promote human rights, diversity and equal opportunities. We know that by upholding these values we generate a positive economic impact in the communities where we operate. Both within our company and in the communities in which we operate, we promote human rights, diversity and equal opportunities, ensuring that all people, whether customers or not, are treated with dignity and respect. We know that by supporting these values, we generate a positive economic impact in the communities where we operate.	We support social inclusion by giving equal opportunities to all, regardless of gender, religion, age or economic situation. We are committed to promote and adhere to important social themes such as equal opportunities, anti-discrimination, promoting diversity, employing people with disabilities, increasing quality of life at work and involving employees in the community.	We believe in the need to maintain for a safe, clean and sustainable environment, so we are actively involved in initiatives that align with these aspirations.
Investment in local communities	Integrated at all levels of the business, our CSR strategy is aligned with the company's core values and translates into firm principles of action. We believe that such actions can have a real positive economic impact.	Responsibility, solidarity, proximity and dedication are at the heart of our commitments to engage in community development, to bring confidence to people's lives, to be authentic and to act now for the future.	Education on climate change and protecting the environment is essential for us at Groupama, so we run specialized trainings on sustainability, give employees access to information on protecting the environment and encourage their involvement in environmental initiatives.

# 3.1 TALENT MANAGEMENT AND EMPLOYEE RETENTION

## Explaining the material aspect

Groupama is focused on identifying and attracting the most talented and suitable professionals, as well as continuously developing the skills and competencies of our employees. By offering training and development programmes, we facilitate the professional growth of our team. In addition, we recognize and reward the performance and contribution of our employees by providing opportunities for career advancement. In this way, we ensure that we have a dedicated and motivated team capable of meeting our strategic objectives and ensuring the long-term success of our company.

## Managing the material aspect

Enhancing employee skills through learning and career development, supports company's goals of increased growth, long-term profitability and sustainability. We focus on employee retention and development, as well as ensuring diversity and inclusion, supporting the development of a workforce fit for the future.

We are convinced that the success of our company is closely linked to the proper training of our employees. Thus, we are continuously developing programmes aimed at training and professional development, identifying development needs, assessing the competencies of our employees and monitoring them at both individual and team level.

Our performance principles are:

- Integrated human resources systems;
- Results orientation;
- Development of key competences at all levels;
- Taking responsibility;
- Recognizing achievements.

Training and development needs are identified through several methods: questionnaires, individual discussions with employees and managers, individual development plans from the performance management process, assessment centers and focus groups.

In this way, we offer opportunities for learning professional and personal development, supporting all our colleagues who wish to enhance or retrain through the professional training programmes offered by the Groupama Academy.

The Groupama Academy operates according to a special concept designed to support all employees in their professional and personal development. It is an integrated continuous professional training programme accessible to company employees and collaborators. It has been created with the aim of developing a context for continuous growth, providing an understanding of the relationship between personal development and business, changing the perception of learning from something compulsory to a passion for learning and evolution.

Groupama Academy is structured in four categories: Management and Leadership Academy, Technical Academy, Sales Academy and the Personal and Team Development Academy, thus bringing together the essential pillars in terms of knowledge, skills and competencies specific to the insurance industry.

Academia Groupama	
<p><b>Management and Leadership Academy</b> includes management skills development programmes and is aimed at managers and team coordinators at all organizational levels and different levels of seniority.</p>	<p><b>Personal and Team Development Academy</b> addresses the development of general and transferable skills, regardless of role. It also includes courses dedicated to maintaining and developing mental health and well-being.</p>
<p><b>Technical Academy</b> contains programmes for the development of technical knowledge and skills specific to the insurance industry or the organizational role of each colleague.</p>	<p><b>Sales Academy</b> all learning and development programmes aimed at developing sales and customer relationship skills are included.</p>

Groupama Academy programmes are developed based on business objectives, individual goals and identified development needs. Individual or group learning experiences are customized and structured according to the learning objectives set.

Different delivery methods are used to facilitate learning and the acquisition of the necessary knowledge and skills: online courses, classroom-based courses, e-learning courses, on-the-job training, coaching, mentoring, shadowing, tutorials and individual study.

Through all Groupama Academy programmes we support the achievement of individual and team career goals of all our employees, as well as business objectives. Training programmes are communicated to all employees on a monthly basis, both job-specific, mandatory and open training sessions.

Course registration is done by accessing the dedicated My HR Success Factors platform. The platform forms a flexible framework for performance monitoring and evaluation, facilitating access to a self-service system through which employees can access information on Groupama Academy programmes, personal learning history and individual development plans from performance evaluation.

The training programmes are evaluated through feedback obtained at the end of the training sessions, from the development needs identification questionnaire and the employee engagement and experience Questionnaire.

In 2023, 1586 employees benefited from learning and development programmes. Every colleague participated in at least one course.

Feedback from the appraisal process is used to develop performance, results and competencies by building a continuous development and improvement plan. Depending on the development needs, various training and development methods are used. Progress in the development of competencies and performance generates career opportunities, both for advancement in leadership and expertise. In 2023, 66 employees were promoted within our company.

### Internship programme for young people starting their careers

We realized how important it is to gain work experience and decided to be one of the economic actors contributing to the development of solid professional careers through specially tailored internship programmes in various business areas such as product development, legal, sales, investment, operations, IT, motor claims or personal insurance claims. In the year 2023, 23 students benefited from such a programme within our organization and all of them continued working with us after the 6-month programme, either as interns or being promoted into junior roles.

### Performance in figures

Average hours of training per year per employee	Men	Women
Employees	36	35
Management employees	43	47

Indicator name	2022	2023
Number of programmes to improve employee skills	4	4
Number of transition assistance programmes	1	2
Percentage of male employees receiving regular performance and career development reviews	100%	100%
Percentage of female employees receiving regular performance and career development reviews	100%	100%

The total number of new employees recruited by our organization in the reporting year is 246. To ensure that new employees are well prepared and integrated into the organization, and that their transition into their new roles is done in an efficient manner, we have created a training plan for the first 6 months of employment. As part of this process, goals are set, regular meetings are held with the department manager, the team and other related departments, including participation in courses, job shadowing, mentoring and coaching. This plan is fed into the subsequent performance appraisal process.

Total number of new employees by age	<30 years		30-50 years		>50 years		Total	
Women	85	68%	46	44%	7	41%	138	56%
Men	40	32%	58	56%	10	59%	108	44%
<b>Total</b>	<b>125</b>		<b>104</b>		<b>17</b>		<b>246</b>	

The fluctuation rate in 2023 was significantly lower at 12% compared to 19% in the insurance sector. In terms of unwanted fluctuation, it was 7.2%, compared to 16% in the insurance sector.

Unwanted departures are down on the previous year and well below the market average. This tells us that the remuneration strategy is ensuring a good level of employee retention, but efforts to increase competitiveness need to continue.

	2022	2023	Raport 2023/2022 (%)
End-of-year retention rate	91,7%	90,6%	-1,2%
Staff turnover rate - involuntary	5,8%	4,8%	-17,2%
Staff turnover rate - voluntary	8,2%	7,2%	-12,2%

Change in the field of activity, different financial offers and leaving the country are the main reasons why some of our employees leave the organization. The Human Resources strategy has a strong focus on improving retention through integrated and diverse measures such as: twice a year salary increase sessions, offering performance bonuses, initiatives to improve the organizational climate, offering new learning and development programmes, expanding wellbeing programmes and salary and non-financial benefits, and psychological counseling programme.

Through continuous optimization measures we will be able to maintain and improve on positive trends as well as sustain competitiveness and above average market retention. We will also ensure an “Employee Value Proposition” to be a differentiator of the employer brand in the market, especially as a certified Top Employer for the 6th consecutive year with a very good score of over 89%.

Recruitment and selection processes are based on competencies, experience and fit with the job profile and description, as well as the company’s values, to ensure that hiring is a transparent, fair and equitable process, and to ensure that it attracts not only people with potential, but also those who are best qualified for the position.

Through the selection methods we use, we ensure that recruitment processes are objective and transparent, without discrimination of any kind, in particular with regard to gender, age, ethnic origin, sexual orientation or membership of a political or religious organization, trade union or minority group.

In the case of employees moving to a new role, a personalized development plan is developed based on an assessment of the specific competencies of the new role.

## 3.2 EMPLOYEE HEALTH AND SATISFACTION

### Explaining the material aspect

Groupama promotes an organizational culture that supports a healthy work environment. As such, the physical and mental well-being of colleagues, as well as their level of satisfaction and fulfillment with the work environment and the activities carried out within the company are a priority. We focus on developing and maintaining a quality working environment, ensuring the availability of appropriate and safe equipment and implementing preventive measures against work-related incidents and instituting effective procedures for their assessment.

### Managing the material aspect

At Groupama, our commitment to people's health and satisfaction, underpinned by internal occupational health and safety procedures, is to provide safe workplaces by reducing the degree of risk to which our employees, contractors, visitors and other stakeholders are exposed.

Through these procedures we apply the principles of Occupational Health and Safety in accordance with the requirements of the International Labour Organization, European and Romanian legislation. We provide the necessary resources and training, control risks and prevent accidents.

The internal occupational health and safety management system covers the entire business, ensuring compliance by 2023 for all 1446 employees. The main pillars are **employee health, workplace safety and employee security**.

Our internal procedures serve as a formalized reference basis for the implementation of the OHS rules applicable in all functional departments and compartments of the organization and aim to:

- meeting executive management's objectives and commitment to occupational safety and health;
- implementation of OHS objectives and performance improvement;
- providing the documented basis for audit (compliance or third party) in the field of occupational safety and health;
- defining the organizational structure and the responsibilities of the different compartments or functional groups;
- ensuring the reduction/prevention of accidents, incidents or occupational diseases;

- ensuring safe working procedures are presented to employees, contractors and other organizational stakeholders;
- encouraging employees to comply with OHS rules in order to avoid accidents, incidents and occupational diseases.

Costs related to Occupational Health and Safety (OHS) for the reporting period amounted to 194 449 RON. The OHS activity within the company is ensured by internal and external prevention and protection service.

In order to ensure a safe and healthy working environment, the Company's management implements and monitors the health and safety management system. Within this system, various risks are identified and assessed. Mainly, the identified risks are related to:

- Risks associated with day-to-day office activities
- Risks associated with driving company cars
- Risks associated with building maintenance administrative activities.

These risks are identified and addressed as part of the assessment of the risks of occupational injury and illness for each individual workplace. It is updated annually and whenever necessary.

The risk prevention and management measures identified are:

- Training employees in the field of OHS
- Awareness raising through information materials published on the company intranet
- Technical, organizational, hygiene, sanitary and other measures

For major risks, such as accidents on the road, we organize external theoretical and practical preventive driving courses, which are appreciated by our employees.

Risks are identified for each existing workplace by the risk assessment committee. Subsequently, the OHS's own instructions are drawn up and the measures laid down in the prevention and protection plan are implemented.

In the Internal Regulation, as well as in the internal OHS procedures, the employee is required to report to the workplace manager any technical malfunction or other situation that poses a risk of injury or occupational illness, as well as any work-related accidents experienced by themselves or other employees.

The prevention and protection plan is endorsed by the members of Occupational Health and Safety Committee and communicated to the employees in the framework of subsequent regular training. The measures set out in the prevention and protection plan shall be implemented by the management of the company together with the internal and external prevention and protection services.

Through our occupational health and safety management system, we are able to encourage every colleague to report any hazards and/or risks that have arisen unexpectedly or recently.

For investigating workplace accidents, an investigation committee is formed, consisting of members from the external service and company representatives. This committee is tasked with reporting the incident to the authorities, investigating the event, and, finally, preparing the documentation required by the competent authorities, including a report that contains the investigation's conclusions and the resulting measures.

- Zero accidents at work
- Optimal working environment that complies with all standards required by legislation

Non-compliances are identified and managed both by the internal service, through the preparation of regularly reported controls, and by the external service, through the preparation of specific reports with findings and recommendations.

The Occupational Health and Safety Committee, made up of employer and worker representatives, including Trade Union representatives, is involved in identifying and managing risks. It meets quarterly and has the following main tasks:

- It analyzes and makes proposals on occupational safety and health policy, prevention and protection plan, according to its own rules of organization and functioning;
- It monitors the implementation of the prevention and protection plan, including the allocation of the means necessary to implement its provisions and their effectiveness in terms of improving working conditions.

We respect the right of association and trade union pluralism. We also ensure that we promote traditional social dialog, through consultation with the parties involved, for the benefit of our employees, regardless of their trade union affiliation.

## Training people

The training of employees on health and safety at work is carried out both on recruitment, on the job, and periodically, in accordance with the legislation in force and applicable internal procedures.

Regular occupational health and safety training of employees takes place every six months and is mandatory. Training needs are adapted according to newly identified risks or changes in processes.

Workers' representatives from the Occupational Health and Safety Committee have received specific training on health and safety at work.

During 2023, more than 30% of employees have completed first aid workshops organized in partnership with the Foundation for SMURD.

## Health of our employees

Through our partnership with Regina Maria, we provide preventive services tailored to the needs of our employees, providing free consultations and free tests, both basic and specific. We carry out medical check-ups on recruitment and periodically, encouraging employees to discuss their health. These check-ups take place at our head offices or in our partner clinics.

In order to maintain a high level of healthcare for our employees, we also offer voluntary health insurance to cover the costs of hospitalization, surgery and sick leave.

Our premises comply with legal requirements for floor space and natural daylight. We carry out regular renovations and sanitizations to ensure an optimal working environment. In 2023, numerous renovations were carried out and furniture was replaced.

Work tools are aligned with safety standards and all employees have high-performance tools that support digitization, such as laptops or tablets. Company cars are equipped with additional safety and ergonomic features. They are replaced periodically, at intervals of no more than 4.5 years, to ensure maximum employee safety.

## Wellbeing

Internal wellbeing programmes encourage employee wellbeing by:

- Organization of networking events "Rendez-vous" in various venues
- Annual Champions Programme
- Recognition of seniority
- Allow 4 hours of paid time off per month for individual study or personal problems
- Providing access to psychological counseling and personal development programmes accessible through a dedicated platform
- Organization of specific nutrition, health and mental health webinars
- Medical chat
- Organized accommodation for employees to spend leisure time with their families

At the same time, we attach great importance to the mental health and well-being of our people, thus supporting personal and professional development. Flexible working hours are based on "hybrid work". The in-house program provides employees with a comfortable working environment, giving them the possibility to work from the office as well as from home.

## Preventing and mitigating impacts on health and safety at work

To prevent or mitigate significant negative impacts on occupational health and safety, we take a systematic and proactive approach.

- We identify and assess all hazards and risks associated with the operations, products or services we provide.
- We apply appropriate measures to control and mitigate identified risks, which may include changes to work processes, the use of personal protective equipment and the implementation of safe work procedures.
- We ensure that all employees are properly trained and aware of the risks associated with their work. We believe that proper education can help prevent work-related accidents and illness.
- We constantly monitor working conditions and compliance with safety measures to identify any shortcomings and to intervene promptly in the event of an emergency or unsafe condition.
- We encourage an organizational culture that emphasizes employee health and safety. This may involve recognizing and rewarding safe behaviour, involving employees in the risk identification process, and encouraging open communication about health and safety issues.
- We regularly review and update occupational safety and health programmes and policies to keep pace with changes in organizational activities and occupational safety and health requirements.
- We work with relevant occupational health and safety authorities to obtain further advice and guidance on best practice and relevant regulations.

During 2023 we had zero work-related injuries, zero sick days as a result of work-related injuries, and no deaths as a result of work-related ill health.

The total number of sick leave days (other than those related to accidents at work) in the reporting period is 5 088, 17% more than in 2022.

## Employee benefits

Benefits offered to both full-time and part-time employees are:

- childbirth/adoption allowance
- wedding help
- death grants for family members and employees
- financial support for the purchase of vision devices
- help with medical problems for employee and family members
- days off events (wedding, birth, death)
- parental leave
- rest days based on length of service
- meal vouchers
- holiday voucher
- Holiday gift vouchers for employees and children
- cultural ticket
- optional pension
- voluntary health insurance
- retirement allowance
- days off and relocation allowance

- Discounts on health insurance for dependants, life insurance, other types of insurance.

Employees on fixed-term contracts are entitled to the same rights and benefits that are offered to permanent employees under the Collective Bargaining Agreement (CBA).

Total benefits package as a percentage of salary	2022	2023	Raport 2023/2022 (%)
	6%	8%	33%

The situation of our employees in 2023:

Average number of employees	2022		2023		Raport 2023/2022 (%)
Women	813	59 %	853	59%	4,9%
Men	561	41 %	593	41%	5,7%
<b>Total</b>	<b>1 374</b>		<b>1 446</b>		<b>5,2%</b>

Employees based on the duration of employment contracts	Permanent employment contract		Temporary employment contract	
Women	764	59%	89	59%
Men	532	41%	61	41%
<b>Total</b>	<b>1 296</b>		<b>150</b>	

Employees at 31.12.2023	Full norm		Part time	
Women	840	59%	13	52%
Men	581	41%	12	48%
<b>Total</b>	<b>1 421</b>		<b>25</b>	

In order to monitor the number of hours worked in a working week, we use the FTE (Full-Time Equivalent) calculation methodology, referring to the number of hours regulated by legislation (40 hours).

The Employment Relations, Personnel and Payroll Department is responsible for the management of all individual employment contracts and files of all employees.

Staff leasing services are a fast way to manage large volumes of operations. At Groupama, we use staff leasing services for activities such as operations, archiving, data and document sorting. This activity is coordinated by the manager of the team for which the work is provided. In 2023, we worked with 19 workers who are

not employees of our company, but who carried out their work within the Archive Office and the Motor Claims Handling Department.

We provide, through the Employment Relations, Personnel and Payroll Department, information about the rights of pregnant colleagues going on maternity leave or employees going on parental leave. We also support them with specific paperwork and the calculation of related allowances.

We also support the easiest possible reintegration upon return from parental leave and, in line with our internal remuneration policy, we review your salary in line with your position.

Employees who benefited from parental leave are:

	2022		2023	
	Women	Men	Women	Men
Total number of employees entitled to parental leave	16	7	22	0
Total number of employees taking parental leave	16	3	18	12
Total number of employees who returned to work after the end of their leave	17	3	20	12

### 3.3 HUMAN RIGHTS, DIVERSITY AND EQUAL OPPORTUNITIES

#### Explaining the material aspect

We are committed to creating an inclusive and equitable work environment where all employees are treated with respect and dignity, regardless of origin, race, religion, age or socio-economic status. Through appropriate policies and practices, we ensure that all employees have access to equal opportunities for professional development and career advancement, thereby helping to build an organizational culture based on respect, trust and diversity.

#### Managing the material aspect

Human rights, diversity and equal opportunities are very important to our company and are an integral part of the values by which we guide our business.

We promote diversity in all its aspects, regardless of gender, race, disability, culture, religion, economic status, lifestyle, marital status, sexual orientation, age, professional experience and encourage mutual respect within teams. Within our company, we have regulated this through the Group’s Code of Ethics and the Groupama Code of Conduct, including the Remuneration and Benefits Policy and the Internal Regulations.

The Code of Ethics is a comprehensive set of principles that our company has adopted. It guides us in our work and forms the basis of the values by which we coordinate all our activities. It is a very important process for each individual colleague to respect and embrace these values. In this respect, we encourage awareness of the Internal Regulations, which contain the Society’s principles against discrimination and harassment, as well as the internal mechanisms that ensure the complaints process in such situations. Discrimination and harassment are not tolerated in any form.

In 2023 there were no incidents of discrimination within our company. All employees of our company are informed about our integrated approach to human rights through our Code of Ethics, which is available on the company intranet. Thus, 100% of our company’s employees are informed and trained on human rights, including security staff.

Our internal recruitment and promotion policies ensure the inclusion of people with disabilities and vulnerable people by encouraging applications and providing special assistance both during the recruitment process and afterwards during the employment relationship.

The principles, objectives, together with the way in which the remuneration and benefits policy is implemented, aim to ensure the prevention and addressing of various forms of discrimination based on gender, race, ethnicity, language, age, education, social status, opinions, etc., as well as equal opportunities and equal treatment.

We follow the principle of fairness across teams and the company with every salary decision or change, from recruitment to reviews and alignments. Salary reviews are designed to ensure a fair level of base salary in line with the salary policy of the position and are influenced by the performance and expertise of the employee.

We regularly monitor pay equity and ensure fair decisions through specific policies and processes. For example, in recruitment, offers must be fair in order to be approved. In internal mobility, any salary increase applied must respect equity within the team.

In pay rise sessions, we intervene to improve equity if and where necessary.

In the remuneration process, we pay constant attention to equity, both in terms of gender and other aspects. Thus pay increases are distributed to ensure and improve pay equity.

- 57% of all pay increases from incremental and extra-sessional pay increases, such as mobility and promotions, went to women in 2023. The proportion of women receiving pay increases is slightly higher than that of men.
- In 2023, women had an average pay rise of 11.2%, which was higher than men.

Pay rises in 2023	Share increases	Average percentage growth
Women	57 %	11,2 %
Men	43 %	9,9 %
<b>Total</b>	<b>100 %</b>	<b>10,6%</b>

Through the impact of the aforementioned increases, we have managed, over the course of 2023, to reduce the average pay CompaRatio (the ratio of salary to median pay grid) gap between women and men from -5% in December 2022 to less than -1% in December 2023.

The average wage of women compared to men also showed a positive development, narrowing the gap by 5 percentage points.

The ratio of women’s basic pay to men’s pay is 81% across the board and 79% for managers.

The internal consistency of the pay system ensures that discrimination of any kind is avoided by applying uniform rules for setting salaries on recruitment, transfer, promotion or pay reviews.

In terms of the promotion process, the data supports our focus on meritocracy and equity and looks like this for 2023:

Promotions 2023		(%)
Number of employees promoted - women	41	62%
Number of employees promoted - men	25	38%
Number of staff promoted	66	100%

Number of Executive Committee members	2023
Women on the Executive Committee	3
Women - other positions	850
Men on the Executive Committee	7
Men - other positions	586
<b>Total employees</b>	<b>1 446</b>

Employees in management positions	2022		2023	
	Nr.	%	Nr.	%
Women	81	50,3	80	52%
Men	80	49,7	74	48%
<b>Total management staff</b>	<b>161</b>		<b>154</b>	

Total number of employees by age/ Percentage of total employees	<30 years		30-50 years		>50 years		Total	
Women	130	65%	482	58%	241	57%	853	59%
Men	69	35%	342	42%	182	43%	593	41%
<b>Total</b>	<b>199</b>		<b>824</b>		<b>423</b>		<b>1446</b>	

## 3.4 INVESTMENT IN LOCAL COMMUNITIES

### Explaining the material aspect

The Groupama Group was born through the power of community, so at its origin lies an act of solidarity, proof of the power of a community to support each other. This is also how our values of responsibility, solidarity, proximity and devotion were born, values that underpin our commitment to be involved in the development of local communities, to bring more confidence into people’s lives, to be authentic and to act now for a better future.

All these principles and values are essential in the selection of partners and project we carry out or support. We focus on supporting projects that deliver value and build long-term partnerships with tangible benefits. Our actions focus on two main strands:

- Risk prevention - we are involved in projects related to informing and educating the public on risk reduction methods, as well as promoting sport, a healthy lifestyle, encouraging preventive health, fighting inequalities and protecting the environment.
- Supporting the film industry.

## Managing the material aspect

Groupama has adopted a procedure for sponsorship and patronage activities, which facilitates understanding and compliance with the legal provisions relating to these activities, as well as the standards of behaviour to be adopted to ensure impartiality and neutrality in relation to the beneficiaries of sponsorship.

## Risk prevention

Prevention is part of our DNA as an insurer, which is why we run and support campaigns to inform and educate the public on risk prevention and to promote a healthy lifestyle through prevention and sport. We also support performance sports and sports therapies.

At company level, we are involved in projects to protect the environment, such as selective collection, tree planting or cleaning and sanitation actions.

## Some of the projects we support:

### Official insurer of the Romanian Rugby Federation and the national rugby team Stejarii

We support sports performance and have been the official insurer of the Romanian Rugby Federation and the national rugby team, Stejarii, since 2018. Groupama provides athletes and staff members with travel and life insurance for delegations to various national and international competitions, fire and other calamities insurance, health insurance, as well as compulsory and optional insurance policies for vehicle fleets.

### Partner of Climb Again Association and the National Paraclimbing Team

By supporting the Climb Again Association and the National Paraclimbing Team we offer a chance for a normal life to people with disabilities and visual impairments. Since 2014 in the Climb Again Association, free sessions of climbing therapy, kinesiology, physiotherapy and psychology for children and young people with special needs have been organized. Many of them have won awards at national and international para-climbing competitions, have managed to form a community, reintegrate into society, and gain more self-confidence.

## Supporting the film industry

Since 2009, when the Groupama brand entered Romania, we have been supporting the most important film festivals, supporting film directors and producers and encouraging the sustainable development of the industry. Cinematography is a priority area for Groupama in terms of sponsorship, both internationally, through the GAN Pour Cinema Foundation, and locally.

Some of the projects we support:

- TIFF (Transilvania International Film Festival)
- French Film Festival
- Cannes Films in Bucharest
- CINEVARA
- Romanian Film Evenings
- Animest International Animation Film Festival
- Ceau, Cinema!
- ANONIMUL Festival

And we ensure the production of many Romanian films by established directors such as Cristian Mungiu, Cristi Puiu, Corneliu Porumboiu, Daniel Sandu.

## COMMUNITY INVOLVEMENT

### CSR Ambassador

In 2020, we launched the CSR Ambassador programme, through which Groupama employees can volunteer to develop CSR projects in their communities. Starting from the needs at the grassroots level in communities, we develop projects with real impact together with volunteer Ambassadors. In the three years of the project, we have gathered dozens of projects, hundreds of volunteers and beneficiaries in various cities of the country and we have implemented projects in various areas of action: fighting inequality, facilitating access to education and culture, improving living standards, encouraging the practice of sports and recreational activities or protecting the environment.

### Life Savers (Salvatorii de vieți)

Launched in September 2022, the Life Savers programme is part of an international first aid training project run simultaneously by all Groupama Group subsidiaries. In 2023 the programme was accessible free of charge to anyone who wanted to learn how to apply first aid measures in an emergency situation. The training took place in workshops run in partnership with volunteers from the Foundation for SMURD. The participants learned alongside accredited staff the main first aid measures (lateral position of safety, cardio pulmonary resuscitation, upper airway deobstruction) for adults, children and infants. 3480 people were trained in 2023 in workshops lasting more than 2.5 hours and over 10,000 more in marathon workshops lasting less than 2.5 hours.

**Give Joy for Christmas Social Campaign! (“Campania socială Oferă bucurie de Crăciun!”)**

Give joy for Christmas! started in 2013, runs annually during the winter holidays and is aimed at children from families without financial means, with our employees fulfilling the children’s wishes expressed with emotion in their letters to Santa Claus. In this way, we contribute to lasting change in the community by improving living conditions for children, preventing school dropout and facilitating access to education. In 2013 the campaign started with 50 children whose wishes were granted and in 2023 we reached 209 beneficiaries.

**Workshops without Borders (Ateliere Fără Frontiere)**

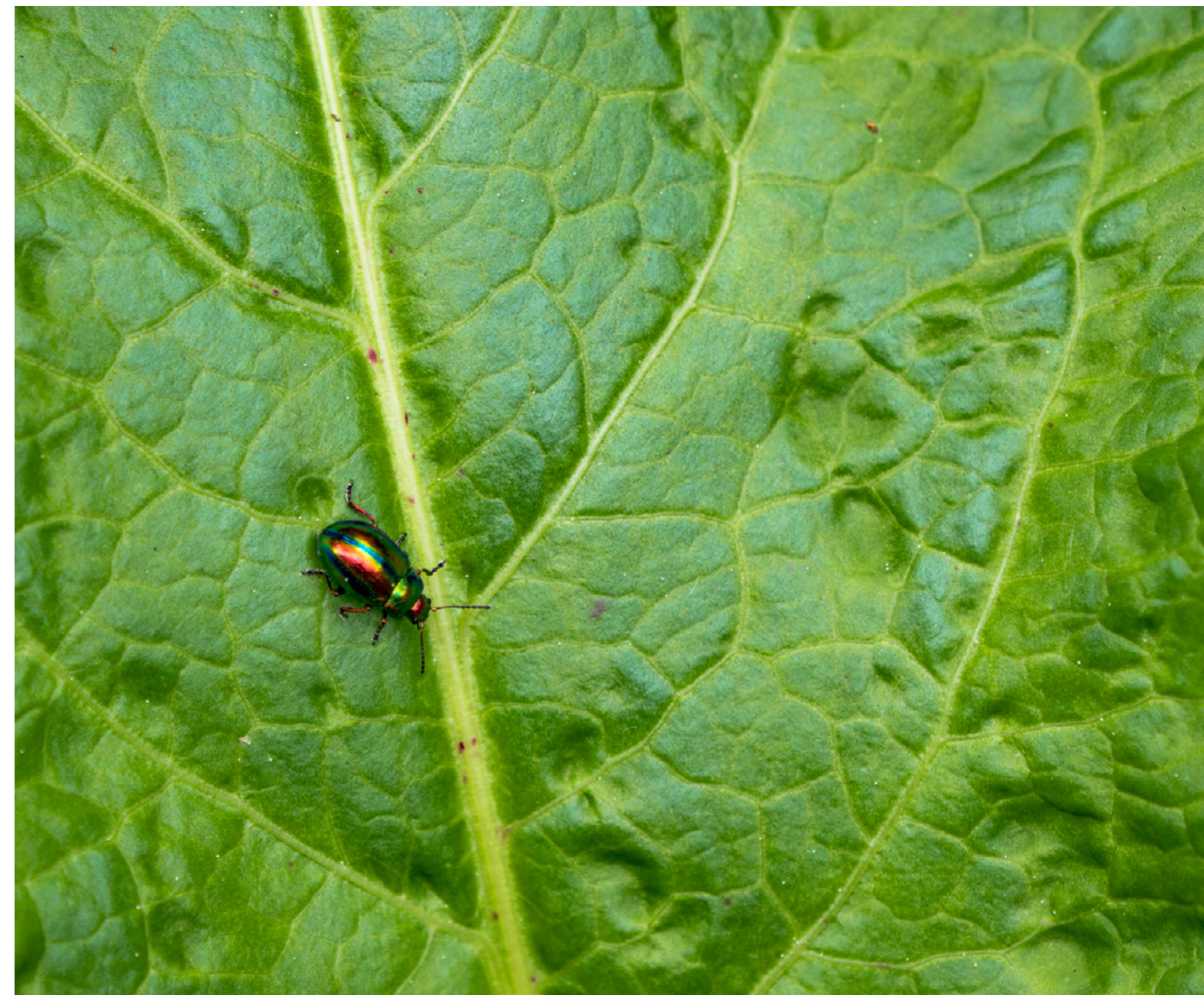
We support the Association Ateliere Fără Frontiere (AFF), a Romanian non-profit organization, founded in 2008, to facilitate the social, professional and civic insertion of vulnerable, excluded and marginalized people. They are employed in different positions within the association’s three social insertion social enterprises - Atelierul Reconect, Atelierul Remesh and Ferma Bio&Co - at the end of the accompaniment period, receiving support for employment on the conventional labour market or in protected forms. Groupama supports the AFF association by providing it with a range of insurance products necessary to carry out its activities.

The department that manages community investments is the Communications and Public Relations Department within the Marketing, Communications and Customer Service Division.

When we choose the campaigns in which we get involved, we take into account both encouraging our employees and orienting them towards volunteer actions and initiatives, and obtaining commitments of continuity and involvement from the communities. Since 2009, when Groupama entered the Romanian market, we have been supporting the most important film festivals, supporting film directors and producers and encouraging the sustainable development of the industry. Cinematography is a priority for Groupama in terms of sponsorship, both internationally, through the GAN Pour Cinema Foundation, and locally.

**2023 financial contributions within local communities are:**

Total contribution (RON)	2022	2023	Ratio 2023/2022 (%)
Total amount of in-kind product / contribution	121 250,79	68 982,44	-43%
Total amount of contribution for community welfare programmes	121 349,42	105 855,10	-13%
Total amount of contribution for youth development programmes	36 493,1	91 262,93	150 %
Total contribution for education programmes	467 506, 2	629 689,45	35%
Total contribution for environmental programmes	0	0	-
Total contribution for health programmes	600 163,55	923 511,55	54 %
Total amount of contribution - Investment in local communities	1 225 512,271	1 750 319,025	43%



# GOVERNANCE

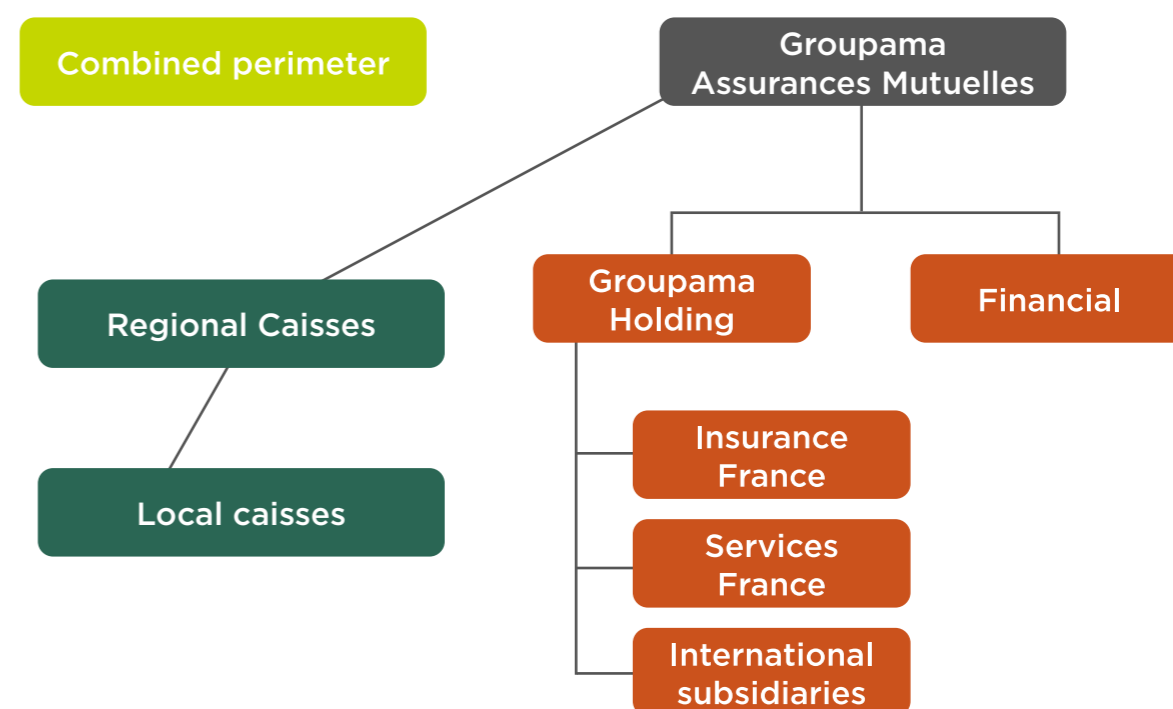
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## Governance of the Groupama Group

With over 100 years of history, the Groupama Group is one of the international leaders in the insurance industry. Born out of French agricultural mutualism, the Group's mode of organization is based on three levels of mutuality: local mutuals, regional mutuals and the national mutual Groupama Assurances Mutuelles. The regional mutuals are members of Groupama Assurances Mutuelles and hold 100% of the voting rights at General Meetings and of the mutual certificates issued by the latter. The group's mode of governance gives power to each player within the organization. Policyholder members elect their representatives at local level (more than 30,000 elected representatives) who in turn elect their representatives at regional and national level. The trustees, who are members of the local councils, control all the boards of directors of the mutual group entities. It is they who elect the executive directors who run the operational activities. Elected representatives participate in all of the Group's decision-making bodies, whether in the Local Mutuals (2,600), the Local Mutuals or the Regional Mutuals through the federations and the Boards of Directors of Groupama Assurances Mutuelles and its subsidiaries.

Groupama Assurances Mutuelles is a non-capital legal structure, the central body of the Groupama network. Its main missions are:

- Ensure the cohesion and smooth functioning of the Groupama network organizations;
- Exercising administrative, technical and financial control of the organization and managing Groupama network entities;
- Defining and implementing Groupama Group's operational strategy, in collaboration with regional companies;
- Reinsurance of regional companies;
- Steering the branches;
- Establishing the external reinsurance programme for the whole Group;
- Preparation of consolidated and combined financial statements.



Groupama

## Material Aspects & ESG Impact

Material aspect	Economic impact	Social impact	Environmental impact
Corporate Governance and Strategic Management	By paying close attention to stakeholder needs and expectations and implementing an organizational culture that promotes transparency, responsibility and business ethics, we ensure effective corporate governance and strategic management. These measures lead to decisions and the implementation of practices and strategies that optimize company performance.	Groupama is socially responsible and committed to making a positive impact in the community through transparent, ethical and responsible governance practices that promote equality, diversity and inclusion.	Groupama implements sustainable corporate governance and strategic management practices for reduce our environmental footprint. We comply with applicable regulations and standards, thereby helping to protect the environment for future generations, and we assess suppliers in terms of environmental impact.
Economic Performance	The company's economic performance is the result of team efforts and the way we conduct our business. Through our economic performance, we generate sustainable value for the economy in which we operate.	With the same principle of sustainability of the processes by which we operate, we know that the positive impact on society is closely linked to the economic performance of our business. This allows us to support actions and allocate resources to make a positive social impact.	A sustainable vision is also based on actions to manage potential environmental impacts. We comply with the current legislative regulations on environmental protection and follow the direction of the group to which we belong, which is to support the ecological and energy transition towards a more sustainable economy through an investment policy based on environmental criteria.
Ethics and responsible business	Ethics and responsible business practices are not just about compliance with the law. They incorporate moral standards into daily decisions and management strategies, building a solid reputation and maintaining customer trust. At Groupama, we prevent conflicts of interest, encourage ethical decisions and report corruption. These measures bring sustainable economic benefits by reducing risks, increasing customer loyalty and improve long-term financial performance.	The concept of social responsibility is at the heart of our business ethos. As an employer, we promote diversity, equality and inclusion and ensure a safe environment for employees and colleagues, maintaining the highest standards of health and safety without compromising ethical principles or violating human rights.	The principles and rules that guide the work of our company incorporate environmental protection aspects. We are convinced that it is only by adopting a responsible attitude towards the environment that we can truly support the transition to a sustainable society, by taking care of the resources we have.

Risk management	In our company, risk management is consistent with our company's strategy and the regulations in force, aiming to maintain a balanced risk profile and thus ensuring financial stability and asset protection.	By managing social risks, we are committed to protecting and promoting the well-being of employees, the community and other stakeholders.	Environmental risk is the result of the interaction between human activity and the environment. We manage the portfolio of financial assets related to our insurance business by analyzing environmental factors. When analyzing the risks that may affect our business, we also consider the impact we may have on the environment.
Indirect economic impact	Complaints about data breaches are handled according to our internal procedure, which includes incident analysis, measures risk reduction and notifying the authorities and data subjects, thereby contributing to minimizing the negative economic impact on the company.	By protecting the sensitive data of our customers and partners, we build trust and security for all members of our community and ensure that the fundamental rights and freedoms of all individuals are respected.	We combine environmental impacts with the need to increase operational actions in case of incidents related to data protection. Discipline and rigor characterize our handling of these procedures.
Data protection	Plângerile privind încălcările securității datelor sunt gestionate conform procedurii noastre interne, care include analiza incidentului, măsuri de reducere a riscurilor și notificarea autorităților competente și a persoanelor vizate, contribuind astfel la minimizarea impactului economic negativ asupra companiei.	Prin protejarea datelor sensibile ale clienților și partenerilor noștri, consolidăm încrederea și siguranța pentru toți membrii comunității noastre și garantăm respectarea drepturilor și libertăților fundamentale ale tuturor persoanelor fizice.	Asociem impactul asupra mediului cu necesitatea de a spori acțiunile operaționale în cazul incidentelor legate de protecția datelor. Disciplina și rigoarea ne caracterizează în gestionarea acestor proceduri.
Cyber security	Cyber security protects both computing devices and digital information and assets. In our company, this practice is well implemented, ensuring the security of confidential information, which is managed and accessed only by authorized individuals and for clearly defined purposes.	Through the cybersecurity measures in place, we ensure the confidentiality and integrity of our customers' data, having a positive impact on the protection of fundamental rights.	Cybersecurity processes in place help us to use IT tools and cyberspace safely. With every cyber attack prevented by our company, we reduce not only the risk of financial loss, but also the environmental impact

## 4.1. CORPORATE GOVERNANCE AND STRATEGIC MANAGEMENT

### Explaining the material aspect

After a year in which companies' resilience and adaptability were tested, 2023 continued to bring significant challenges to the insurance industry. In a volatile and occasionally unpredictable context, Groupama's performance aligns with its strategy for sustained and sustainable growth, with the company strengthening the profitability of its main business lines.

Groupama closed the financial year 2023 with gross written premiums amounting to 4 087 128 thousand Ron (including reinsurance acceptances amounting to 376 thousand Ron), an increase compared to the previous year when they totalled 2,974,048 thousand Ron (including reinsurance acceptances amounting to 148 thousand Ron).

Gross written premiums related to General Insurance business amounted to RON 4 024 814 thousand (including reinsurance acceptances amounting to RON 376 thousand), up 37.99% compared to last year. Life Insurance recorded an increase of 8.66% compared to last year, amounting to RON 62,313 thousand, thanks to the good performance of the Proprietary Network, as well as Brokers.

Groupama is the largest employer in the insurance sector and mobilizes its workforce for the benefit of its customers and its strategy. This represents a clear will, a strong social commitment, a competitive advantage and further proof of the Groupama Group's long-term commitment to Romania.

In 2023, Groupama managed to maintain its place in the preferences of its customers. According to the survey conducted by the specialized company MIA Marketing in 2023, the level of satisfaction of customers satisfied and very satisfied with their relationship with Groupama reached 89%.

In everything we do, the company ensures that legal requirements and professional ethics are respected in all aspects of our activities. Committed to addressing the challenges of the climate transition, we support solutions that support the local economy and expand the integration of sustainability principles in the value chain. We are committed to promoting trust and transparency through sound corporate governance with a strategy geared towards long-term value creation.

### Managing the material aspect

Groupama has implemented the Solvency II regime and governance, in accordance with corporate governance principles.

In the context of the significant growth of the MTPL line of business, including the volume of claims, the Company has adapted its organizational structure in order to ensure an adequate level of services provided.

Within the risk management system, during 2023, the actions and measures aimed at ensuring an acceptable level of risk were continued, complementing the already existing system, among which the following are worth mentioning:

- Continuous calibration of the control system against risk exposure and documentation of control procedures;
- Developing key risk indicators and reporting system;
- Developing risk assessment scenarios as part of the risk and solvency self-assessment process;
- Security and protection measures (continuity plan, systems security).

The system of governance has been established in accordance with regulatory requirements, with a view to ensuring effective and prudent management, based on the principle of proportionality, in relation to the nature, scale and complexity of the risks inherent in its business.

During 2023, there have been changes in the governance structure, both in terms of changes in the composition of Groupama's management structures, both at the Board of Directors and executive management level.

As a Group entity, Groupama conducts its activity in accordance with the policy defined at Group level, adapted to the specific legislation governing the Romanian insurance market.

Given the complexity of the business, processes and associated risks reflected in the risk profile, the company considers that the governance system is appropriate in relation to the nature, scale and complexity of the risks inherent in its business.

**The Board of Directors** consists of members holding management positions in the Group to which the company belongs, as well as other persons in accordance with applicable law. The Board is composed of three to seven members, always an odd number, appointed by the Ordinary General Meeting of Shareholders. The term of office of the directors is 4 (four) years and they are eligible for re-election. They may be dismissed at any time by the Ordinary General Meeting of Shareholders.

The Ordinary General Meeting of Shareholders shall appoint the members of the Board of Directors, after assessing whether they meet the requirements of professional competence and experience, integrity and good reputation, as well as those relating to governance, in accordance with the legal norms and the policy of the company and the group.

## Composition of the Board of Directors at 31.12.2023

Name of the member of the Board of Directors	Position	Citizenship
Mr. Pierre Jean Andre MARTIN	Member of the Board of Directors	French
Mr. Nicolas Maurice Georges NAFTALSKI	Member of the Board of Directors	French
Mr. François Benoit Jean-Baptiste Pierre COSTE	Member of the Board of Directors	French

100% of Board positions are held by men.

### Main powers of the Board of Directors

1. Establishing the main directions of activity and development of the company;
2. Establishing accounting policies and financial control system and approving financial planning;
3. Appointing and dismissing the executive management (The CEO and Deputy CEOs), fixing their term of office and deciding on their prerogatives, powers and remuneration;
4. Supervision of the activity of the executive management;
5. Examination and certification of the financial statements, proposals on the use and distribution of profits, the business plan for the next years, drafting the activity report and submitting it for approval to the General Assembly of the Company;
6. Preparing the annual report, organizing general meetings of shareholders and implementing their resolutions;
7. Decision for the application for the opening of the Company's insolvency proceedings;
8. Establishing the regime for the signatures and mandates of the executive officers of the company, as well as the limits of their competence;
9. To exercise the powers delegated by the General Meeting of Shareholders;
10. Approval of acquisition, alienation, lease, rental, exchange, pledging on the Company's assets whose value exceeds 10% of the Company's net assets
11. Approval of the rules of operation and internal order, the organizational structure of the company (organizational chart) and the job nomenclature;
12. Approval of the general conditions of employment of the Company's employees;
13. Approval of the Company's working rules and procedures, the insurance products practiced by the Company, any changes thereto and the Company's reinsurance system;
14. Approval of the Company's participation in the share capital of other Romanian or foreign companies;
15. Approval of contracting bank loans;
16. Collective bargaining;
17. Establishment or dissolution of secondary establishments of the Company (agencies, branches or other units without legal personality);
18. The exercise of any other prerogative provided for by law, by the Articles of Incorporation or assigned by the General Meeting of Shareholders which could not be delegated to the Directors;

19. Exercising the specific powers granted by law in the field of AML/FT.

The Board of Directors also approves the company's key directives, including those on managing the organization's impact on the economy, the environment and people. These are subsequently implemented by the senior executive management and other entities at operational level. All decisions and actions taken by the Board of Directors are taken in a fully accountable manner. The effectiveness of the organization's processes is reviewed annually or in the event of significant changes, with the Board of Directors ensuring that optimal decisions are taken.

### Role of committees reporting to the Board of Directors

#### a) Executive Committee (COMEX)

In order to carry out its tasks, the executive management is supported by COMEX - The Executive Committee; its composition is established in the Committee's Rules of Procedure and must be composed of members of the executive management; other persons reporting directly to the Chief Executive Officer may also be members of the Executive Committee, in accordance with the Committee's Rules of Procedure. Other persons may attend Committee meetings as guests, depending on the subjects discussed at the meetings. In pursuing its objectives, the Executive Committee shall have the following duties:

- developing the activity and implementing the Company's strategy;
- validation and supervision of strategic projects;
- coordinating current activities within Groupama and ensuring good communication;
- ensures alignment with Group strategy.

The above duties are performed with due respect for the exclusive powers of other corporate bodies (e.g., the Board of Directors) or executive managers.

#### b) Audit Committee

It is established in accordance with the legal provisions on auditing. Together with the financial auditors who carry out audit assignments for the company, it shall analyze the necessary safeguards to reduce threats to their independence. The audit committee shall receive annual written confirmation from the financial auditor confirming its independence from the company, the audited entity and the additional services provided to it. The financial controller shall also report to the audit committee on significant matters arising from the audit engagement and, in particular, on significant deficiencies in internal control in relation to the financial reporting process.

#### Members

The Audit Committee is composed of 3 members, appointed by the General Meeting of Shareholders, in compliance with the legal requirements for its members. In general, the secretary of the Audit Committee meetings is the Director of Internal Audit. Other persons may attend the meetings of the Committee as guests depending on the topics discussed at the meetings.

### c) Risk Management Committee

The Risk Management Committee is composed of permanent members from executive and operational management as well as key functions (actuarial, compliance, risk management), its composition being determined by the Committee's Operating Regulations. Depending on the topics covered, the Committee may also have guest members. The Committee is an analytical and decision-making body and has been set up to develop and implement a functional and effective system for managing the risks faced by Groupama, and its activity consists in issuing approvals, decisions and rules on the identification, assessment, monitoring, management and reporting of any significant risk to which the Company is or may be exposed. The Risk Management Committee fulfills the following main roles:

- Develops the overall risk management framework in order to stay within desired risk limits;
- It regularly monitors the risks faced by the Society in order to ensure an acceptable level of risk;
- Informs and reports to management on key risks; ensures submission of risk management policies, strategies and procedures to management for approval;
- It shall ensure that the risk and solvency assessment is carried out at least annually or at each significant change in the risk profile or at the request of the Financial Supervisory Authority, in accordance with Solvency II requirements;
- Ensures that the activity is performed in accordance with the risk management policies and procedures developed at the Company level.

The Risk Management Committee meets quarterly. It may meet more frequently if one of the permanent members so requests or at the request of Management or whenever significant changes in risk exposure occur.

### d) Remuneration and Benefits Committee

The Remuneration and Benefits Committee monitors and coordinates the proper application of the Remuneration and Benefits Policy and serves as a forum for review and decision making through continuous review and improvement of the Remuneration and Benefits Policy.

The Remuneration Committee is required to report at least annually (or whenever appropriate) to the Board of Directors on its work.

### e) Nomination Committee

The Nomination Committee shall report directly to the Board of Directors. The composition of the Nomination Committee shall necessarily include at least one non-executive member of the Board of Directors.

Without prejudice to the shareholders' right to appoint members, when recruiting/evaluating members to the management structure, the Nomination Committee shall actively contribute to the selection of candidates for the positions of management vacancies and provides the following:

- describes the roles and skills required for a particular job;
- assess the appropriate balance of knowledge, skills and experience of the management structure;

- assesses the adequacy of the time to be devoted to the tasks;
- takes diversity policy objectives into account;
- approving integration and training plans;
- take other actions according to its own Regulation.

The recruitment decision shall be based on a pre-selection of suitable candidates, taking into account the company's policy on diversity in the management structure and ensuring that the requirements for the adequacy of the management structure are met individually and, where appropriate, collectively.

### Nomination Committee members:

- have appropriate collective knowledge, expertise and experience of the company's business in order to be able to assess the appropriate composition of the management structure, including to recommend candidates for vacant management positions;
- have the financial and material resources, including external expertise where necessary, to carry out their tasks.

The Nomination Committee periodically assesses the suitability of the members of the management structure and prepares a report to the management structure. The Nomination Committee shall have access to all the information necessary to carry out its duties and may involve key function holders and other relevant internal functions in the assessment process as necessary.

### Senior executive management

The Senior Executive Management has been delegated to a CEO and a Deputy CEO, Members of the Senior Executive Management, with powers of representation and accountability.

Name of the Senior Executive Management member	Position	Citizenship
Mr. Călin Rareș MATEI	CEO	Romanian
Mr. Sebastien Alain Guillaume DEMICHELIS	Deputy CEO	French

100% of Board positions are held by men.

**The senior executive management has the following responsibilities:**

- to take all measures related to the management of the company, within the limits of the company's object of activity and in compliance with the exclusive powers reserved by law or by the Articles of Association, the Board of Directors and the General Meeting of Shareholders, in accordance with the agreed objectives and performance criteria;
- defining the organizational structure, decision-making and operational processes, and reporting channels, in line with the policy and strategy set by the administrative management;
- implementing risk management and internal control policies and improving internal control and risk management systems;
- Ensuring an effective system of communication of the strategy, policies and procedures, as well as a system of reporting - monitoring their implementation;
- to respect the rights and legitimate expectations of Groupama Shareholders, by using all legal, economic or organizational measures in order to achieve business objectives.

In the conduct of day-to-day business, senior executives may delegate some of their powers and competences to other persons, employees of the company or third parties, in compliance with the applicable legislation.

**The role of the committees reporting to the Senior Executive Management**

The composition of the committees is ensured by members of senior executive management and operational management, so that they have the necessary experience and expertise compatible with the responsibilities of the committees.

The governance provided by the established committees takes into account:

- ensuring appropriate cross-cutting coordination and monitoring of the strategic components;
- ensuring the appropriate level of decision-making and responsibility through their composition;
- defining and monitoring performance indicators for each strategic component to enable the assessment of trends and early identification of deviations;
- a component allowing for a transparent flow of reporting and communication;
- documentation of responsibilities, decisions, etc.

The Board of Directors, the Executive Management and the Executive Committee take into account environmental, social and governance factors that may affect the company in making any decision.

The management of environmental, social and governance impacts within our company is carried out by a project team consisting of employees from different departments. The team is led by a Project Manager.

Reporting on the management of the organization's impact on the economy, environment and people to the highest governance body is done annually.

The Board of Directors is responsible for reviewing and approving reported information, including material aspects of the organization.

We organize annual training and development programmes on sustainability topics for the Board of Directors, members of the Executive Committee, members of the company's sustainability project team.

The topics of the sustainability training programmes were selected based on a needs assessment questionnaire.

Awareness workshops, Climate Fresk, were organized for senior executive managers.

For the development of our technical skills we benefited from the know-how of the Group to which we belong and from the expertise of a local consulting team specialized in sustainability.

Three technical sessions for the members of the sustainability project team and one session for the executive management were conducted.

The Group initiated board member training at the end of 2023 with the aim to meet regulatory obligations (Solvency II) and to strengthen board members' skills in the new sustainability requirements for:

- Exercising the duty of supervision by analyzing risks across the value chain
- Ensuring Groupama's durability and its positive contribution
- Fully integrating sustainability into their decisions
- Engaging their accountability in sustainability reports before publication
- Monitoring and questioning the implementation of the CSR strategy adopted in 2021

The sustainability objectives were established at the group level and then communicated to the executive management. Subsequently, these objectives were distributed to the members of the management team (executive committee), ensuring alignment at all levels of the organization. Performance in achieving these objectives is evaluated annually.

**Remuneration and Benefits Policy**

The Remuneration and Benefits Policy is aligned with the Group Remuneration Policy by integrating its general principles, while also referring to the local business context and labour market standards, in compliance with local social and tax laws and/or regulations.

The remuneration policy is communicated transparently to all employees and on the company portal/intranet. We regularly communicate and/or make remuneration information with all its components available to our employees via the specific application to ensure that it is understood, including any changes/updates.

Our remuneration policy has been designed to meet the needs of employee groups. Our reward offerings are designed to encompass all elements of the life cycle that employees encounter in their work experience.

### Key policy principles

- Any salary decisions, in the case of recruitment, transfer, promotion and review sessions, will be made taking into account budgetary constraints.
- Setting salaries taking into account the business contribution (impact) of the posts and internal consistency/equity.
- The existence of a single process for evaluating the relative importance of jobs and their hierarchical positioning in the company. The result of the job evaluation is the classification of positions into levels, so that positions of similar importance and complexity are grouped on the same level regardless of the organizational unit to which they belong. The methodology used is that provided by the external partner Korn Ferry.
- The internal consistency of Groupama's salary system aims to ensure that discrimination (of any kind) is avoided by applying a uniform rule for setting salaries on recruitment, transfer, promotion or salary reviews.
- Equal opportunities and equal treatment and avoidance of various forms of discrimination. The principles, objectives and means of implementation of this policy aim to ensure the prevention and treatment of various forms of discrimination based on gender, race, ethnicity/language, age, education, social status, opinions, etc. and equal opportunities and treatment.
- Contribution to sustainability; Identifying risks or aspects with negative impacts on viability and sustainable development and contributing to addressing them (to the extent that they are addressable through remuneration) by: ensuring a decent income, supporting the purchasing power of our employees for basic needs, improving pay equity (e.g. gender and other) by allocating budget and implementing recommendations (e.g. on pay increases) in this regard and providing support to employees in case of special and/or unforeseen events.
- Setting wages in line with market trends
- Set salaries in line with performance.

### Remuneration and benefits policy of the members of the Board of Directors

The mandate of the members of the Board of Directors of Groupama S.A. is, in principle, performed free of charge, unless otherwise stipulated in the mandate contract.

The remuneration policy for Senior Executive management and members of the Executive Committee is subject to the principles applicable within the Group, with a margin for adaptation when the context or regulation in the country so requires.

Remuneration is composed of a fixed part and may also include a variable part, regulated by provisions communicated by the Group.

The variable remuneration principles and arrangements applicable to executive management and members of the Executive Committee are established and reviewed periodically/annually by the General Management Committee - Executive Board of the Group. These arrangements integrate the collective performance criteria of the Group and the companies when determining the variable part, in order to foster cohesion and solidarity in the achievement of common objectives.

In accordance with the provisions issued by the Group, variable remuneration is calculated on the basis of Group and company performance indicators and

individual objectives, differentiated according to the entity to which each executive belongs and the level of responsibilities.

Executive management's performance objectives also include sustainability objectives in line with local and Group strategy.

### Employee remuneration and benefits policy

Through our internal remuneration policy, we support rewarding performance and, consequently, increasing employee retention, motivation and organizational commitment.

Within the company, two forms of remuneration are applicable:

- a) By agreement, for the company's sales network (with the exception of branch and area managers), in accordance with the company-wide Collective Labour Agreement;
- b) Time-based pay system, for all other employees.

The company aims for market competitiveness for all positions in the salary package as a whole, consisting of the following components:

- Fixed income/salary
- Variable income/bonus
- Benefits

### Fixed remuneration

The first component of the remuneration of all time-based employees is the fixed salary (gross monthly salary), initially determined at the time of recruitment. It takes into account the job and the employee's area of responsibility, the remuneration levels practiced within the company (internal consistency/equity) and outside the company, at market/benchmark level (external competitiveness).

### Individual variable remuneration (bonus or commission)

Variable remuneration aims to recognize individual and/or team performance and depends on defined and agreed objectives. The objectives are set in line with the company's strategy and risk control policy and are linked to context, results and the level of competency development.

The amount of variable income is influenced by the following factors:

- Individual performance as attested by the grade obtained in the annual performance appraisal or by the results obtained on the objectives set;
- Company performance (through financial results etc.);
- Budget approved at company level.

At company level, variable income (bonus, commission, other awards) is regulated in separate documents, e.g. the General Framework for specific schemes, specific remuneration schemes and/or target bonus, respectively in the Collective Labour Agreement for employees of the company's own sales network.

The variable remuneration is determined in such a way as to avoid the application of incentives that could lead to situations of conflict of interest between employees and/or customers or non-compliance with the rules of good conduct (consumer protection, Internal Regulations, Code of Conduct and Groupama's Ethical Charter).

### Benefits

Company-wide benefits are granted under the conditions specified in the applicable Collective Bargaining Agreement and/or other specific documents that may be decided by the Remuneration and Benefits Committee.

Groupama carries out its activity in accordance with policies defined in line with the policies of the Group to which it belongs, adapted to the legislation governing the insurance market in Romania and to the particularities determined by the structure, organization, complexity and the activity carried out.

The policies set out the corporate governance structures, the powers and responsibilities of the Board of Directors, executive and operational management and key functions, as well as information/reporting elements in the area covered by each policy, in order to ensure effective decision-making based on timely and reliable information. The policies shall be reviewed at least annually, also taking into account significant changes in the Company's governance system.

Through the approved policies, the Board of Directors ensures compliance with the principles of corporate governance, in particular with the responsibilities listed in the A.S.F. Regulation. No. 2 / 2016 on the application of corporate governance principles by the entities authorized, regulated and supervised by the Financial Supervisory Authority, as amended and supplemented, and/or in other applicable regulatory acts, as applicable.

In the year 2023, the process of developing and reviewing company-wide policies has taken into account the assurance:

- compliance with legislative developments,
- alignment with the policies of the Group to which the company belongs,
- defining a coherent and effective framework for the application of corporate governance principles,
- updating responsible structures in line with significant changes in the organizational structure,
- the adequacy of responsibilities so that decision-making is coherent, objective and based on quality information (complete, accurate and timely).

In the event of information regarding a negative impact caused by our company or to which it has contributed, we analyze, at an appropriate decision-making level, the ways to address and remedy it.

Our Complaints and Petitions procedure (insurance specific complaints) is an integral part of our customer complaints resolution mechanisms, together with the reporting channel in line with the public whistleblower requirements.

We have also set up a collective committee which is responsible for analyzing and resolving petitions, thus facilitating their resolution in the shortest possible time. Quantitative and qualitative performance indicators have been established in order to track the effectiveness of the mechanisms for the resolution of complaints, which are also measured and analyzed during the team-level activity and productivity review meetings.

Interdepartmental meetings with the main parties involved in the process are also held on a regular basis to analyze the evolution of the number of complaints and take measures to reduce the number of complaints. Annually, we conduct an internal survey to collect feedback on our complaint handling activity.

We continuously monitor significant cases of non-compliance with applicable laws and regulations.

Significant non-compliance with laws and regulations for which fines were imposed in 2023	
Infringements of MTPL legislative requirements	3
Violations of AML legislative requirements	1

Total monetary value of fines received in 2023	RON
Fines for non-compliance with laws and regulations	416 750

Non-compliances - with laws and regulations for which non-monetary sanctions were applied in 2023	
Written warnings for minor infringements on handling of MTPL claims	1

During the reporting period, the decision of the Competition Council was communicated regarding the investigation it started in 2017 on the market for maintenance and repair services for motor vehicles in Romania, extended as regards insurance companies in 2019 and finalized in December 2022. Thus, the Competition Council ordered the sanctioning of certain ACODAREN member companies, as well as 7 insurance companies, including Groupama, with a fine amounting to RON 10 487 thousand.

Our company is constantly monitoring the situations of non-compliance with the regulations in force and makes every effort to eliminate them.

	2023
Number of employees informed about the code of conduct	1 525
Number of confidentiality contracts signed in 2023	200

## 4.2. ETHICS AND RESPONSIBLE BUSINESS

### Explaining the material aspect

At Groupama, we attach great importance to our governance structure, through all the activities we carry out, with professional ethics being a key aspect in all departments of our company. At the same time, we support effective strategic management practices that are based on clear risk management activities and concrete attitudes and actions in terms of legal compliance. We believe that these two aspects are very important for the smooth running of the business and that their optimal management helps us to maintain our desired level of performance. For us, our employees and customers are among our most important partners, and one of our main missions is to build quality relationships with them and help them to look at life with optimism, to enjoy every moment, knowing that we will be there for them when they face challenges. We believe that a long-term partnership is based on trust, honesty and mutual respect, values that also guide our day-to-day activities. We are committed to complying at all times with the laws, rules and regulations applicable to our activities. As such, we require all suppliers to adopt the highest standard of transparency and integrity during the procurement process and in the execution of contracts.

We are aware of our responsibility and we consider ethics to be the key factor that contributes essentially to the evolution and progress of our company. In order to create economic value and to avoid potential negative impacts, we have developed tools to identify and assess corruption-related risks. At the same time, we are committed to continuously comply with the laws, rules and regulations applicable to our company. We also expect all of our employees to adhere to the same standards and to be committed to upholding and implementing these core values.

### Managing the material aspect

We actively apply the principles of anti-corruption, conflict of interest, anti-competitive behaviour in every decision we make, and these are integrated into our standards to ensure compliance with legislative regulations and industry standards. At the same time, through the Code of Ethics and Professional Conduct we require our business partners to adopt the same standards of business ethics and responsibility, an obligation that will be respected by the partner for the entire duration of the contract between the parties.

Our company's requirements regarding business ethics, conflicts of interest and anti-corruption are set out in the Policy on the Identification and Management of Conflicts of Interest within Groupama, the Code of Conduct, the Internal Regulations, the Procedure for investigating ethical alerts, the Procedure for the declaration of gifts, benefits and invitations sent and received, as well as in the Code of Professional Ethics in the relations between Groupama and its suppliers.

The procedural framework has been communicated to all employees and can be consulted at any time on the company intranet. It is updated as often as necessary at each significant event, including:

- internal events;
- significant changes in the field of activity;
- significant changes in the internal organization or the group to which we belong;
- external events;
- changes in legislation;

Conflicts of interest are carefully monitored in order to prevent bribery and corruption, as well as to prevent any other conduct that could have a negative impact on our clients and partners. All employees and members of senior management are required to comply with the provisions included in the specific conflict of interest policy and to report any situation that could represent a potential conflict of interest.

The Human Resources Division periodically submits, at the request of the Risk Management Committee, a report on the status of conflicts of interest and informs the management structure of any circumstances that may give rise to a conflict of interest and that represent a risk to the company, in order to establish and approve management and mitigation measures. During the reporting period, no critical concerns regarding conflicts of interest were recorded.

Our Code of Conduct describes guiding examples to raise employees' awareness in order to identify potentially risky situations. Corruption, influence peddling, bribery, conflicts of interest can be hidden under various mechanisms, which is why employees must remain vigilant. If an employee suspects violations of our company's business ethics, conflict of interest and anti-corruption requirements, he or she should not hesitate to contact his or her direct manager and/or the Human Resources Division as well as the Compliance Manager by e-mail.

At Groupama, the process for reporting situations of violations of internal regulations/legal provisions or irregularities within the organization is described in the Code of Conduct, Internal Regulations, Procedure for investigating ethical alerts. These aim, among others, to provide support for the internal whistleblowing mechanism. In this context, there is a dedicated reporting channel (etic@groupama.ro) that can be used by our staff, collaborators, suppliers and any other third party that has a business relationship with us, to report behaviors or situations, alleged or known, that may constitute violations of laws, regulations, procedures, Code of Conduct. Confidentiality of information and protection of the identity of the reporting party and others involved are guaranteed at all stages of the process. The processing of alerts is carried out in accordance with the rules of confidentiality regarding the identity of the whistleblower, the person concerned and the facts that are the subject of the complaint. Only persons authorized to handle alerts have access to the information, having been trained and having signed a specific confidentiality agreement.

The responsibility for analyzing ethical alerts lies with the key compliance function, the Compliance Manager within the Compliance Department. The Compliance Manager provides the management structure with information on ethical alerts handled. During the reporting period there were no confirmed cases of violations of ethical behaviour standards.

Our company has a strict zero-tolerance policy towards any kind of corruption. In fact, both employees and contract partners are required to immediately bring to our attention any corruption by an employee or business partner of which they become aware. Anti-bribery policies and practices are systematically brought to the attention of employees through briefings. At the same time, all employees of the company as well as members of the management structure receive anti-corruption training. In addition, all employees working in areas with a high risk of corruption (procurement, sales, underwriting) have completed training modules dedicated to their activity.

Periodically, the entire business is re-assessed for corruption-related risks as part of the Group-wide risk management exercise. To date, no increased risks have been identified in these exercises, as our company has internal rules, processes and controls in place to prevent, monitor and identify potential misconduct. Furthermore, during the reporting period, there were no confirmed incidents of corruption.

In the light of the above, we believe that we make consistent efforts to ensure professional integrity. We ensure that we make our integrity principles and guiding values known to all employees. We carefully monitor the behaviour of all our employees, and during the reporting period we investigated a total of 7 professional integrity misconduct cases.

We had no pending or completed litigation cases during the reporting period relating to anti-competitive behaviour and antitrust and monopoly-related violations in which the Company was identified as a participant during the reporting period. Thus, the total amount of monetary losses as a result of legal proceedings associated with professional integrity was 0 RON.

Given that in all our activities we refer to and place great emphasis on our business conduct, we seek external support and advice when we consider it necessary. The mechanism we use to do this is based on the identification of needs, together with the associated risk assessment. In addition, when we seek support from outside our organization, we are very attentive to the expertise and experience of experts on the subject. We are aware of the importance of external consultancy and rely on it to continuously improve our business conduct.

## Performance in figures

Indicator name	2023
Total number of employees who have been communicated the organization's anti-corruption policies and procedures	1 525
Total number of members of governing bodies who have been communicated the organization's anti-corruption policies and procedures	2
Total number of operations assessed for corruption-related risks	22
Percentage of operations assessed for corruption-related risks	100 %
Total amount of monetary losses as a result of legal proceedings associated with professional integrity	0 lei
Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial laws or regulations	0 lei

Indicator name	2022	2023
Number of employees on record who have been investigated for professional integrity misconduct, investments, consumer complaints, private civil litigation or other proceedings	4	7
Number of legal actions for anti-competitive, anti-trust and monopoly practices in which the organization has been identified as a participant	0	0
Number of mediation and arbitration cases associated with professional integrity	0	0
Number of public legal cases regarding corruption brought against the organization or its employees	0	0
Total number of critical concerns that were communicated to the highest governance body	0	0
Total number and of employees that have received training on anti corruption	0	1 390
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	0	0
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0	0
Total number of confirmed corruption incidents	0	0

## 4.3. ECONOMIC PERFORMANCE

### Explaining the material aspect

We believe that economic performance is underpinned by specific procedures for analyzing the financial implications of identified risks or opportunities. For this reason, we pay particular attention to these aspects by identifying needs and expectations in terms of fiscal implications as well as benchmark indicators that can provide us with an overview of our economic performance. In this respect, actions of a fiscal nature are prioritized, giving necessary importance to the key factors that allow us to have a complete and concrete image of our financial-accounting results.

### Managing the material aspect

We operate through multiple distribution channels: retail (direct sales and agents), non-retail (brokers, bancassurance) and corporate. The bancassurance channel is supported by strategic partnerships with the main banking and leasing players in Romania. We offer our - individual, SME and corporate clients diversified products and services.

More than 2 million individual customers and over 175 thousand companies have chosen Groupama to insure their health, life or property.

The Tax Department is responsible for the tax strategy, oriented towards compliance and adherence to tax regulations issued by the competent authorities. It performs, within the legal deadlines, the calculation and transfer of tax obligations to the state or local budgets and the reporting of the various declarations required by the authorities.

We have a risk management system in place and the Tax Department undertakes verification actions to ensure tax compliance, thereby mitigating tax risks. Compliance with the governance framework and tax control is assessed through audit or internal control performed by specialised departments within our company. We comply with and apply tax regulations issued by the competent authorities.

Annually, the corporate tax calculation is reviewed by an external consultant. We also provide annual reports to the sales network on the tax reporting obligations of the different types of insurance intermediaries, thus contributing to increased tax compliance. Our company's approach to the tax authorities is based on fairness and respect. Opinions and requests from colleagues or external partners are analysed in the light of legislative provisions and the conclusions of these analyses, if reliable, are implemented within the company.

### Tax approach

Economic impact on the local economy for the reporting period	
Total revenues recorded by the company at the end of 2023	5 818 758 037 RON
The economic impact the company had on the local economy in 2023 through payroll payments	185 148 059 RON
The economic impact the company had on the local economy in 2023 through local tax payments	695 715 RON
Financial information	
Operational costs	95 529 339 RON
Net sales	4 087 128 393 RON
Taxes and related charges	4 396 231 RON
Direct economic value generated and distributed	
Employee salaries	185 148 059 RON
Value of employee benefits	14 016 277 RON
Volume of sales	3 548 148 RON
EBIT (profit before tax)	222 152 906 RON
Investments	
Total real estate investments	0 RON
Total investments in shares or bonds	3 824 260 155 RON
Total investments in derivatives	0 RON
Total mortgage investments	0 RON

## 4.4. RESPONSIBLE INVESTMENT

During 2023, Groupama outsourced its asset management activity to Groupama Asset Management, a Group company with extensive investment experience and a pioneer in responsible investment. This strategic decision strengthens our expertise and helps us to move towards sustainable investments.

As a member of the group, we have made a firm commitment to act towards a responsible investment policy. Concrete actions to reduce our carbon footprint and contribute to the global fight against climate change are at the heart of our Group's investment strategy. In line with the Group-wide policy, a pioneer through Groupama Asset Management in responsible investment, Groupama also includes in its investment policy the sustainability risks (environmental, social and governance factors) arising from extra-financial events that may affect the value of the portfolio.

The listed assets delegated to Groupama Asset Management benefit from an integrated ESG analysis, analysing the risks and opportunities of these issuers based on the 3 pillars:

- **Environment:** analyzing the positioning and adaptability of companies in the face of the energy and ecological transition, as well as the impact of company activities on the environment.
- **Social:** analysis of the company's human capital with regard to the three transitions and analysis of the company's social impact and its contribution to sustainable development objectives.
- **Governance:** an analysis of how the company is managed and controlled and its relationship with its shareholders, board and management, as well as the extent to which sustainable development issues are integrated.

For sovereign bonds, Groupama Asset Management also provides a country risk analysis, integrating the potential impact of environmental and social factors on a country's business climate.

The Sustainable Investment Policy also includes a commitment to exclusions to help control sustainability risks in the investment portfolios and to comply with the Group's commitments.

### Coal exclusion commitment

In 2020, the Group is committed to fully exit the thermal coal value chain in its investment portfolios by 2030 at the latest in the European Union and OECD (Organization for Economic Co-operation and Development) countries and by 2040 in the rest of the world.

In order to achieve this total exit from coal financing, Groupama commits not to renew any investment and to gradually withdraw from all companies:

- whose turnover or energy production mix is more than 20% based on thermal coal
- with an annual coal production of over 20 million tons
- with an installed capacity of coal-fired power plants exceeding 10 GW
- that develop new coal capacity.

This commitment applies to all investments held directly or through mandates (excluding sovereign bonds and derivatives) and dedicated funds managed by GAM (excluding index strategies) at Group level.

### Commitment on unconventional fossil fuels

The Group is making a progressive commitment to unconventional fossil fuels by eliminating all new direct investments in companies developing new unconventional oil and gas projects.

Locally, through our performance indicators, we strengthen our position as a responsible and forward-looking player in the financial market.

Responsible Investments	2023
Total number of investments incorporating environmental, social and governance (ESG) criteria	8
Total value of securitization proceeds for which environmental, social and governance (ESG) factors have been taken into account	0 RON
Total value of revenue from transactions for which environmental, social and governance (ESG) factors have been taken into account	1 366 232 RON
Total value of investments incorporating environmental, social and governance (ESG) criteria	29 214 033 RON

## 4.5. RISK MANAGEMENT

### Explaining the material aspect

Risk management in our company is defined as a proactive and integrated approach that identifies, assesses and manages risks in an effective and responsible manner. We are committed to protecting the interests of our clients by implementing robust policies and procedures that ensure financial stability and respond effectively to changes in the business environment and market.

### Managing the material aspect

Groupama has integrated a risk management system in accordance with the guiding principles of the group to which it belongs and with the requirements of the Solvency II regulatory requirements, in order to ensure efficient and prudent management based on the principle of proportionality. The risk management system, which is a component of our governance system, enables identifying and controlling the risks to which the company is or may be exposed.

Within our company, the Risk Management Department coordinates the implementation of the risk management system, taking into account the risks to which the company is or could be exposed, including sustainability risks.

The company's Risk Management strategy is in line with the company's strategy and the regulations in force and aims to maintain a balanced risk profile by:

- Breaking down objectives into component elements at all levels, communicating them and the degree of achievement
- Developing appropriate governance in relation to corporate strategy and monitoring systems
- Continuously improve performance indicators and monitor them so that warning signals can be identified at the right moments
- Portfolio diversification by business lines, customer type, geographical areas
- Underwriting a portfolio of risks for which the company has the necessary skills and experience and which have limited volatility
- Prudential underwriting, portfolio supervision and provisioning practices
- Investment policy that allows diversification of risk across several asset classes and avoids excessive concentration on one issuer, i.e., in the case of bonds, on the same maturity
- Active liquidity management, taking into account obligations to customers;
- Appropriate reinsurance programme
- Use of operational risk mitigation techniques (internal control system, business continuity plans, cyber security and disaster recovery plan, protection and security measures for people and assets).

Within our company, processes are implemented to identify, measure, monitor, manage and report risks, and the results are integrated into the decision-making process.

The systems of governance, risk management and internal control are implemented in such a way as to ensure cross-cutting coordination and appropriate monitoring of strategic components, as well as the appropriate level of decision-making and accountability, with a transparent flow of reporting and communication at the administrative and executive management level.

Our company has a capital management policy in place to ensure a sufficient level of capital in line with Solvency II regulatory requirements and to maintain solvency capital ratios in line with risk appetite. Within the capital management framework, we also consider the definition of the dividend distribution policy in line with the Group's objectives and also with the prudential indicators achieved and estimated over the business plan horizon.

In the case of dividend payments, the capital management policy ensures that the SCR coverage is maintained at a satisfactory level, with a prudential solvency threshold defined from which dividends can be distributed to cope with potential shocks, depending on the dynamics of the macroeconomic situation.

Liquidity risk management is primarily based on creating a portfolio of easily liquidable assets, which the insurer can have recourse to if needed, and on accurate forecasting of financing needs in terms of their magnitude and regularity.

Liquidity risk is managed by implementing risk limits on the allocation of financial assets and classifying the bond portfolio as AFS (available-for-sale) assets in order to have access to liquidity (through sale) if necessary.

During 2023, for portfolio optimisation reasons, the company decided to discontinue the use of derivative financial instruments such as forward contracts on currency pairs. By the end of the year, the investment portfolio no longer had exposure to this type of financial instrument.

## 4.6. INDIRECT ECONOMIC IMPACT

### Explaining the material aspect

We are committed to carefully assessing and managing the indirect economic impact of our activities. We recognize that this impact can be significant and can influence the long-term sustainability and success of our organization and the communities and environment in which we operate.

For us, the indirect economic impact is represented by the scale of our investments in the network of offices and agencies in which we operate, Groupama being present (with its own or rented offices) in the capital and in every county in the country. As a financial services provider, our business is office-based, with a relatively limited impact on the environment. However, we place significant importance on the positive impacts we can generate on local communities and economies.

We are also aware of the impact that climate risks have on the smooth running of our business and the continuity of our business. We assess these risks and implement business continuity plans (BCPs).

### Managing the material aspect

With 110 offices (27 owned and 81 rented), Groupama has a territorial presence in every county of the country and in the capital.

The management of Groupama's premises and the implementation of investment projects are the responsibility of the "Continuity Plan and Technical Projects" Department.

The investments made during 2023 in the infrastructure of the premises are 914,572

RON, representing mostly investments in combined photovoltaic panel and heat pump systems, equipment and climate-friendly technologies, as follows:

- Install/finalize the implementation of photovoltaic systems and heat pumps in headquarters
- Boosting the power of photovoltaic panels
- Installing optimizers for photovoltaic systems at central offices
- Back-up system with two pumps in parallel, with rotary operation for the heat and water booster pumps installed at the central offices.

Decisions on infrastructure investment are based on feasibility studies assessing both financial and non-financial benefits. An important aspect in decision making is sustainable development objectives and ESG criteria.

In 2023, investments in infrastructure were made mainly in our own premises. We will continue to invest in photovoltaic systems in our territorial units and in the installation of heat pump air-conditioning systems in other territorial headquarters, thus contributing to optimizing energy consumption and ensuring greater comfort for our staff.

### Performance in figures

The costs associated with the investments made during 2023 in the infrastructure of Groupama's offices amounted to 914 572 RON, mostly representing equipment and technologies designed to increase the performance of previously installed systems.

The value of significant infrastructure investments and supported services that also provide a public benefit	2022	2023
	1 564 288 RON	914 572 RON

## 4.7. DATA PROTECTION

### Explaining the material aspect

Data protection is a key material aspect for our company. We take our responsibility to protect our customers' personal information and are committed to implementing practices to ensure security and confidentiality. We strictly adhere to data protection regulations and are constantly working to ensure that our customers' data is secure.

### Managing the material aspect

The protection of personal data is a fundamental right, enshrined in the Charter of Fundamental Rights of the European Union. In order to ensure compliance with personal data protection legislation and to monitor the implementation of personal data protection measures, we have appointed a Data Protection Officer (DPO), who is supported in his work by the process managers in each division and department.

Our company has implemented policies, procedures, workflows and technical and organizational measures to ensure compliance with the General Data Protection Regulation (GDPR), to ensure that customer data is processed lawfully, transparently and to prevent breaches of data privacy and security. In a nutshell:

- The Personal Data Governance Policy represents our commitment to ensuring that fundamental freedoms are protected in the processing of data.
- Data protection information notice on the processing of personal data, made available to each Groupama customer, clarifies the purposes and legal basis of the data processing, specifies the categories of personal data processed, the recipients/categories of recipients, the storage periods, respectively the rights of data subjects and how they can be exercised.
- The Personal Data Breach Management Procedure describes how these events are identified and handled within Groupama, namely: the analysis of the event, the necessary measures to eliminate the risks and to minimize the negative effects on the data subjects, the analysis of the need to notify the competent authority about the event and/or the data subjects.
- The Data Subject Rights Management Manual sets out the responsibilities and how to respond to third parties' requests to exercise specific rights under the General Data Protection Regulation (GDPR).

In 2023, Groupama did not receive and was not the subject of any complaints relating to personal data breaches.

Data protection and handling complaints about personal data breaches are the responsibility of the Data Protection Officer (DPO) function. Requests to exercise the rights under the General Data Protection Regulation (GDPR) or complaints about data breaches can be sent to Groupama by any means of communication and will be forwarded to the DPO function for assessment and response.

Any complaints about data security breaches are handled in accordance with the Internal Procedure for Personal Data Breach Management. Thus, each complaint involves the following mandatory steps: analysing and assessing the incident, taking the necessary measures to mitigate the risks and adverse effects on affected individuals, and determining whether it is necessary to notify the competent authority and/or the data subjects. The notification of the data subjects is made directly by our company, including information describing the incident and the nature of the personal data breach, describing the likely consequences of the personal data breach, and indicating the measures taken by our company to mitigate the effects.

In order to prevent the risk of personal data breaches from materializing, Groupama has implemented a number of technical and organizational measures. Technical measures are detailed in the chapter on cybersecurity, while organizational measures include the development and implementation of specific policies and procedures, the training of its own staff, and the inclusion of specific clauses in contracts that also involve the processing of personal data.

To ensure continuous improvement of personal data security processes, regular risk assessments are carried out to identify potential vulnerabilities. These assessments are presented at Risk Committee meetings. The monitoring of incidents and requests to exercise General Data Protection Regulation (GDPR) rights enables an understanding of their causes. In the context of detailed analysis of each incident, solutions are identified to improve existing processes.

Indicator name	2022	2023
Number of substantiated complaints from regulators about customer breaches and loss of customer data	0	0
Number of substantiated complaints received from customers or other external stakeholders about breaches of customer privacy and loss of customer data	1	0
Total number of identified leaks, theft or loss of customer data	0	0

## 4.8 CYBER SECURITY

### Explaining the material aspect

Cyber security is a key priority for our company. We are actively involved in protecting our customers' businesses and information from threats in cyberspace, utilizing advanced solutions and constant monitoring of our security, data protection and operations against cyber-attacks.

### Managing the material aspect

We believe that effective information security management can only be achieved through the implementation of security solutions and tools that can detect and resolve any type of incident. Thus, we have ensured that all Groupama employees are properly trained to prevent and optimally manage such situations. We attach great importance to these issues and consider this subject to be a benchmark for the smooth running of our business. Within the company, cyber security is monitored by the IT Security Office. We are constantly taking technical and organizational measures to maintain data security in accordance with industry standards.

The ISO 27001 certification obtained validates the security and operational controls and security policies in place to help us protect our information, devices and digital assets.

An audit is carried out annually to verify the specific controls and procedures in place for recertification.

All spam/phishing attempts reported by users are analysed by the security specialist and all necessary actions are taken to secure the information.

All users are trained and tested annually on the most known security threats. We remotely access our company's information via secure VPN using certificate-based authentication, and SaaS (Software as a Service) access for integrations is restricted via VPN lines.

Annual penetration tests and vulnerability scans are performed by certified partners, and based on the report received from them, new security solutions are implemented or identified vulnerabilities are corrected.

All of our mobile devices are encrypted and we use SIEM technology, which helps us to have visibility into network activity so that we can respond quickly to potential cyber attacks. Events collected in SIEM are monitored 24/7 by a dedicated team.

### Performance in figures

Indicator name	2023
Total number of cyber security breach incidents	1
Number of employees trained on Cyber Security	1 216

# PRODUCTS AND SERVICES

# 5

WE ARE A RELIABLE PARTNER FOR OUR CUSTOMERS, OFFERING THEM PRODUCTS AND SERVICES THAT ENSURE CONTINUITY OF THEIR PLANS WHEN FACED WITH UNFORESEEN MOMENTS.

Material aspect	Economic impact	Social impact	Environmental impact
Portfolio of products and services	Our products and services contribute to the development economic by protecting and defending public and private integrity, by ensuring continuity of	Our insurances offer people, companies or entrepreneurs a sense of security and the reassurance of a partner they can rely on when faced with unforeseen events; encourages prevention and risk awareness. At the same time, our health insurance products contribute to health promotion and disease prevention.	Our portfolio includes products specifically designed to support customers in the event of natural disaster events such as floods, storms, landslides and other consequences of climate change. We also offer insurance products impacting energy efficiency and low-carbon technologies designed to benefit the environment.
ONLINE Services	Our innovative online services are available for our customers, many of them, being introduced in premiere on the Romanian market by our company.	Our company offers numerous online services, from medical support platforms, to video assistance and chatbots. We consider that customizing services, will help us to have a positive social impact.	Every time when we have developed online services, we considered the protection and the optimization of resources, including those provided by the environment.
National and international brokerage and leasing services	Through the services offered, we contribute to stability and viability economic of the industry leasing.	Urban mobility is supported by our company through the motor insurance policies that provides support drivers in the case a road accident.	By collaborating with leasing' companies we do not encourage the use of old vehicles, practice that leads to pollution of the environment. Using services leasing development technology is encouraged the utilization of less used vehicles which are less polluting.

Partnerships and strategic development	Our set of values and business' principles stands at the basis of the evaluation of the current and potential suppliers of goods and services. The values and our principles described in this code applies to both us as well as to the businesses' partners, but also to their subcontractors. We support economic' well-being of our company through strategic partnerships, generating at the same time a positive economic impact.	At Groupama we make sure that, together with our suppliers, we respect the standards regarding working conditions safe and apply ethical practices in labour relations, generating a consistent social impact.	We are mindful of the impact which our chain of supply has it on the environment.
Responsible marketing and communication	One of our priorities is to build a relationship of trust with our partners and customers, a relationship based on fairness and mutual respect. We monitor and treat all incidents of non-compliance on products and services offered, as well as on marketing communications. By integrating ethical practices into our marketing activities, we help to enhance our company's reputation, attract more customers who will buy our products and be supported in uncertain situations, resulting in economic stability, financial security, risk management and investment promotion.	We pay close attention to our customers' feedback, which helps us to improve our services, offer them experiences that meet their expectations and develop ourselves. Thanks to this approach, based on responsibility and transparency, we generate a significant positive social impact.	Digital marketing campaigns enable our company to contribute to the reduction of paper waste, thus avoiding the production of waste. Marketing and communication within our company is also carried out with clear, accurate and not exaggerated information about our environmental achievements and commitments, enabling customers to make an informed choice.

## 5.1 PORTFOLIO OF PRODUCTS AND SERVICES

### Explaining the material aspect

At Groupama, we are committed to developing quality products and services focused on our customers' needs every day. We focus on providing insurance services that put people at the center and give customers the security of knowing that they have a partner they can rely on. We are particularly concerned about the impact our services and products have on the environment and society.

Our values guide our daily activities. Thus, dedication helps us to become a reliable partner in people's lives, proximity helps us to be close to people, and

solidarity and responsibility help us to build quality relationships with our partners and customers.

We are the leading insurance market leader in Romania, part of an international insurance and financial services group, mutualist and with a history of over 100 years, recognized for the quality of our services and flexible insurance solutions.

### Managing the material aspect

The control and monitoring of the management of material aspects is realized through the existing policies and procedures in our company:

#### *Insurance Product Governance and Monitoring Policy*

This policy covers all lines of business, and its main objective is to define governance principles in accordance with the Group's policy, regarding the design, significant changes, distribution, and monitoring of products marketed by Groupama across all lines of business, aimed at ensuring consumer protection rules.

#### *Underwriting and Reserving Policy*

The underwriting and reserving policy is aligned with the Group's general underwriting and reserving policy and takes into account the strategic development plan validated by the Group, the Company's own characteristics and those of the market, while complying with the regulations in force. It is part of the risk management system described in the general risk management policy. The risk management system is one of the elements of the governance system implemented by Groupama - it makes an important contribution to controlling the risks to which the Company is exposed.

#### *Product Development Procedure*

This procedure describes the set of actions and measures applied within Groupama regarding the development of insurance products and also regulates the necessary steps to be followed in the product development process, the monitoring process and the product review process.

### Social impact

Health insurance has become an important element in the social and economic landscape of the modern world. With rising health risks and ever increasing medical costs, health insurance is an essential tool against significant financial expenses for our clients.

In addition to financial security, health insurance, such as Comprehensive Health Insurance, contributes to health promotion and disease prevention. By facilitating access to preventive services, such as regular medical check-ups and investigations or annual screening packages, health insurance encourages people to maintain their health and prevent the onset of serious diseases.

In addition, we offer our customers the Ask a Doctor service, an innovative remote medical support (chat) platform, through which Groupama customers benefit from free medical advice in the form of micro-consultations offered by real licensed doctors, via WhatsApp, Facebook Messenger, Telegram or SMS.

They can turn to this solution at any time, either as a first consultative and preventive step or when they have no access to other solutions, they obtain an initial diagnosis and a confirmation from an authorized source of the need to schedule a consultation or investigation in a medical or hospital unit.

Percentage of significant categories of products and services for which health and safety impacts are assessed for improvement*	98.27%
Number of policies incorporating criteria that promote health, safety responsibility	19 220

*\*In the year 2023, the Comprehensive Health Insurance product accounted for 98.27% of the total insurance premiums associated with health insurance*

## Environmental impact

Our most important partner is the client, who is at the center of our activity. We develop simple and flexible products, adaptable to the diverse needs of our clients, to ensure the continuity of their plans despite unforeseen events. We constantly invest in our relationship with them and provide support in adapting to environmental changes through:

- Identifying and analyzing risks and the various elements that influence their occurrence;
- Importing know-how, both from within the Group and from the experience of other countries;
- Engaging in ongoing dialogue with business environments to align in real-time with their needs;
- Offering suitable and affordable insurance solutions.

We provide our customers with impactful insurance products in energy efficiency and low-carbon technologies designed to deliver environmental benefits.

Such coverage, launched in 2023, is the Rider for Photovoltaic Systems Insurance - dedicated to individual clients who purchase the optional home insurance with extra coverages - ALEXA.

This cover can also be granted to corporate customers who take out an optional Fire and Other Catastrophe Insurance.

Photovoltaic systems contribute to protecting the environment by producing renewable energy with the help of photovoltaic cells, transforming solar energy into electrical energy, thus helping to protect the environment by reducing the impact on climate change.

We attach great importance to the relationship with our customers, offering them support in adapting to environmental changes, advice on prevention and optimal insurance solutions.

We stand by local communities and work with them for sustainable development by developing insurance solutions tailored to their needs.

Groupama has introduced for the first time in Romania, through the Autocontrol Rider, CASCO Telematic Service, through which customers can reduce the price of their CASCO policy if they have a preventive driving style. With the help of a telematic device installed in the car and a mobile application, they can constantly assess their driving style and accumulate discounts.

Additionally, the number of kilometers driven is one of the factors taken into account for determining the score, with a lower number of kilometers resulting in a better score for the client.

In 2023, electric vehicle insurance experienced the highest growth within the optional motor insurance product, CASCO.

The use of electric vehicles has a positive impact on the environment by reducing pollution and improving air quality for us and future generations.

The value of insurance premiums related to energy efficiency and low-carbon technologies exceeded 50 Mil Ron in 2023.

Number of products designed to provide a specific environmental benefit for each activity line, broken down by purpose	3
Net value of premiums for insurance related to energy efficiency and low carbon emission technologies	50 215 232 Ron

## The insurance products available to our customers are detailed below:

### 1. Health insurance

- Comprehensive Health Insurance
- Health insurance - hospitalization and surgery
- AMD medical insurance

### 2. Life and accident insurance

- Life insurance with return of premium - a new product added in 2023 that combines cover in the event of death due to illness or accident with a benefit at the end of the premium payment period, the customer receives a return of a percentage of the premiums paid for this insurance. The client can choose between two premium return percentage options: 30% or 50%, can include additional insurances and, if desired, opt for inflation protection and premium indexation during the contract term.

- Death protection insurance
- Death protection insurance with decreasing sum assured
- Private Death Insurance with payout in “24 Hours
- Mixed Life insurance
- Life insurance with savings for children
- Life and unemployment insurance

### 3. Insurance offering Employee Benefits

- Collective comprehensive health insurance
- Group health insurance - hospitalization and surgery
- Group life insurance for employees
- Collective Accident Insurance
- Group insurance for traveling abroad
- Group insurance for traveling in Romania

### 4. Motor third party liability insurance, including carrier’s liability

- Motor liability insurance
- Carrier’s liability insurance for goods transported
- Carrier’s liability insurance for damage to passengers caused by transport accidents
- Liability Insurance for road transport operators

### 5. Other land vehicle insurance

- Optional motor insurance - CASCO Gradual
- CASCO Fleet Insurance
- Agricultural machinery insurance
- Rail insurance

### 6. Marine and transportation insurance

- Marine and inland water vessels and pleasure craft insurance
- Insurance of goods during CARGO transportation (goods in transit)Cash & other valuables insurance (Transport)

### 7. Fire and other property damage insurance

- Home insurance
- Insurance against fire and other disasters
- Insurance for electronic equipment
- All-risks insurance for construction-assembly works
- All-risks insurance for the constructor’s machinery and equipment
- Cash and other valuables insurance (Storage)
- Insurance against accidental damage to machinery and equipment
- Agricultural insurance with subsidizable premium
- Standard agricultural crop insurance
- Animal insurance
- Bird insurance
- Insurance for vines and fruit trees

### 8. General liability insurance

- Legal liability insurance
- Professional indemnity insurance
- Directors’ and executive directors’ liability insurance
- Railway operator liability insurance
- Freight Forwarders’ Civil Liability Insurance

### 9. Travel insurance

- Insurance for traveling abroad
- Travel insurance in Romania

For the whole list of products detailed above, we have analyzed the eligibility of underwriting activity for the purpose of the EU Taxonomy scope and identified those products that cover by terms and conditions “climate-related hazards” so that we can determine the percentage of the portfolio that covers climate change risks according to the indicators set out in Article 8 of the Taxonomy Regulation.

As a result of the analysis, the following business lines covering climate-related risks, as set out in the legislation, have been identified:

1. Fire and other property insurance;
2. Other motor insurance
3. Marine and transportation insurance
4. Travel insurance

We mention that the line of fire and other property insurance represents the main line of insurance in our analysis, considering the large number of insurance products that fall into this line, but especially because these products fully or partially cover climate-related hazards. We mention here: crop insurance, home insurance, and property insurance as extremely important types of insurance products that bring substantial benefits by covering damages that may arise from climate change for our policyholders.

The total gross premiums written in 2023 for these four lines of business exceeded 1.35 billion Ron.

Details of the lines of business and products we have assessed as eligible as well as information on the eligibility of premiums for general insurance business can be found in the dedicated Taxonomy chapter of this report.

Groupama’s products and services are sold through a complex distribution network, which includes all our trusted partners (brokers, banks, leasing companies) and our own retail channels (direct sales, agents, online and telesales).

One of our company’s top priorities is the quality of the relationship that we build with our clients and partners, a relationship of trust based on fairness and mutual respect.

Complaints can be addressed: directly to the Company, through the competent authorities other than the Financial Supervisory Authority or through the Financial Supervisory Authority.

The notification and registration of complaints can be done:

- In writing, by submitting them in person at the company's headquarters or in territorial agencies
- By courier or fax
- By phone, by calling the Alo Groupama Customer Relations Center at 0374 110 110
- Through the online petition system, at the email address: [sesizari.clienti@groupama.ro](mailto:sesizari.clienti@groupama.ro)

## Performance in figures

Insurance policies in 2023	
Number of policies in force - life insurance	45 813
Number of policies in force - general insurance	2 851 409
Number of policies addressed to individuals	2 168 825
Number of policies addressed to legal entities	728 397

## 5.2 ONLINE SERVICES

### Explaining the material aspect

Our online support services are an important facility for our customers, offering them quick and convenient access to information and support. Our dedicated team is available to answer questions and provide real-time assistance, facilitating the process of registering claims or handling claims files

### Managing the material aspect

In 2023, we continued to provide access to innovative services, with digitalization remaining an important aspect of our client relationships. Clients also have the option for remote damage assessment, online claims notification, or electronic document signing. The year 2023 was a year of investments in IT infrastructure and artificial intelligence. Investments also targeted processes and systems aimed at simplifying and personalizing the customer experience.

### Online Portal

Our online portal offers customers the possibility to easily and quickly purchase travel, home or personal liability insurance online. Customers have access to information about offers and policies taken out online, directly from their user account, and can pay for the policy in full or in installments.

### Online approval

Our customers can quickly and easily report damage online for:

- Car insurance - Casco and MTPL;
- Life insurance;
- Property and home insurance;
- Liability, transportation and special risks insurance.

### Video Asist

Customers can access our services via the Video Asist app, installed directly on their phone.

Through this app, they can report car damage and damage to construction or agricultural machinery, conduct risk inspections for motor insurance (CASCO, construction/agricultural machinery), or report interior damage for home insurance with extra cover.

**Remote damage assessment (CASCO)** means an improved experience for our customers, who benefit from services that are:

- **fast** - without the need to travel to an assessment point to open a damage claim file;
- **simple** - all they need to do is take photos, guided by the app;
- **accessible and convenient** - they can perform the assessment anytime and from anywhere, without disrupting their own schedule.

### Advantages:

- streamlining handling claims files process and sustainability, by conducting remote assessments we reduce the number of trips of the claims inspector;
- control - as customer eligibility is determined by an internally developed algorithm, the number of fraud attempts is reduced;
- results - the process retains the option of directing clients to service units that can perform repairs at optimal prices without compromising service quality, as well as the option of offering self-service, if necessary.

Number of employees trained about online support - total no. of employees who are trained to offer online services and products	75
The number of damage files managed on online platforms	149 572
Number of complaints from customers with policies issued online about breaches of their privacy	0

In 2023, 149 572 damage cases were managed through online platforms. This number includes the entire damage management process, from notification to offering and lodging the claim.

We use robots as an efficient solution for registering insurance policies or opening damage files in our systems. With established rules, robots can make autonomous decisions in certain situations, ensuring human intervention only when necessary.

Furthermore, we use robots that extract, sort and filter information from various applications or internal reports, preparing it for interpretation by our colleagues. This optimizes the data collection process and ensures that data is available for further analysis and use.

In addition to these internal tasks, the robots are also involved in various integrations with our partners, facilitating the exchange of information between the company and our partners, thus ensuring a smoother and more efficient experience.

Operations processed with RPA in 2023		
	Policies issued	126 601
Damages	No. of files opened	9 361
	Payment authorizations	95 885

## 5.3 NATIONAL, INTERNATIONAL BROKERAGE AND LEASING SERVICES

### Explaining the material aspect

At Groupama, we are constantly striving to develop sustainable, long-term partnerships with our partners in all distribution channels, based on good communication and constant support, while offering quality services.

Through our partners we connect customers with the best insurance offers tailored to their needs.

Every aspect of our activity is guided by our commitment to the satisfaction and success of our clients, and we are convinced that a long-term partnership is based on trust, honesty, and mutual respect.

### Managing the material aspect

Groupama has a complex distribution network that includes all our trusted partners (brokers, banks, leasing companies) and our own retail channels (direct sales, agents, online and telesales).

Our strong reputation is based on the confidence that customers, shareholders, employees, partners and the public have in the performance and integrity of our company.

In the context of its business, increasing customer satisfaction is a permanent objective for Groupama, a real differentiator in a market where only quality of service can be a sustainable strategic advantage.

Through the policies and procedures that govern our business, Groupama is committed to implementing fair and honest practices in our professional activities, to complying with all applicable legislative regulations, the standards set by the regulatory and supervisory authority, as well as the company's policies and strategy, in line with the values and commitments assumed by the Company's Code of Conduct and the Group's Charter of Ethics.

The rules of conduct established within the company shall also apply in the conduct of the business of the company, intermediaries and auxiliary insurance intermediaries, in order to ensure fair treatment of customers and to avoid unfair, fraudulent or abusive practices.

The relationship with brokerage and leasing companies is managed centrally within the company through specialized departments.

The Code of Conduct on Business Ethics and Compliance defines the general framework and contains minimum standards addressed to all employees regarding the prevention of situations that could call into question the integrity of the company and the Group to which it belongs.

During the reporting period, we had a total of 109 employees involved in the management of Groupama's brokerage and leasing activities, who have been trained on the Code of Conduct. In 2023, we had no complaints of breaches of customer confidentiality for brokerage and leasing services.

### Performance in figures

Performance indicators	2022	2023
Total number of international brokers	17	17
Total number of local brokers	226	220
Total number of leasing partners	26	32

## 5.4 PARTNERSHIPS AND STRATEGIC DEVELOPMENT

### Explaining the material aspect

At Groupama, we focus on establishing and maintaining strong partnerships with all our collaborators in order to provide solutions tailored to the needs of our customers. We engage in a continuous process of analysis and strategic planning to ensure that we are prepared to meet the challenges and opportunities in the marketplace. One of our core missions is to build quality relationships with our partners and clients. We are convinced that a long-term partnership is based on trust, honesty and mutual respect, values that also guide our day-to-day activities. We expect our suppliers to respect and adhere to our Code of Ethics and Professional Conduct as a guide for implementing their own principles, similar or comparable to ours, in relationships with their subcontractors and suppliers. We believe that only in this way can we add value to the society in which we operate. Strategic partnerships are very important to us, so we strive to respond to the needs of our customers and are constantly interested in innovation and technology. We also follow sustainability criteria when choosing our partners, such as:

- ensuring supplier diversity and the continuous development of the responsible supply chain in line with sustainability best practice;
- Include contractual clauses for compliance with national environmental legislation in all contracts.

All suppliers, including new ones, by signing the contract with Groupama declare that they will respect the code of ethics and professional conduct, which includes elements on environmental standards.

### Managing the material aspect

Procurement and selection procedures, policies and guidelines apply uniformly to all Groupama directorates, departments, divisions and offices involved in the procurement of goods and services.

We ensure an effective risk monitoring system by establishing clear standards, well-defined procedures for all aspects of procurement, including supplier selection, tender evaluation, contract management, procurement of goods and services, compliance with ethical values and principles in business relationships, and appropriate reporting of identified risks. We also ensure a system of approval within the limits of competence and authority.

We periodically conduct audits and reviews of the procurement process to identify deficiencies to ensure compliance with internal policies.

Through the use of a performance monitoring system we track and evaluate set targets as well as deviations from ongoing contracts. We also adhere to a specialized program to combat corruption and influence peddling, including the inclusion of contractual clauses at each contract renewal or new contract signature.

During selection processes, we assess possible risks associated with:

- The supplier's delivery capability
- Financial stability
- Financial performance recorded in recent years
- The size of the company
- The company's age

During the life of the contracts, the Budget Administrator is responsible for the relationship with the suppliers and the Procurement Officer is responsible for the new selection process and the renewal of existing contracts, with the aim of standardizing contracts and streamlining the procurement process for the following categories:

- General procurement and IT
- Damage partnerships

We do not make financial contributions to political parties at local, national or international level and remain politically neutral.

By implementing a system of verifying the real beneficiary before each contract is signed, we ensure the ethical principles of avoiding political funding.

In addition, we have a set of guiding principles that outline expectations of suppliers on key CSR/Sustainability issues, including human rights, working conditions, employee health and safety, the environment and business ethics.

In line with the Guiding Principles, we have designed a supplier assessment process to verify supplier compliance with sustainability. This verification consists of:

- Completing a detailed questionnaire on their environmental policy, practices and initiatives related to environmental protection, promotion of diversity and inclusion, respect for human and labour rights, and transparent and accountable corporate governance. This assessment can provide an overview of suppliers' commitment to sustainability.
- Verification of certifications and accreditations: providing certifications and accreditations related to environmental practices, such as ISO 14001 (Environmental Management) or other industry-specific certifications.
- Assessment of sustainability reports: check whether suppliers have published sustainability reports or similar documents to assess their sustainability commitment and performance.
- Evaluating the environmental performance of existing suppliers: assessing the environmental performance of existing suppliers provides important insights about how suppliers comply with environmental regulations.

Within the Requests for Proposal (RFP) or Requests for Quotation (RFQ), there are specific environmental requirements. These requirements provide suppliers with the necessary information to demonstrate their compliance with the established environmental criteria.

The organization verifies that suppliers comply with relevant environmental regulations and hold recognized sustainability certifications or accreditations, including social and governance dimensions.

Monitoring and reviewing the performance of active suppliers from a sustainability perspective. Once suppliers are selected, the organization annually monitors their environmental performance and periodically evaluates their relationships based on this performance.

Starting with the 2024 analysis, which will be completed in 2025, we plan to put in place concrete measures and action plans to support them in the green transition. We will actively monitor suppliers' progress in implementing sustainable measures that support ESG principles.

### Performance in figures

	2022	2023	Report 2023/ 2022 (%)
Total number of suppliers	1 254	1 288	2,71%
Total number of local suppliers	1 156	1 189	2,85%
Number of suppliers assessed for environmental impact	0	58	-
Number of suppliers assessed for social impact	0	58	-

Expenses with suppliers	2022	2023	Report 2023/ 2022 (%)
Total expenditure with suppliers	143 767 273	179 902 096	25%
Total expenditure with local suppliers	132 733 472	165 993 166	25%

	2022	2023	Report 2023/ 2022 (%)
Percentage of procurement budget spent with local suppliers(%)	92 %	92 %	0%

Suppliers' evaluation	2022	2023
Percentage of new suppliers that have been assessed using environmental criteria	0%	10%
Percentage of new suppliers that have been assessed using social criteria	0%	10%

## 5.5 RESPONSIBLE MARKETING AND COMMUNICATION

### Explaining the material aspect

An important aspect in the relationship with our partners and customers is the efficient, responsible and transparent communication with reference to the entire activity of the company. Information about our products and services, the evolution of the company and our main financial indicators is communicated with great care to comply with all legal requirements in force, through different channels and means. These include the company's website, which is regularly updated with information of interest, communication campaigns carried out on the company's own networks (website, social media), newsletters, as well as press releases, interviews or other articles. All these activities are managed by the Marketing, Communication and Customer Services Division, composed of the following departments: the Communication and Public Relations Department, the Marketing Department, the Voice of the Customer Department, the Market Research and Portfolio Department, the Customer Service Center.

### Managing the material aspect

Reprezentanții de vânzări și specialiștii din departamentul Centrul Servicii Clienti Sales representatives and specialists in the Customer Service Center department also promote our company's products and services in direct interaction with the customer. At the same time, interested parties can access useful information about us and our business through the chat-bot available on the company's website.

Customer satisfaction is measured through recurring quantitative and qualitative studies. In addition to the recurring studies that annually evaluate overall customer satisfaction within the Groupama portfolio, we assess satisfaction at key service moments (e.g., after a phone interaction, following damage assessment, and after the completion of damage management) immediately after interactions with customers. This approach allows us to obtain real-time feedback to continuously improve the services we offer to our clients.

According to surveys conducted by the company, all quality indicators showed increases compared to the previous year, in line with the company's constant focus on providing quality service at a fair price. Thus, in 2023, the average net satisfaction score was 80. This score is based on customer responses in satisfaction surveys conducted by Groupama at the end of the claims file, applied to all relevant products in the company's portfolio. The net score is calculated as the difference between the proportion of customers who were satisfied and very satisfied and the proportion of customers who were dissatisfied and very dissatisfied with Groupama in settling their claim file.

Prior to new product launches, we test market needs/appetite through opportunity studies, both market-wide, of potential customers and by gathering feedback from the sales force and distribution partners. At the same time, assessing customer needs is an ongoing process to ensure the suitability of insurance offerings, thus aligning with legislation on insurance distribution (IDD).

Both internal and external communication are aligned with internal working procedures designed to ensure standards and unity of communication.

There were no incidents of non-compliance in relation to marketing communications during the reporting period and there were no financial losses as a result of legal proceedings associated with marketing and communication actions.

### Performance in figures

Performance indicators	2022	2023
The total number of incidents of non-compliance with regulations and/or voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	0	0
The total number of incidents of non-compliance with regulations and/or voluntary codes regarding customer information	1	1
Ratio of no. of customer complaints to 1 000 complaints	0.08	0.09
Customer retention rate*	73	77
The total amount of monetary losses incurred as a result of legal proceedings associated with the marketing and communication of information related to insurance products	0	0

*\*(no. total customers at end 2023 - new customers)/(customers at end 2022)*

The slight increase in the claims ratio and customer retention rate comes as a result of the significant growth in the portfolio of policyholders, especially compulsory motor insurance customers, which has changed the structure of Groupama's portfolio compared to previous year.

# AWARDS AND COLLABORATIONS



## **AWARDS OBTAINED IN THE REPORTING YEAR/ MEMBERSHIPS:**

### **AFFILIATIONS:**

Our society is a member of:

- B.A.A.R. - Bureau of Motor Insurers in Romania;
- UNSAR - National Union of Insurance and Reinsurance Companies in Romania;
- PAID - Natural Disaster Insurance Pool;
- PIAR - Romanian Insurance Industry Employers' Association, ("Patronatul Industriei Asigurarilor din Romania").

### **AWARDS:**

#### **Top Employer**

For the sixth consecutive year, in January 2023 we were certified as a Top Employer by the Top Employer Institute in the Netherlands. The certification, awarded by the most prestigious institute in the field, is based on a rigorous assessment of employers' human resources practices, processes and policies compared to the best international practices. Among the aspects assessed are the human resources strategy, the development of learning and development programmes, talent management, remuneration and benefits, organizational culture, the technologies used, as well as the support and involvement of the top management team, criteria in which Groupama has differentiated itself as an employer. The evaluation process also included aspects related to Work from Home practices, Hybrid Work, virtual hiring, and business sustainability.

#### **Company of the Year**

In 2023 Groupama won the grand prize, Company of the Year, at the 2023 Insurance Market Awards Gala.

#### **Best life insurance product**

Award for the Life Insurance with Premium Return product at the UNSICAR Awards Gala, organized by the professional association of insurance brokers.

#### **Best insurance communication campaign**

Awarded for creativity and impact in promoting first aid techniques to a significant number of people across the country through the Life Savers programme.

#### **Special Award for "Insurers - Brokers Partnership"**

Award received at the 2023 Insurance Brokers Gala, granted based on votes from the leading brokers in Romania.

#### **GOLD in the Community Index for the Life Savers programme**

The "Life Savers" programme received the Gold award according to the Community Index 2023 in the "Health" category. The Community Index is the only tool in Romania dedicated to evaluating community investment projects, with over 800 CSR projects, programmes, and initiatives registered in 2023, structured across 19 categories.

#### **SILVER certification for the Groupama 2022 Sustainability Report**

Groupama's 2022 Sustainability Report has received the SILVER distinction in the CST Index, the only ranking in Romania that assesses sustainability indicators such as sustainability management or economic, environmental and social impact.

#### **Lean Six Sigma Gold Organization Certification**

Groupama is certified as a Lean Six Sigma Gold (LSS) organization. The evaluation, conducted by the International Lean Six Sigma Institute (ILSSI) in the UK through its local partner Enviso, demonstrated that after 6 years of investment in performance management, Groupama has embedded a culture in its business model that focuses on creating value for the customer through continuous improvement.

# GRI / SASB Index



**Statement of use:** Groupama Asigurari SA has reported the information cited in this GRI content index for the period 1st of January 2023 - 31 of December 2023 with reference to the GRI Standards.

**GRI 1 used:** GRI 1: Foundation 2021

**Applicable GRI Sectoral Standards**

GRI standard reference / Alternativ source	DISCLOSURE	PAGE	OMISSION*			Sectorial Standard GRI ref. no.*
			REQUIREMENT OMITTED	REASON	EXPLANATION	
<b>GENERAL DISCLOSURES</b>						
GRI 2: General Disclosures 2021	2-1 Organizational details	11,12,13,14				
	2-2 Entities included in the organization's sustainability reporting	5,17				
	2-3 Reporting period, frequency and contact point	5,6				
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	2-5 External assurance	6				
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	2-7 Employees	8,69				
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	2-10 Nomination and selection of the highest governance body	83,84				
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	2-12 Role of the highest governance body in overseeing the management of impacts	23, 85				
	2-13 Delegation of responsibility for managing impacts	88				
	2-14 Role of the highest governance body in sustainability reporting	88				
	2-15 Conflicts of interest	94,95				
	2-16 Communication of critical concerns	95				
	2-17 Collective knowledge of the highest governance body	89				

GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	89				
	2-19 Remuneration policies	89,90,91				
	2-20 Process to determine remuneration	91,92				
	2-21 Annual total compensation ratio		Omission	Information unavailable/incomplete	Processes and procedures in development	
	2-22 Statement on sustainable development strategy	10,11				
	2-23 Policy commitments	92				
	2-24 Embedding policy commitments	92				
	2-25 Processes to remediate negative impacts	92, 93				
	2-26 Mechanisms for seeking advice and raising concerns	96				
	2-27 Compliance with laws and regulations	93				
Non GRI	2-28 Membership associations	126				
	2-29 Approach to stakeholder engagement	17,18				
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SASB - INVESTMENT BANKING & BROKERAGE	FN-IB-410a.1 Total value of revenues from transactions for which environmental, social and governance (ESG) factors have been taken into account	101				
SASB - INSURANCE	FN-IN-410a.2 Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	100,101				
<b>Ethics and responsible business</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	94,95				

GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	95,96				
	205-3 Confirmed incidents of corruption and actions taken	96				
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	96,97				
	FN-IB-510b.1 Number and percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	96,97				
	FN-IB-510a.2 Description of whistleblower policies and procedures	95				
	FN-IB-510b.2 Number of mediation and arbitration cases associated with professional integrity	97				
	FN-IB-510b.3 Total amount of monetary losses as a result of legal proceedings associated with professional integrity	96,97				
	FN-IB-510b.4 Description of approach for ensuring professional integrity, including fiduciary duty	96				

#### Economic Performance

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GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	99				
	207-2 Tax governance, control, and risk management	98				
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SASB - INSURANCE	FN-IN-410a.1 Total invested assets by industry and asset class	99				
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GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	105,106				
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GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	106,107				
Non GRI	Number of employees trained in Cyber Security	107				
Non GRI	Total number of cyber security breach incidents	107				
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\*A gray cell indicates that reasons for omission are not allowed or that a GRI Sector Standard reference number is not available.



**Groupama**

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