



COMPAGNIE
EUROPÉENNE
DE GARANTIES
ET CAUTIONS

CEGC BUSINESS REPORT 2023

EDITO

In a world subject to energy, demographic, societal and geopolitical transitions, we all need peace of mind in order to move forward with our projects.

CEGC is fully aware of this need. Backed by Groupe BPCE and benefiting from the support of a broad pool of international reinsurers, we want to reiterate our core mission, by underlining five key words that guide our actions.

Support. As a specialist provider of sureties and guarantees, we exist to support the financing of projects for a broad array of economic and social actors.

Security. In order to reduce uncertainty and thereby facilitate risk-taking, we secure transactions and protect individuals and businesses.

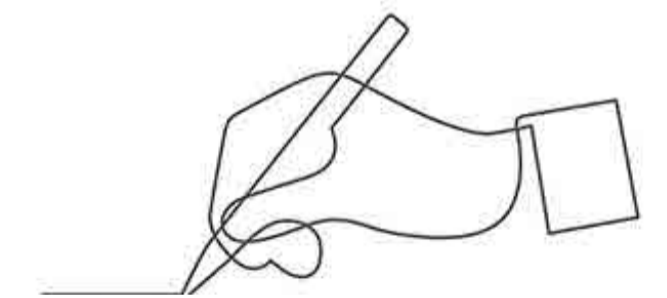
Ethics and Expertise. Two words that characterize our interactions with our ecosystem. We provide expertise to our clients and partners, primarily in the real estate sector, with the aim of building sustainable, ethical and responsible relationships.

Lastly, **Trust**, a word that encapsulates the role we wish to continue to play for our clients and partners: that of a trustworthy partner.

CEGC, a trustworthy guarantor



Anne Sallé-Mongauze
Chief Executive Officer, CEGC



A TRUSTWORTHY GUARANTOR



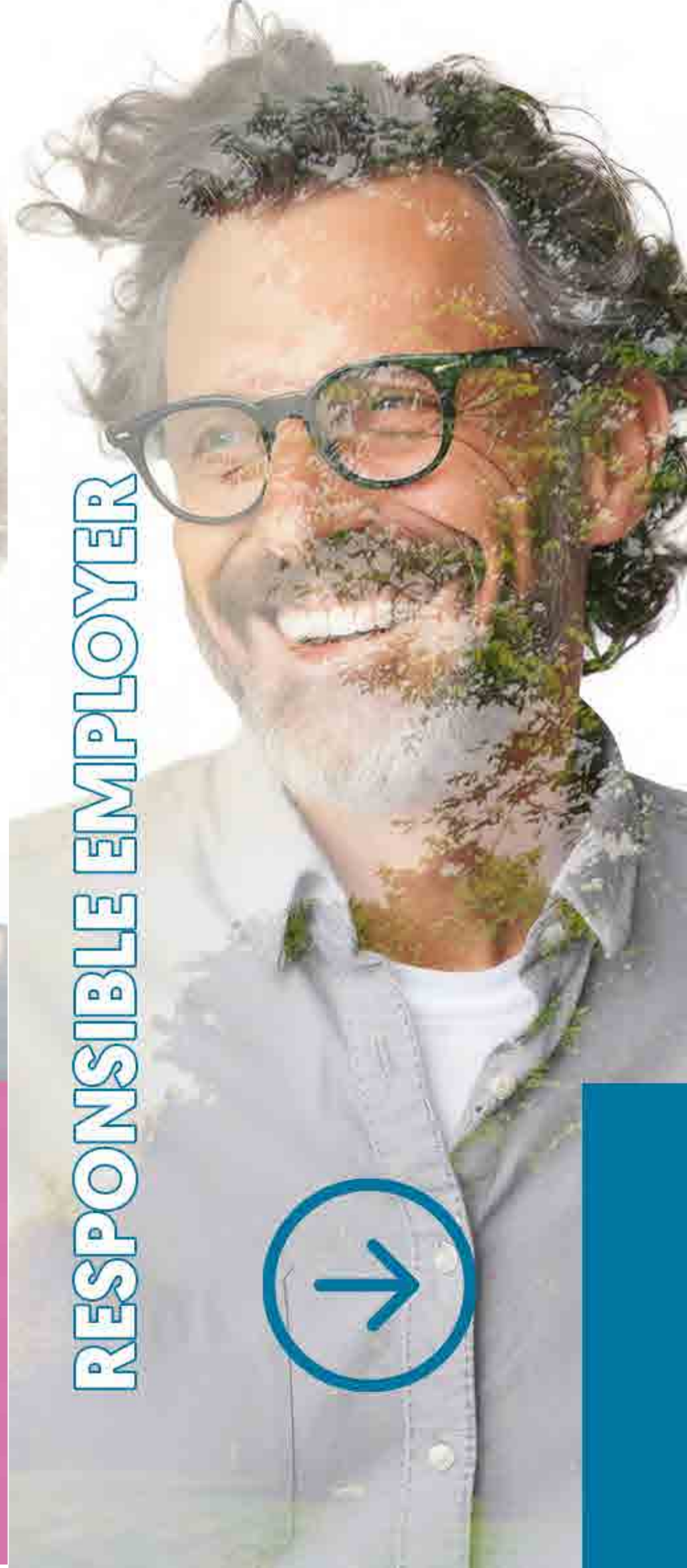
FINANCIALLY SOLID



ENGAGED AT OUR CLIENT'S SIDE



RESPONSIBLE EMPLOYER



CEGC, A TRUSTWORTHY GUARANTOR WHOSE SOLIDITY IS A PLEDGE OF SUPPORT FOR THE MARKET AND OUR CLIENTS' ACTIVITY

Trustworthy partner

Experts in sureties and financial guarantees¹, we are a member of Groupe BPCE, the second-largest banking group in France. We secure the projects and operations of our clients and the clients of our partners within Groupe BPCE, primarily in the real estate sector. Our financial solidity and the quality of our signature is reflected in our ratings with Moody's and DBRS².

Our lengthy experience enables us to furnish peace of mind to our clients. We can leverage over 50 years of data to analyze situations, understand ongoing events, view situations objectively and support transformation processes on an enduring basis.

Our multi-market coverage, proven risk-assessment expertise and financial solidity make us a pivotal guarantor on the market.



More information

Anne Sallé-Mongauze, Chief Executive Officer, presents CEGC



1. Insurance company governed by the French Insurance Code and licensed by the ACPR – Autorité de Contrôle Prudentiel et de Résolution, the French supervisory body for banking and insurance – Insurance sector - **2.** Both these rating agencies renewed their high ratings for CEGC in 2023 [A1 and A High, respectively]

CEGC GOVERNANCE

BOARD OF DIRECTORS

Catherine Halberstadt

Chairwoman of the Board of Directors
Head of Financial Solutions & Expertise
BPCE

Banque Populaire Aquitaine Centre Atlantique

Represented by Valérie Gillo

Banque Populaire Alsace Lorraine Champagne

Represented by Isabelle Laurent

Anne-Claude Pont

Chairwoman, Wilov

Bertrand Magnin

Chairman of the Management Board, Caisse d'Épargne Loire Drôme Ardèche

Caisse d'Épargne Grand Est Europe

Represented by Olivier Vimard

Caisse d'Épargne Normandie

Represented by Christophe Descos

EXECUTIVE COMMITTEE

Anne Sallé-Mongauze

Chief Executive Officer

Mohamed Aoulad-Hadj

Deputy Chief Executive Officer

PRINCIPAL STATUTORY AUDITORS

Guillaume Wadoux

Mazars

Sébastien Arnault

PricewaterhouseCoopers Audit

GROUPE BPCE ORGANIZATIONAL CHART



Thanks to our robust solvency, we can support financings on an enduring basis

Engaged at our clients' side in their risk-taking, we strive on a day-to-day basis to deliver a high-quality service and to work with them to overcome the challenges of a shifting real estate environment.

Our teams work in close proximity to our clients and serve them through their expertise. We are particularly attentive to clients who find themselves in difficulty and help them to resist and adapt.

KEY BUSINESS FIGURES >

We combine efficient digital solutions and personalized support from our experts, focused on three categories of products:

1

Loan guarantees for individuals, SMEs, companies and the social economy and public housing sectors;

2

Contractual, regulatory and tax guarantees for companies;

3

Financial guarantees and specialized insurance for real estate professionals: property managers and real estate agents, real estate developers and individual-house builders.

Dorra Kallel -
Head of Risk

Mohamed Aoulad Hadj -
Deputy Chief Executive Officer

Agnès Gervois -
Head of Claims
Management & Recovery

Anne Sallé-Mongauze -
Chief Executive Officer

Marie-Anne Reheul-Constantin -
Head of Marketing & Partnerships

Valérie Dumont -
CSR labeling Director
and Institutional Relationships



Océane Martin-Prével -
Head of Human
Resources & Continuous
Improvement, arrived
in Feb 1st 2024

Pascale Leblanc -
Head of General
Secretariat

Emmanuelle Renon -
Head of Business
Development, Customer
Relations & Underwriting

Alain Viret -
Chief Information
Officer

Aurélie Nicot -
Head of Finance
& Actuarial, Head of
Data Management



As an engaged guarantor, we believe in growth that combines responsibility and profitability

Beyond our business as an insurer, our ability to listen to needs and to understand our clients in depth, we incorporate responsible growth issues into our activities.

We strive for a more sustainable and more responsible form of growth. We consider corporate social responsibility to be a means of fueling a virtuous circle for our staff, clients and society. We take into account our clients' responsible practices, we are attentive to reducing our environmental footprint, we are engaged with non-financial performance issues, we engage for our staff and we support the values of sport and solidarity initiatives.

ENGAGED AND RESPONSIBLE TRUSTWORTHY PARTNER 

FINANCIALLY SOLID GUARANTOR AND ENGAGED WITH NON-FINANCIAL PERFORMANCE ISSUES

Despite the disruption in the real estate market for the last year or more, we posted good results in 2023. This performance testifies to our robust long-term business model and our financial solidity. In crisis periods, our mission is never clearer: apply a wise management approach and support the activity of our clients and their partners within Groupe BPCE.

Our resistant risk profile, a mark of confidence for our clients and partners

As a trustworthy partner, we help support activity on an enduring basis

- Our **gross exposures guaranteed amounted** to €292.6bn (+3% in the year to end-2023), demonstrating our ability to continue growing our portfolio of guarantees:
 - We are recognized for the quality of our guarantees. Our sureties for credit institutions comply with the eligibility requirements of the CRR¹ and France's Housing Finance Companies (SFH);
 - As an insurer, we are subject to the Solvency II Directive and supervised by the ACPR².

- **As a solid guarantor, we have the ability to support our clients in difficulty:**

- We compensated a higher level of claims than in previous years for individuals and individual-house builders, but the effort was contained thanks to the diversification of our activities;
- Behind every home loan in arrears and every building project compromised by the non-performance of a builder, there stands a family in difficulty. Aware of our role in these situations and their marked human and social considerations, we apply ethical operating principles when managing claims. We systematically assign priority to amicable solutions for recoveries. In 2023, over 85% of sales of property made to repay loans proceeded on an amicable basis.

- We **also position ourselves as a pivotal guarantor for companies**, and support building and construction industry firms and real estate professionals, including when conditions turn down:

- The diversity of our client base is a strength. We command proven risk-assessment expertise and in-depth knowledge of the real-estate ecosystem;
- We refine our analyses and improve our tools by harnessing data and artificial intelligence.

DATA & AI



We apply a prudent and responsible approach to managing our assets

- We benefit from **a diversified asset portfolio**:
 - We reduced the risk profile of our investment portfolio in terms of counterparties and duration, in response to high interest rates and market volatility.
- Our **investment policy has fully incorporated non-financial performance issues** since 2022:
 - In 2023, we improved the ESG (Environmental, Social and Governance) quality of our portfolio, reduced fossil fuel investments and introduced indicators to measure the impact of investments on biodiversity.
- We have reinforced our responsible investment approach in line with the Paris Agreement:
 - We have been signatories to the United Nations **Principles for Responsible Investment** (UN PRI) since 2022;
 - In November 2023 we joined the **Net Zero Asset Owner Alliance** (NZAOA). Launched in 2019 under the auspices of the United Nations, the NZAOA is a group of international institutional investors – over 80 at end-2023 – committed to decarbonizing their investment portfolios.

[UN PRI & NZAOA >](#)

Our robust solvency showed good resistance in the conditions applied in the EBA's stress test³ for guarantors

Backed by the trust of our shareholder and reinsurers, we have increased our capital and our solvency ratio for the last two years



With purchases totaling €2.6bn, CEGC remains one of the world's biggest buyers of reinsurance [covering real estate loans to individuals](#)

Our capital eligible for the solvency capital requirement amounted to €1.793bn at end-December 2023.

Our solvency capital requirement (SCR) ratio improved by more than 10 points to 157%⁴

More information

Mohamed Aoulad-Hadj, Deputy Chief Executive Officer, explains reinsurance and the link with CEGC



with Moody's and DBRS both renewing their high ratings ([A1 and A High, respectively](#))

3. A stress test is an exercise that involves simulating extreme, but plausible, economic and financial conditions in order to examine the consequences on the company concerned and to measure its ability to resist such situations // EBA (European Banking Authority): independent European regulatory agency. Its remit is to contribute to the stability and efficiency of the financial system over the short, medium and long terms - **4.** The figure of 157% represents the ratio between economic capital [EC] and the Solvency Capital Requirement [SCR] (€1.793bn / €1.146bn = 157%)

Our solvency level is based on the ability to absorb over €5.8bn of losses. It comprises €1.4bn of technical reserves, €1.8bn of eligible capital and €2.6bn of reinsurance capacity placed with a pool of high-quality international reinsurers with minimum signatures of A- (Standard & Poor's)

	2023	2022
Capacity to absorb losses	5.8	5.6
Capital	1.8	1.7
Technical reserves	1.4	1.4
Reinsurance capacity	2.6	2.5

€bn



Our ability to cover sizeable risks was confirmed by the ACPR's 2023 guarantor stress test, which was run concomitantly with the EBA's own stress test³

Launched by the EBA on January 31, 2023, the test sought to assess the ability of large European banking groups to resist highly adverse macroeconomic and financial shocks, and thus ensure their capital is sufficient to respond to such stresses.

At the same time, the ACPR² ran a similar exercise, based on the same assumptions, for institutions providing guarantees for home loans.

Our solvency ratio displayed strong resistance to a simulated shock “more severe than that experienced during the 2008 financial crisis and those applied in the EBA's previous stress tests”, thereby providing proof of solidity for our financial partner and shareholder, Groupe BPCE.

The results were published on July 28, 2023.

See the [ACPR press release](#)

2. ACPR = Autorité de Contrôle Prudentiel et de Résolution, the French supervisory body for banking and insurance -
3. A stress test is an exercise that involves simulating extreme, but plausible, economic and financial conditions in order to examine the consequences on the company concerned and to measure its ability to resist such situations // EBA (European Banking Authority): independent European regulatory agency. Its remit is to contribute to the stability and efficiency of the financial system over the short, medium and long terms //

Our portfolio of contracts continues to display solid profitability on an enduring basis, whatever the financial reporting standards used

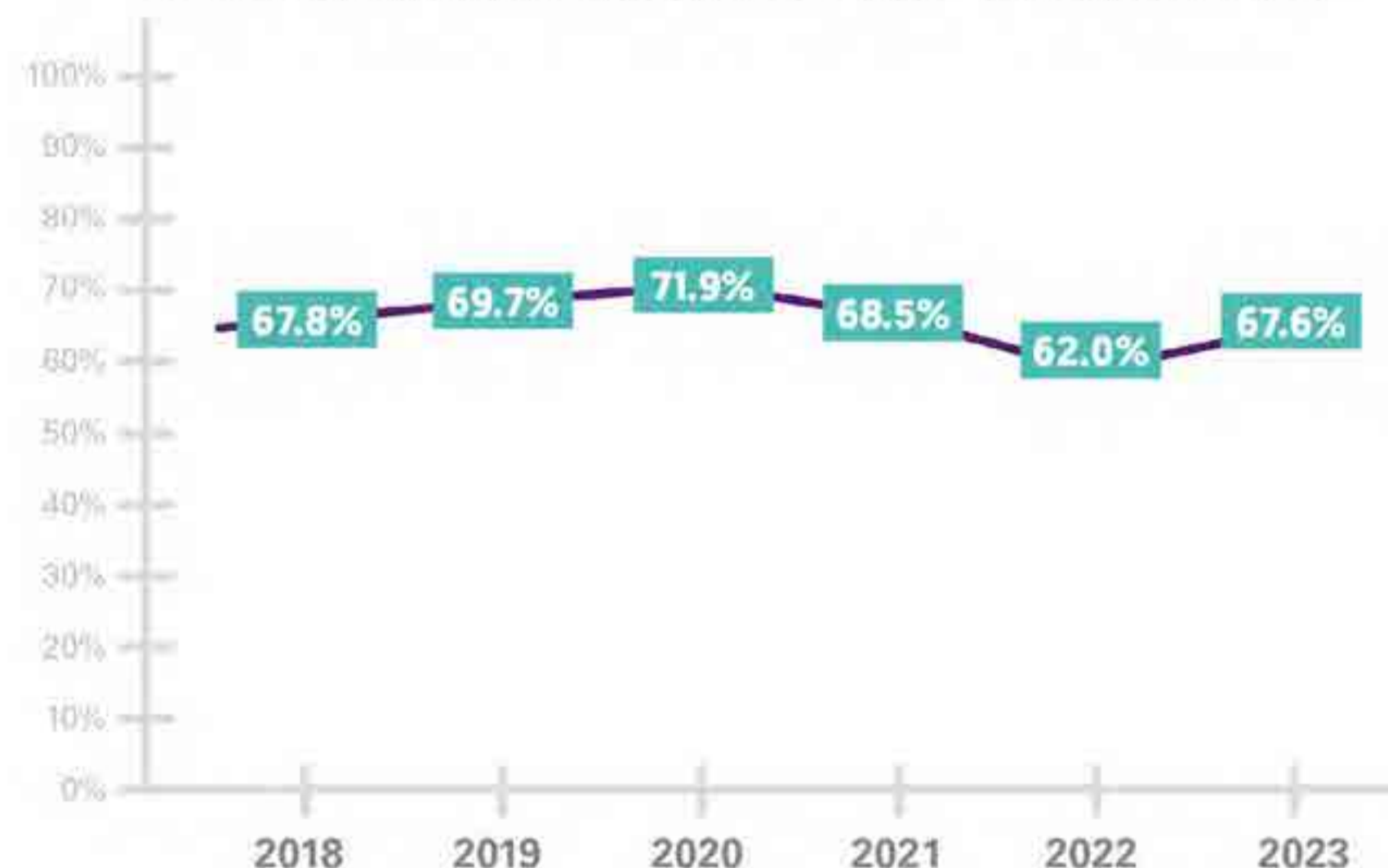
DBRS and Moody's both highlighted this point in their rating reports

"Profitability is good, as underpinned by a sound level of loss and expense ratios" - Moody's

"Underwriting profitability remained strong with a combined ratio of 62% in 2022 [vs. 69% in 2021], supported by low default ratios and a sustained high level of recoveries" - DBRS



CEGC combined ratio from 2018 to 2023 – French standards



Since January 1, 2023, we have measured the profitability of our contracts according to the IFRS17 and IFRS9⁵ financial reporting standards

Using these new standards enables us to contribute to Groupe BPCE's financial statements:

- IFRS9 applies to investment assets;
- IFRS17 applies to insurance liabilities, and provides a direct reading of contract profitability.

- At December 31, 2023, the profit margin on our contracts, included in technical reserves, amounted to €1.5bn⁵, an €80m improvement on the total at December 31, 2022.

This increase reflected the initial net margin recorded in the 2023 fiscal year on the contracts taken out in 2023.

- These evaluations are reviewed by CEGC's financial control team and our statutory auditors.

⁵. Contractual Service Margin [CSM] at December 31, 2023 calculated for CEGC, value audited by our statutory auditors at December 31, 2023

TRUSTWORTHY PARTNER CLOSE TO OUR CLIENTS

Engaged at the side of our clients and partners, we accompany them in the shifting real estate market

2023: a year of contraction for real estate, due to the combination of higher interest rates, increased construction costs and reduced purchasing power

EXISTING HOUSING: MARKET TURNAROUND IN FAVOR OF BUYERS

- **22% year-on-year decrease in existing housing sales to 869,000** at end-December¹:
 - Volume equivalent to 2017; below the pre-Covid level: -19% versus 2019;
 - The monthly slowdown in sales did not signify any market collapse, but a return to the long-run standard².
- **4% year-on year decrease in prices of existing housing at national level** in the fourth quarter³:
 - -6.9% in the Île-de-France region which includes Paris and -2.9% in the provinces;
 - The moderate decline in the provinces reflected the diversity of regional real estate markets. At the end of the year, the decline nevertheless concerned almost all regions and had intensified in the last two quarters of the year.
- **The gradual replenishment of stocks** as well as the **DPE energy performance diagnosis**, which is progressively becoming a prime criterion for buyers and a bargaining chip, worked in favor of buyers².

NEW HOUSING MARKET: COMBINATION OF ADVERSE CONDITIONS AND REORIENTATION OF BUSINESS MODELS

- **New housing continued to contract and fell to a level similar to that in 2014⁴:**
 - 373,100 housing units authorized: -23.7% year-on-year at end-2023;
 - 287,100 housing units started: -22% year-on-year at end-2023;
 - stocks continued to dwindle, notably due to the combined effect of delayed new housing starts and block purchases by social landlords.
- **The impact was even more pronounced for individual-house building:**
 - 58,500 sales of individual houses⁵: -39.1% year-on-year at end-2023;
 - As from 2023, French homebuyers have had to contend with the refocusing of the subsidized zero-interest loan facility on collective housing units. Nevertheless, households planning to buy a home retain a marked preference for individual houses rather than apartments⁶.



Experts note that real estate continues to be a preferred investment for the French⁶

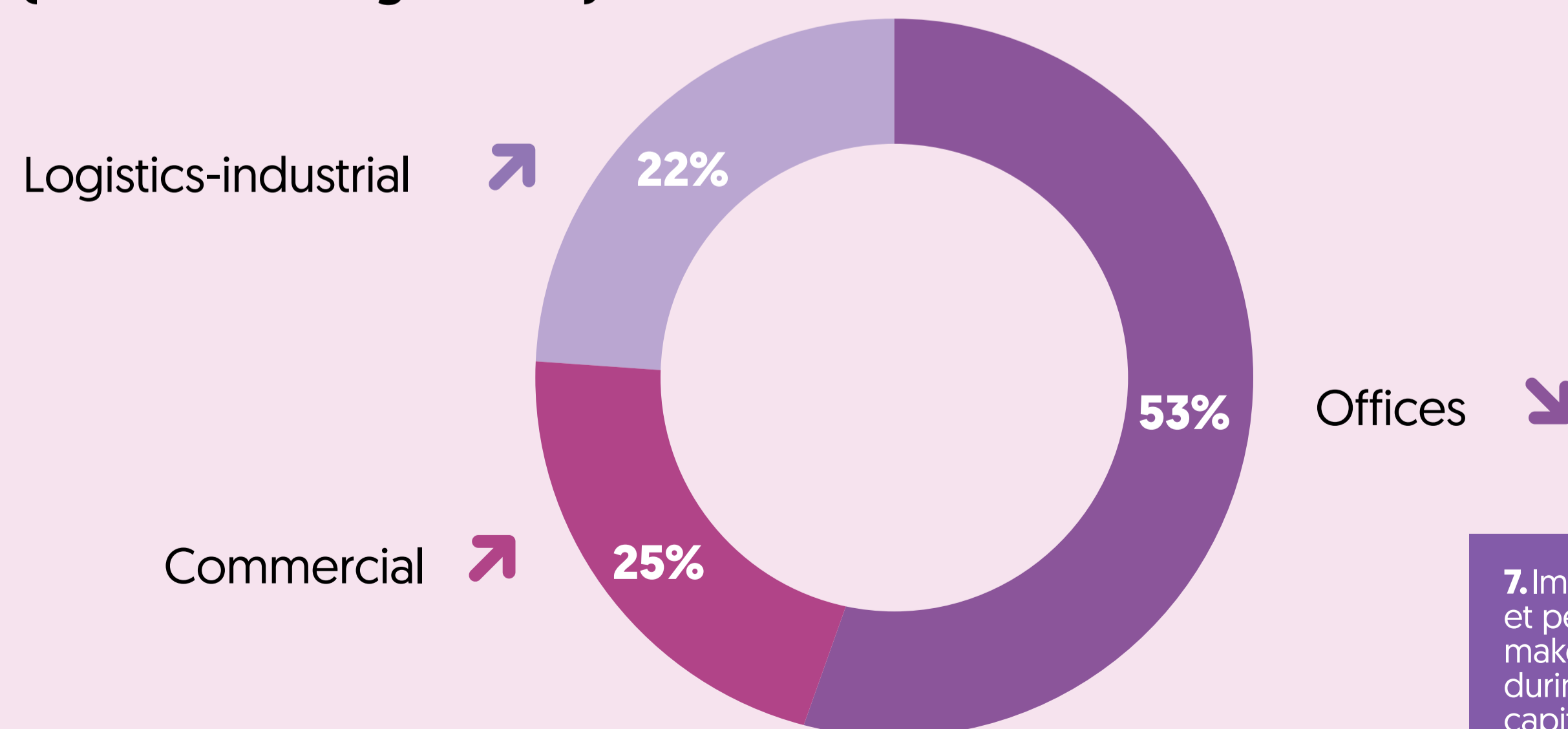
■ **Tertiary real estate⁷ witnessed a sharp fall in investment in 2023:**

- €11.6bn, -57% versus 2022 ;
- The majority of investment in France continued to be allocated to offices, though the proportion was down on previous years and investors were more selective:
 - 53% of investment at end-2023 versus 70% in 2019;
 - Investors' preferences went to more flexible and accessible assets capable of complying with Paris's "bio-climate" local urban plan⁸. The vacancy rate declined within Paris, but went up in the Île-de-France region;

▸ Average prices fell 17% in the Île-de-France region in the year to end-2023.

- Note that one asset category - commercial property – continued to resist better, primarily in city and town centers, which benefited from more robust rents and land shortages.

**Investment by sector 2023
(Immostat & Knight Frank)**



⁷. Immostat & Knight Frank, French real estate markets, 2023 annual round-up and 2024 outlook (“Bilan annuel et perspectives”) - ⁸. “Bio-climate” local urban plan: approved by the Conseil de Paris on June 5, 2023, it makes adapting the city to climate change a major issue. It reinforces the measures previously adopted during the last revision in 2016. It is coupled with the aim of reducing the space occupied by offices in the capital. The provisions of the plan include a requirement for functional diversity and the incorporation of a minimum proportion of housing in large-scale tertiary buildings

Working alongside our Groupe BPCE partner networks, we demonstrated resistance and supported lending activity for individuals and companies

- Concerning guarantees on **real estate loans for individuals**, our activity decreased by less than the market as a whole:
 - National: new home loans issued in France slumped 41% versus 2022⁹;
 - CEGC: the amount of home loan guarantees issued in 2023 was down 31% (€31.5bn of commitments), while the number of guarantees fell 28% to 201,516.

Our use of artificial intelligence to respond faster to requests from our partners is a strength: close to 50% of applications for guarantees on home loans reviewed by the Caisses d'Épargne and the Banques Populaires received immediate approvals.

- Our SME clients continued to resist in tough circumstances, notably related to the need to repay state-guaranteed loans:
 - We guaranteed 3,654 loans for an amount of €669m, down 9% in number and down 15% in amount.

Close to 50% of loan applications for professionals received immediate approvals, thanks to our Pro'IZI tool which was developed in collaboration with Groupe BPCE establishments in order to assess the eligibility of loans for guarantee by CEGC. Pro'IZI saves time by issuing immediate approvals for a large number of applications or by providing assessments that highlight strong points and points for attention.

- Our **social economy and public housing clients** resisted in an environment featuring renovation constraints and pressure on the rental market in general, related to the decline in first-time buyers:
 - Our portfolio reached €2.6bn, representing over 5,000 guarantees, equivalent to increases in the year to end-2023 of 6% in amount and 4% in number.

DATA & AI



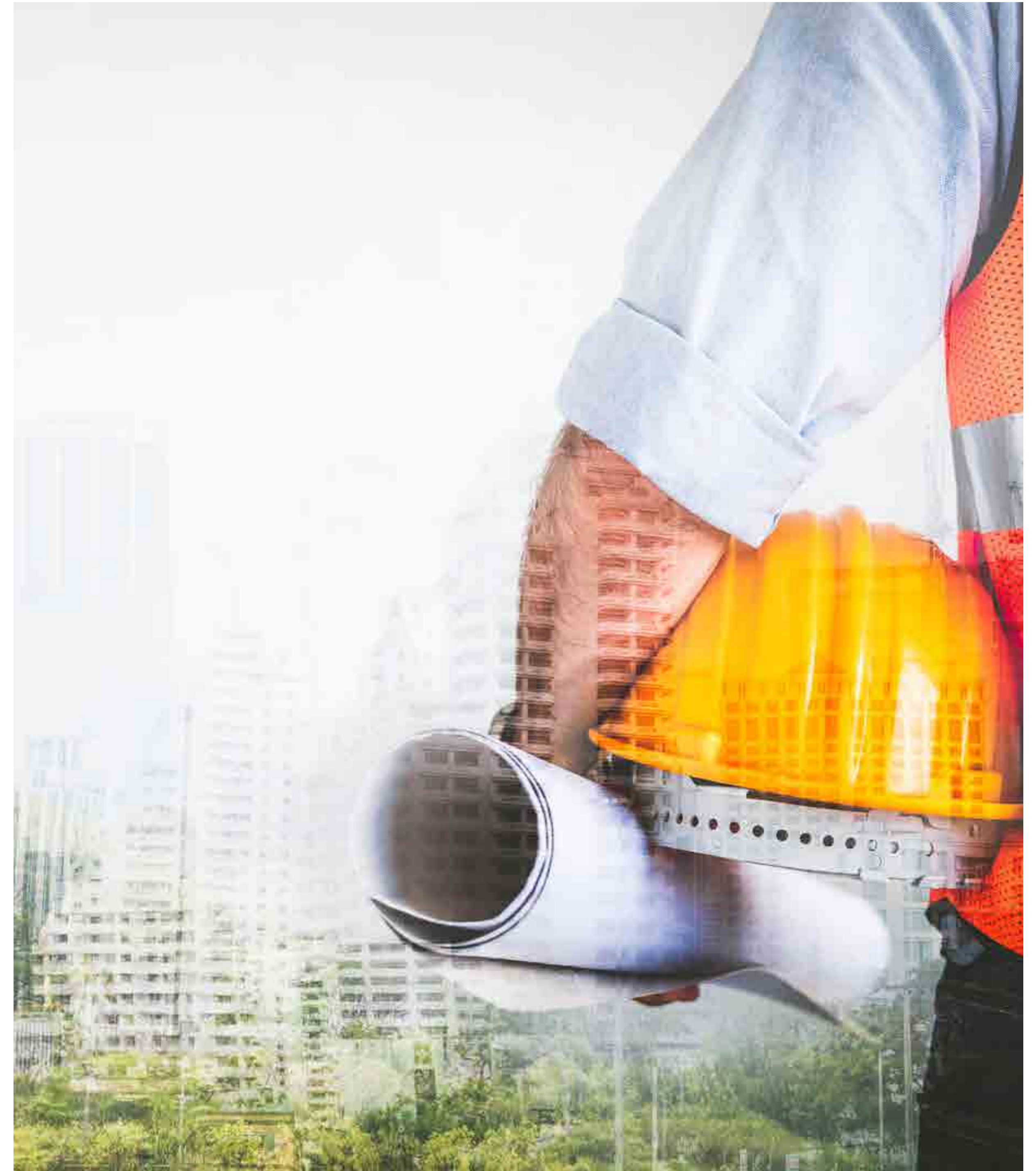
To incentivize the development of more responsible projects at the side of social economy and public housing actors, we work with our Groupe BPCE partners.

- ▶ In 2023, we signed a partnership agreement with Crédit Coopératif that provides for us to guarantee and support loans in the credit institution's "Choose" range (choose transition of your activities, choose energy renovation, choose green mobility). All social economy and public housing actors taking out one of these loans enjoy a price discount on their CEGC guarantee*;
 - ▶ Since 2022, we have been contributing to the Caisse d'Épargne's "Impact Loans" offering, which grants public housing and social economy actors a price discount on their guarantee from CEGC* that can be passed on to a not-for-profit association with a social or environmental purpose.
- Our range of guarantees helps our partners grow their business with corporate clients in all sectors of activity. After a strong year in 2022, our offering of structured guarantees continued

IMPACT LOANS



CLIENT AND PARTNER
SATISFACTION



Demand remained brisk in certain real estate segments and we responded dynamically to demand

- For our **property manager and real estate agent clients**, we delivered 5,832 guarantees for the sum of €8.9bn [+6% versus 2022].

Our clients showed resilience. We provide them with regular financial indicators for the profession in their region to help with their positioning

We anticipated demand from the government to find innovative solutions for financing collective energy renovation work¹⁰. We are developing our offering of guarantees in collaboration with our Groupe BPCE partner networks that offer energy-renovation loans to property co-ownership syndicates. These loans require tools adapted for the purpose and specific credit risk analyses.

We also help property managers with the security of their clients in a rental market under pressure. We do this particularly through our rent guarantees designed for property managers and benefiting their landlord clients.

Reflecting our close ties with professional organizations and with the concerns of property managers, we renewed our partnership with UNIS¹¹ in 2023, at national level and with its regional antennae.

Listen to Olivier Safar testimony.

Olivier Safar, *President de Safar SAS et President de l'UNIS Ile-de-France et Grand Paris*



RENT GUARANTEES



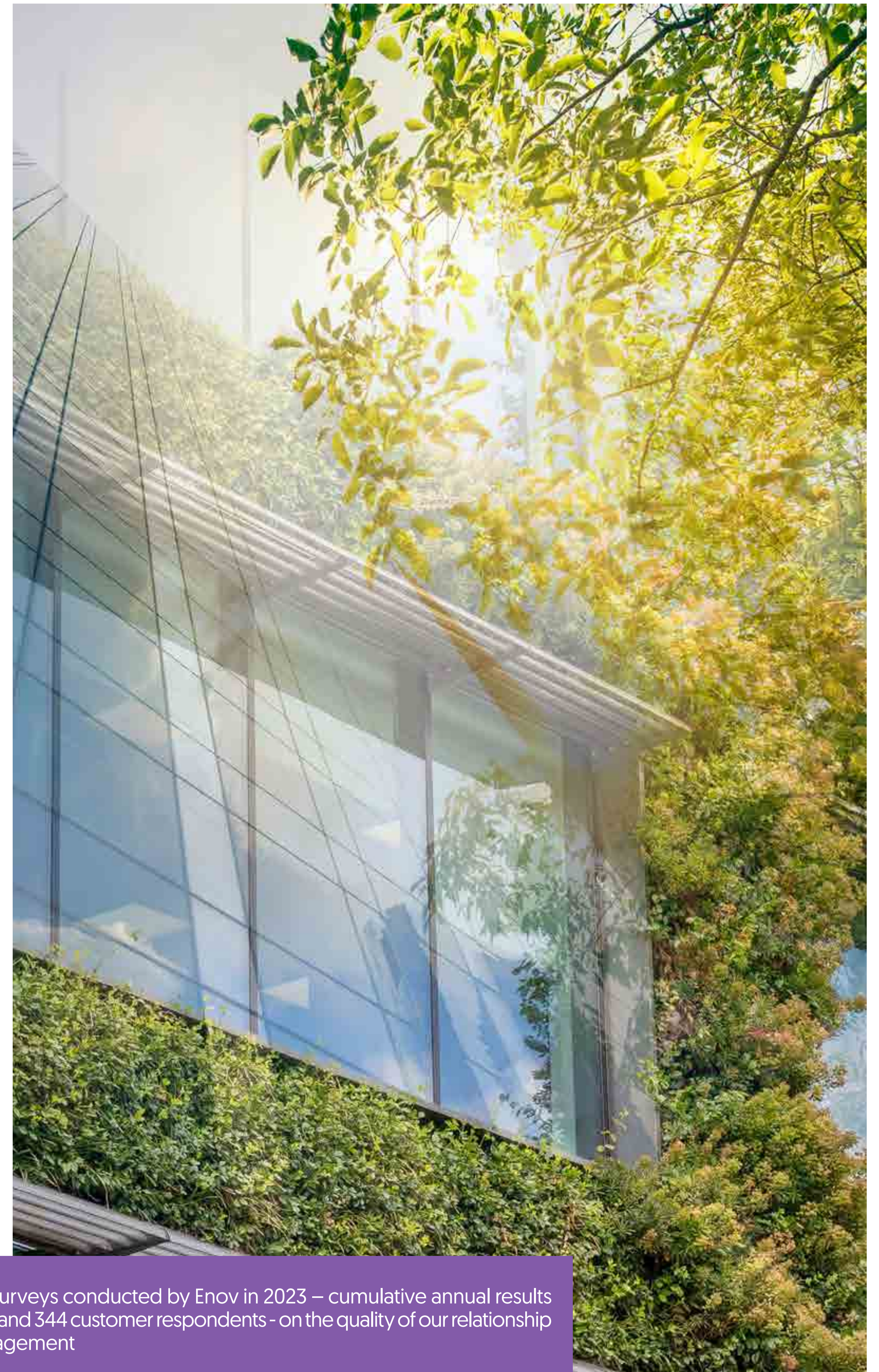
10. The meeting on February 16, 2024 of the French Banking Federation (FBF), representatives of the main banks and the Ministers for the Economy, Housing and Ecological Transition, led notably to France's Law n°2024-322 of April 9, 2024 amending the rules for collective borrowing - **11. UNIS:** French union of property co-ownership syndicates

- In terms of **contract bonds for corporate clients**, our gross portfolio reached €5.3bn for over 170,000 guarantees, equivalent to annual increases of 13% in amount and 5% in number.

Thanks to our www.cautiondemarche.com website, our clients can manage their outstanding guarantees simply through just a few clicks, thus saving themselves time. All in all, **96% of our clients are satisfied** with the available functionalities and 52% very satisfied¹².

Listen to Vincent Monnot testimony.

*Vincent Monnot, Directeur Général
Finances Groupe Demathieu Bard*



¹². Customer satisfaction surveys conducted by Enov in 2023 – cumulative annual results from four quarterly surveys and 344 customer respondents - on the quality of our relationship and CEGC's contract management

As a guarantor particularly attentive to clients in difficulty, we help these clients resist and adapt to the market

- **The real estate development sector, challenged by the crisis, is renewing its offering and reinventing** places for living:
 - We guaranteed 813 real estate development operations in 2023 [-8% versus 2022] for a gross amount of €3.2bn [+1%].
 - Among the innovative projects guaranteed:
 - › The athletes' village: a doubly ambitious project taking up challenges particularly in terms of low-carbon construction and reversibility; the transformation of the village in 2025 is set to give life to a mixed-use neighborhood comprising homes, offices and shops, and will foster social and intergenerational ties in a respectful and sustainable environment;
 - › In 2023, we signed a fifth project to support Groupe Elithis with completion bonds. Groupe Elithis is a French engineering and real estate group ranking among the leaders in energy performance and which built France's first energy-positive residential building in 2018

We continue to use the Green Weighting Factor^{®13} for all operations for our real estate developer clients. This tool measures the environmental and climate impact of each project.

GREEN WEIGHTING FACTOR >

- Concerning the **individual-house building sector**, we delivered 12,048 completion bonds in 2023 [-35%] representing €2.4bn [-28%]:
 - This performance was better than for the market as a whole and testified to the higher level of resistance shown by our clients. We support them through close local ties.

We continued to shoulder a high level of claims, as in 2022, though without it undermining our financial solidity.

We extended our assistance for families: in addition to helping them complete their project in the event of non-performance by their builder, our legal experts respond to their questions at an early stage so as to reduce any anxiety they might have to a minimum.

We have been active at the side of our individual-house builder clients for over 30 years within the framework of France's law of 1990. In 2023, we reasserted our engagement vis-à-vis these clients during an [event held](#) at Paris's Cité de l'Architecture. We notably shared financial indicators for the profession and ran round-tables focused on the future of individual housing.

13. The Green Weighting Factor[®] [GWF] is a tool developed by Natixis since 2018. Based on a methodology that notably helps accelerate the transition toward sustainable finance, it systematically incorporates climate transition risk into financing activities, manages the climate alignment of financings and prepares for the introduction of future climate regulations

ENGAGED AND RESPONSIBLE

Convinced that a positive working environment is a factor of performance and sustainable growth, we are attentive to the well-being of our staff and undertake responsible actions.

Engaged for our staff

Promoting diversity and inclusion

Our very high diversity score of 94/100¹ reflects our actions in favor of equal pay over many years.

379 employees in 2023: 64% women and 36% men, 58% of our leaders are women, 17 nationalities represented, 12% of employees aged 55 and over.

All in all, 6% of our employees are disabled. We aim to support them in their career development, paying particular attention to adjusting their work stations in an environment of shared offices and working from home, thanks to the intervention of an ergonomist.

We raise awareness among our staff through information corners, conferences with inspiring personalities and training sessions that sometimes employ “virtual reality”, all with the aim of improving understanding, training and adapting.

PROFESSIONAL DIVERSITY AT CEGC 

Listening to our staff and sharing their engagement²

Our employees are the strength of our company and we are attentive to their well-being and points of view. 2023 witnessed the latest edition of the Groupe BPCE employee engagement survey, conducted every two years.

High levels of engagement and recommendation at CEGC: over 8 employees out of 10 are engaged and would recommend us as an employer:

- **83% are engaged**, a sharp increase since 2021 (+13 points), thanks to improvement in all components of the indicator: alignment, implication, loyalty;
- **86% would recommend CEGC** as an employer (+11 points since 2021). This score also made progress, exceeding the average for French employees and for our industry (Ipsos benchmark);
- A new question in 2023 enabled us to confirm the progress being made on an issue we value highly: **71% considered CEGC's actions in terms of CSR** (Corporate Social Responsibility) **to be appropriate.**

CEGC through our staff



¹. Index constructed from five indicators of professional equality between men and women - ². Between May 9 and 30, 2023, Groupe BPCE staff were invited to respond to the two-year in-house employee survey conducted by the independent research specialist Ipsos. The survey was designed to measure employees' working experience as part of our focus on listening to our teams' views and dialoging with them

Fostering quality of life at work and skills development

Developing and promoting the expertise of our staff in the best conditions is central to our concerns. We pay particular attention to working conditions:

- Since June 5, 2023, we have moved into **new premises in the Austerlitz** quarter of Paris (13th arrondissement);
- Shared offices (flexible offices) and working from home account for 50% of **our operating model**, the aim being to ensure a balance between time spent working together in the office and time spent remote working. We organize a range of collaborative initiatives to bring staff together, including events, speed meetings and regular information webinars with time set aside for Q&A sessions;

- We also offer initiatives geared to fostering **quality of life at work** as well as various staff-focused activities, e.g. organic fruit baskets, sports activities, webinars to learn how to keep healthy, etc..

As a member of Groupe BPCE, we can offer staff attractive career development prospects as well as a wide variety of experience. Mobility within the Group is also encouraged. In 2023, for example, 47.5% of vacant positions within CEGC were filled by people already employed by CEGC or within the Group.

We created our own page on the [Welcome to the Jungle](#) platform. Information on our business lines, staff videos, photos of our working areas and our job offers can now be seen on the platform.



Supporting the values of sport and solidarity initiatives

Alongside Groupe BPCE, a major partner of the Paris 2024 Olympic and Paralympic Games, **we are supporting three high-level climbing hopefuls through a Performance Pact³** signed with the French Sports Foundation in 2021 and renewed for two years in 2023.

This patronage agreement enables us to part-finance these athletes in their preparations for their potential selection for the Paris 2024 Olympic and Paralympic Games and to support them further out:

- **For the athletes - Oriane Bertone, Paul Jenft, Nailé Meignan** – it provides peace of mind for them to pursue their dual sporting and professional ambitions, thanks to welcome financial support, the removal of stress vis à vis their studies and a feeling of pride in being supported;
- **For CEGC, the choice of climbing is a natural one and reflects who we are:** a sport of youth, passion and dynamism, combining risk-taking, challenges and control based on technique;
- **It also offers the opportunity to strengthen collective engagement:** giving staff the choice and the opportunity to engage differently by participating in a unique adventure; following the athletes and relaying their news, supporting them and encouraging them during competitions, and taking part in discovery sessions, at times in their presence.

PARIS 2024 OLYMPIC AND PARALYMPIC GAMES AND BEYOND 

Actively involved in social solidarity initiatives

Our business of insurer and guarantor naturally leads us to support causes that call on solidarity and trust.

- We assist [AIVS®](#), an association of [socially-oriented real estate agencies](#), through a partnership agreement with the Fapil social insertion-through-housing federation. Through this partnership, the agencies can benefit from our financial guarantee and support in executing their mission, i.e. encouraging social insertion via housing, by mobilizing and providing security to owners of private housing stock
 - We continue our support for [SOLIHA](#), begun in 2022, through a donation. SOLIHA is a federation of 124 not-for-profit associations active throughout metropolitan France and French overseas territories, which seeks to ensure affordable, energy-efficient and suitable housing for all
- We support causes that matter to us and which our staff feel strongly about, including the following:
- [Odyssée race](#) to assist in the fight against cancer in which some 20 CEGC employees took part
 - [Enfants sans Cancer charity race](#) organized by the Imagine for Margo association and aimed at accelerating children's cancer research and for which CEGC staff collected €5,990 in donations
 - [Les Foulées de l'Assurance](#) sports event to raise funds for preventing and fighting cardiovascular diseases in which the CEGC team finished 16th overall (out of 79 companies) and 5th among insurance companies (out of 25)
 - [La Cravate Solidaire](#): 95kg of clothing and accessories were collected by CEGC and then redistributed to job hunters during coaching and support sessions
 - Large-scale [toy-donation campaign](#) run in partnership with the Natixis foundation and the Rejoué association for which CEGC collected 157 boxes of toys containing over 3,000 items in total

Attentive to reducing our environmental footprint

Helping to consume less

- We encourage staff to clean up their e-mail boxes and to delete unused and energy-consuming documents and applications to mark Cyber World CleanUp Day. In 2023, close to 100 Go of data and applications were deleted from smartphones, messaging systems and databases at CEGC between March 13 and 18;
- For our events, we follow a zero paper approach (documents available on tablets) and our stand provider is ISO 20121-certified;
- We no longer produce or distribute any publicity objects.

Helping to consume better

- We apply energy sobriety measures, such as reducing heating, automatically switching off lights, closing the office during periods of low presence, etc.;
- We encourage soft mobility: in our new Austerlitz offices, 210 parking spaces are reserved for employees cycling to work. 28 of these spaces are connected to electric charging stations: small technical stations with tire inflators and a few tools nearby;
- All employees have access to a private fleet of 15 electric bikes, so as to facilitate their movements between the Group's different buildings in Paris.

GROUP ENERGY SOBRIETY >

ENGAGED AND RESPONSIBLE TRUSTWORTHY PARTNER ⊕

WE ARE...

AN ENGAGED INVESTOR

- We incorporate ESG criteria¹ into our investment policy.
- In November 2023 we joined the NZAOA² and are signatories to the UN PRI³.
- We have reduced the weight of fossil fuels in our investments and have introduced indicators to measure their impact on biodiversity.

A COMPANY ATTENTIVE TO REDUCING ITS ENVIRONMENTAL FOOTPRINT

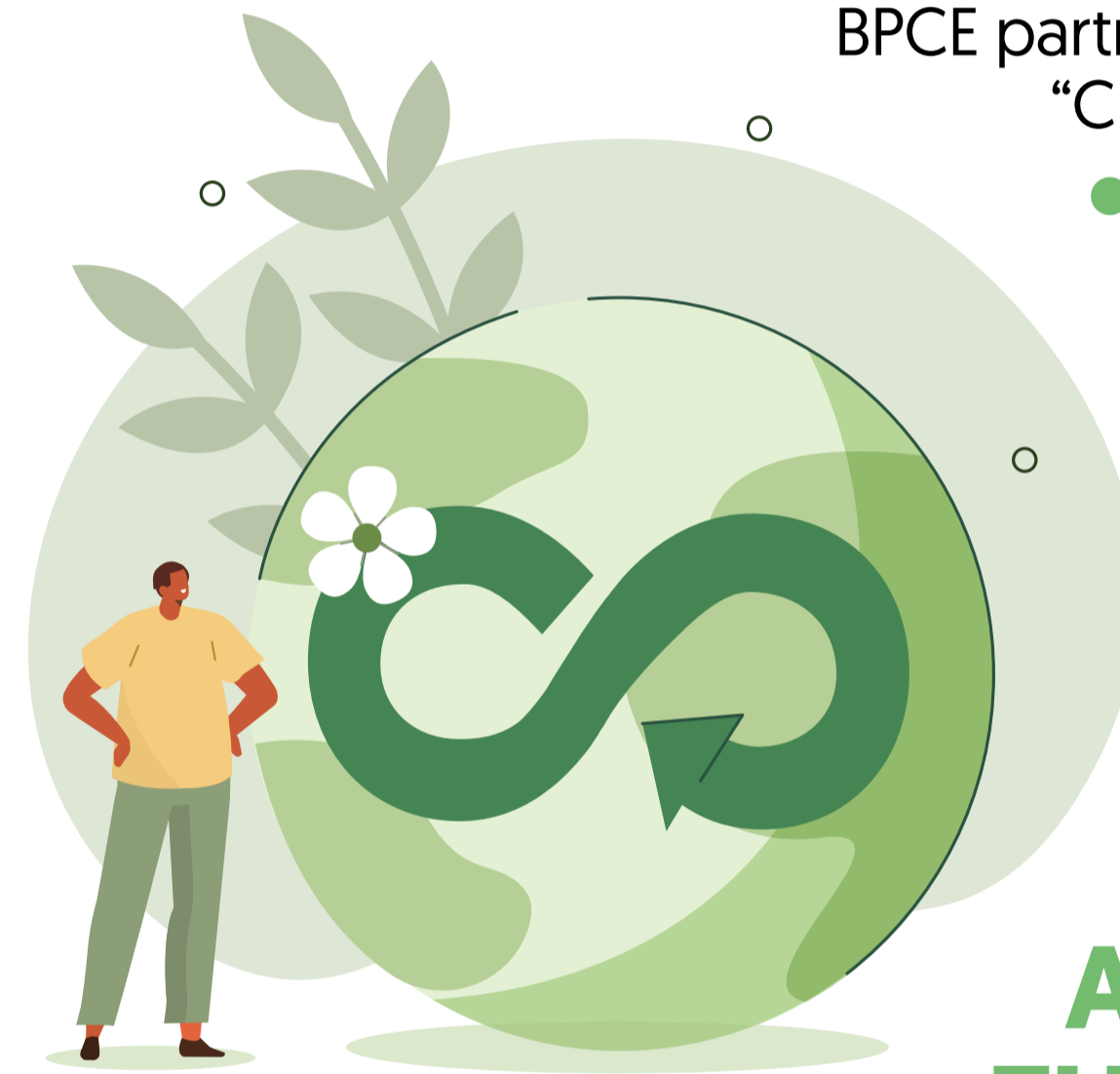
- We encourage staff to clean up their e-mail boxes and to delete unused and energy-consuming documents and applications.
- We apply Groupe BPCE's energy sobriety plans and encourage soft mobility.
- We have introduced a policy of zero paper and publicity objects for our events and our booth provider is ISO 20121-certified.

A RESPONSIBLE EMPLOYER

- We foster quality of life at work and skills development.
- We listen to our staff's views and they show widespread engagement: 83% are engaged and 86% would recommend CEGC as an employer⁴.
- We encourage internal mobility: 47.5% of vacant positions within CEGC were filled by people already employed by CEGC or within the Group.
- We promote diversity and inclusion: our male/female equality index score was 94/100 in 2023 and 6% of our employees are disabled.

A RESPONSIBLE GUARANTOR

- As a trustworthy partner, we help support activity on an enduring basis. As a solid guarantor, we have the ability to support clients in difficulty.
- We have prepared a charter of ethics for managing recoveries. We examine all specific situations and systematically assign priority to amicable solutions.
- We work to estimate the impacts of physical climate risk and energy transition risk in order to adapt our underwriting policy.
- We measure the environmental and climate impact of our clients' projects with the Green Weighting Factor[®].
- We incentivize the development of more sustainable projects for social economy and public housing actors by teaming up with products* offered by our Groupe BPCE partners: Caisse d'Epargne "Impact Loans" since 2022, Crédit Coopératif "Choose" range of loans for which we signed a partnership in 2023.
 - Concerning real-estate loan guarantees for individuals, we are gradually incorporating the results of the property's DPE energy performance diagnosis⁵ into our assessment of credit risk.
 - Alongside our Groupe BPCE partner networks, we anticipated demand from the government to find innovative solutions for financing collective energy renovation work.



A PROVIDER OF SUPPORT FOR THE VALUES OF SPORT AND SOLIDARITY INITIATIVES

- Alongside Groupe BPCE, we are supporting three high-level climbing hopefuls through a Performance Pact⁶, in their preparations for their potential selection for the Paris 2024 Olympic and Paralympic Games and further out.
- We assist AIVS[®], an association of socially-oriented real estate agencies, through a partnership agreement with the Fapil social insertion-through-housing federation.
- We continue our support for SOLIHA, begun in 2022, through a donation.
- We engage with causes that matter to our staff.

¹. ESG = Environmental, Social and Governance - ². NZAOA = Net Zero Asset Owner Alliance - ³. UN PRI = United Nations Principles for Responsible Investment - ⁴. Groupe BPCE's employee engagement survey, conducted every two years, took place between May 9 and 30, 2023 - ⁵. The energy performance diagnosis (DPE) rates the energy and climate performance of a housing unit or building (ratings of A to G), by assessing its energy consumption and impact in terms of greenhouse gas emissions - ⁶. The Performance Pact is a French Sports Foundation initiative enabling companies and individuals to part-finance young hopefuls in their preparations for their potential selection for the Paris 2024 Olympic and Paralympic Games and further out

OUR FIGURES

BALANCE SHEET



INCOME STATEMENT



KEY BUSINESS FIGURES FOR 2023

OUR PUBLICATIONS

ESG REPORT



SFCR REPORT



FOCUS ON

TRUSTWORTHY PARTNER 

CLIENT AND PARTNER SATISFACTION



BALANCE SHEET

At 12/31/2023

ASSETS	2023	2022
Intangible assets	25,198	30,237
Investments	4,034,942	4,032,105
Land & building	196,124	205,770
Investments in affiliated companies	2,765	2,765
Other investments	3,836,053	3,823,570
Ceded share of technical provisions	26,390	21,480
Receivables	310,136	258,364
Non-issued earned premiums	6,654	5,891
Other receivables arising from insurance activities	3,163	3,714
Reinsurance transfer receivables	5,449	1,873
Government, social security organisations	60	19
Staff costs	1,186	0
Miscellaneous debtors	293,623	246,867
Other assets	14,386	20,277
Property, plant and equipment assets	17	305
Net balances of cash and amounts	14,369	19,971
Accrual accounts - assets	263,620	269,390
Accrued interest not yet due	18,310	15,225
Deferred acquisition costs	215,700	234,184
Prepaid expenses	407	464
Others	29,202	19,516
TOTAL ASSETS	4,674,671	4,631,852

Individual [non-consolidated] accounts in thousands of euros – rounded figures
[French GAAP]

Equity	704,854	738,567
Capital	262,391	262,391
Merger premiums	66,563	66,563
Issue premiums	133,069	133,069
Current provisions	174,952	174,952
Retained earnings	134	54
Net income	67,745	101,538
Subordinated liabilities	552,181	552,187
Subordinated debt	552,181	552,187
Technical provisions	3,238,891	3,128,871
Provisions for unearned premiums	2,945,971	2,860,663
Provisions for outstanding claims	292,520	268,208
Liquidity risk provisions	5,585	4,781
Liabilities for reinsurance deposits	57	55
Other liabilities	158,847	194,414
Insurance liabilities	74,213	102,971
Reinsurance liabilities	10,026	12,202
Liabilities with credit institutions	2,053	327
Miscellaneous financial debt and liabilities	[75]	[38]
Deposits and guarantees received	6,268	6,266
Staff	14,255	13,069
Government, social security organizations	10,786	8,613
Miscellaneous creditors	41,321	51,004
Accrual accounts - liabilities	14,257	12,978
TOTAL LIABILITIES	4,674,671	4,631,852

INCOME STATEMENT

At 12/31/2023

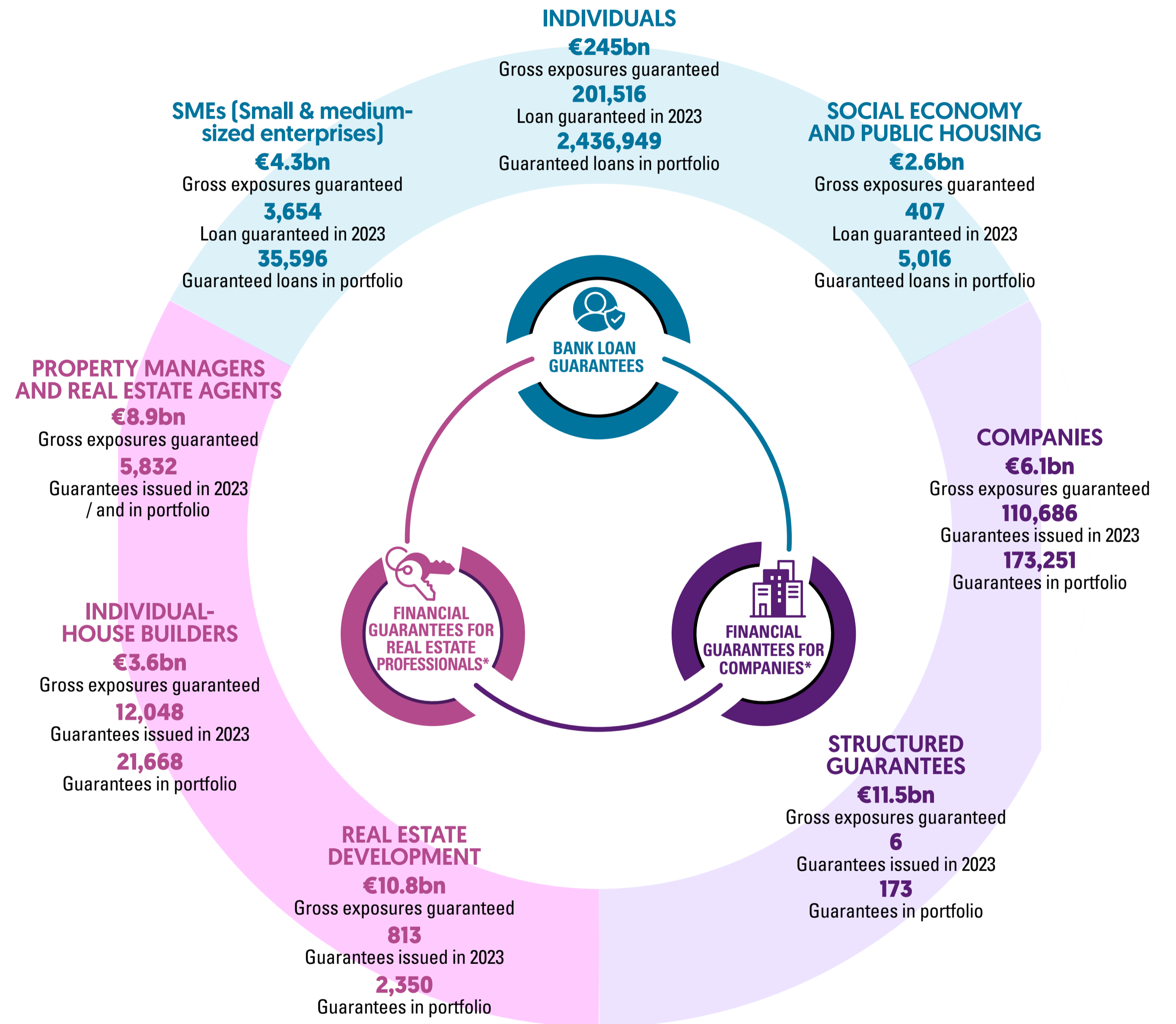
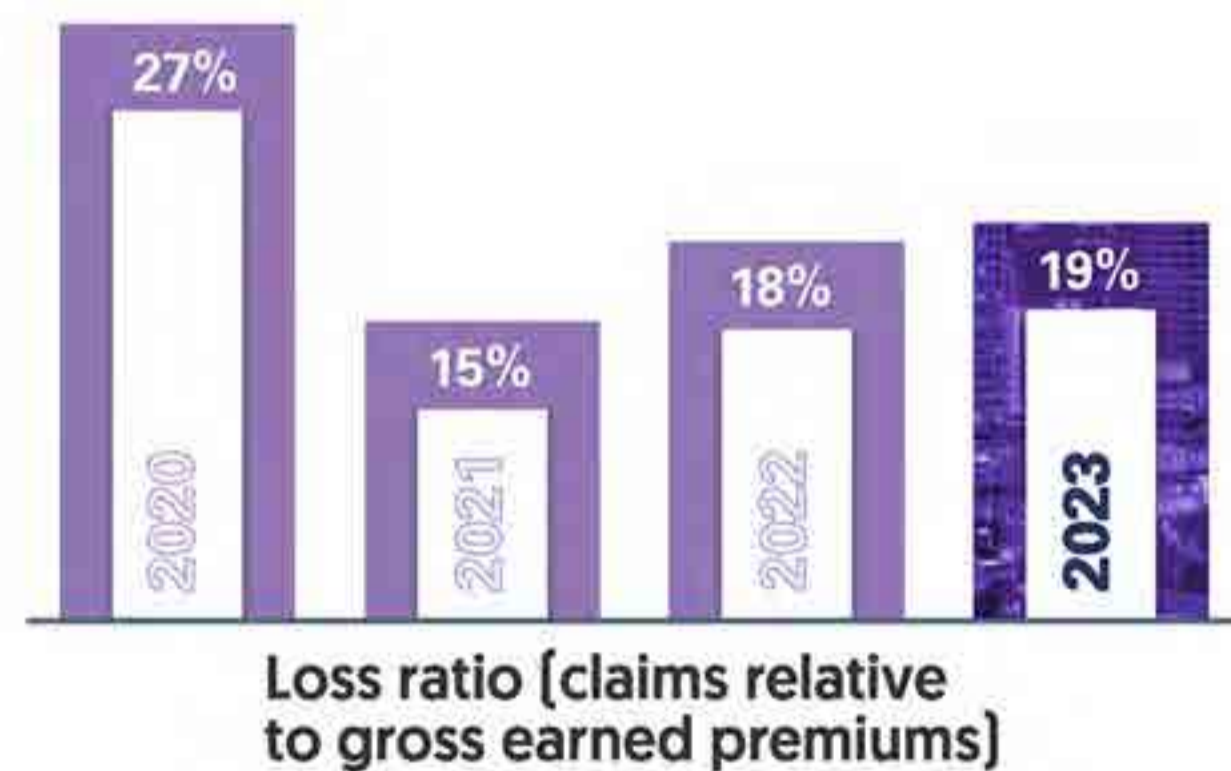
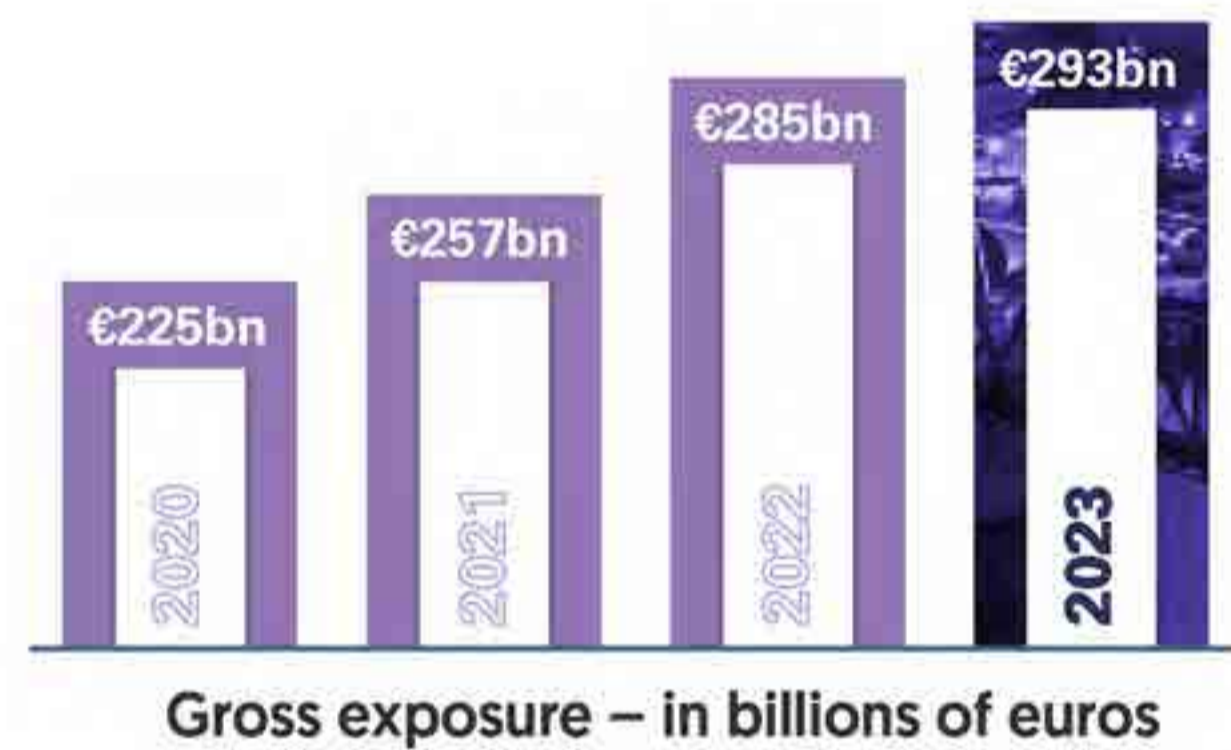
			2023	2022
TECHNICAL ACCOUNT	Gross transactions	Cessions and retrocessions	Net transactions	Net transactions
Earned premiums	425,345	123,826	301,519	329,701
Premiums	510,653	125,093	385,560	565,201
Change in unearned premium income	[85,308]	[1,266]	[84,042]	[235,500]
Investment income			37,070	31,692
Other technical accounts			2,058	2,641
Claims expenses	[91,645]	[10,425]	[81,220]	[80,712]
Benefit expenses	[86,946]	[6,781]	[80,165]	[52,167]
Provisions for claims expenses	[4,699]	[3,644]	[1,056]	[28,544]
Share of Company profits			13	135
Acquisition and administrative costs			[122,668]	[123,71]
Acquisition costs			[130,807]	[127,986]
Administrative costs			[14,674]	[14,187]
Gains for reinsurers' commissions			22,814	18,453
Other technical expenses			[41,583]	[42,798]
TECHNICAL RESULTS			95,188	116,940

Individual [non-consolidated] accounts in thousands of euros – rounded figures [French GAAP]

	2023	2022
NON-TECHNICAL ACCOUNT	Net transactions	Net transactions
Total investment income	95,553	158,246
Investment income	51,343	59,921
Other investment income	14,783	4,291
Capital gains on disposal of investments	29,427	94,034
Investment expenses	[50,350]	[119,021]
Management fees and financial fees	[23,509]	[14,728]
Other investment expenses	[18,753]	[15,253]
Capital losses on disposal of investments	[8,089]	[89,040]
Income relative to assets pledged as transferred	[37,070]	[31,692]
Other non-technical income	315	250
Non-recurring income	[1,699]	[60]
Non-recurring gains	28	72
Non-recurring losses	[1,727]	[132]
Employee profit-sharing	[1,918]	[1,043]
Bonus/malus taxes	[1,889]	1,550
Income taxes	[30,385]	[23,632]
INCOME(LOSS) FOR THE YEAR	67,745	101,538

2023 KEY BUSINESS FIGURES

As an insurer, CEGC combines a desire to **expand** with **careful risk management**



* Contract bonds/Customs/Alcohol taxes/Food industry/Umbrella companies/Auction houses

CLIENT AND PARTNER SATISFACTION

Customer and partner satisfaction

Retail customer advisors, BPCE partner networks in relation with CEGC for real-estate loan guarantees for individuals

97 %

satisfied with CEGC's products and services (57% very satisfied)

CEGC recommendation level = +55

Source: BPCE network advisor satisfaction surveys conducted by Enov in 2023 - cumulative annual results from four quarterly surveys and 807 banking partner respondents.

SME advisors, BPCE partner networks

in relation with CEGC for real-estate loan guarantees for SMEs

89 %

satisfied with CEGC's onboarding process (45% very satisfied)

CEGC recommendation level = +32

Source: BPCE network advisor satisfaction surveys conducted by Enov in 2023 - cumulative annual results from four quarterly surveys and 387 banking partner respondents.

Corporate clients, CEGC contract bonds

99 %

satisfied with the overall relationship with CEGC (56% very satisfied)

96 %

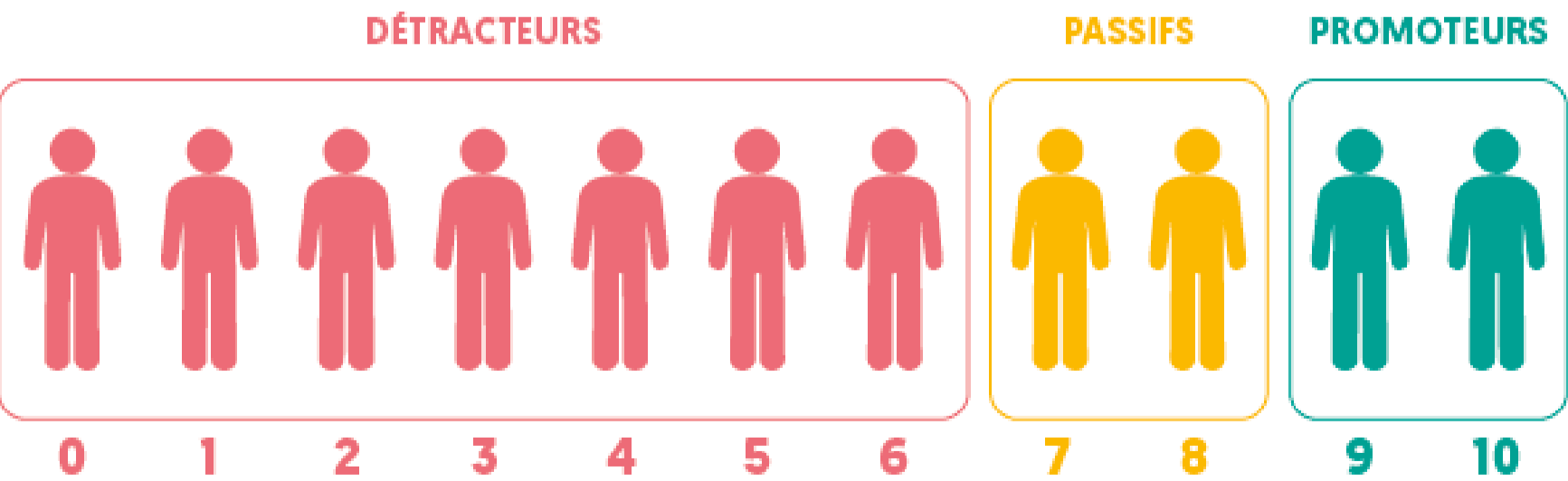
satisfied with the functionalities of the www.cautiondemarche.com* contract bond website (52% very satisfied)

CEGC recommendation level = +47

Recommendation level for the contract bond tool by website users* = +45

* Our www.cautiondemarche.com website enables our clients to apply for their guarantees in just a few clicks.

Source: Customer satisfaction surveys conducted by Enov in 2023 - cumulative annual results from four quarterly surveys and 344 customer respondents - on the quality of our relationship and CEGC's contract management.



NET PROMOTER SCORE = % PROMOTEURS - % DÉTRACTEURS

The Net Promoter Score (NPS) measures the probability of recommendation: the score results from the difference between promoters (those assigning ratings of 9 or 10) and detractors (those assigning ratings of 0 to 6).

APPENDICES



DATA & AI

We combine artificial intelligence and data in order to optimize our risk-selection tools and our decision-making processes.

As is the case for 50% of companies around the world¹, our Data Management department uses artificial intelligence to accelerate decisions and to reduce low value-added tasks which are often the most time-consuming.

By training it on the basis of the decisions made by our analysts, artificial intelligence has enabled us to define an automated guarantee issuance score and to significantly increase **immediate approvals of requests for home loan guarantees: some 50% of requests** from our partners in the Caisse d'Épargne and Banque Populaire networks **are approved in real-time**.

In the future, the use of artificial intelligence will be extended to claims management, particularly for providing guidance for recoveries and for valuing property more rapidly according to its geo-location and condition.

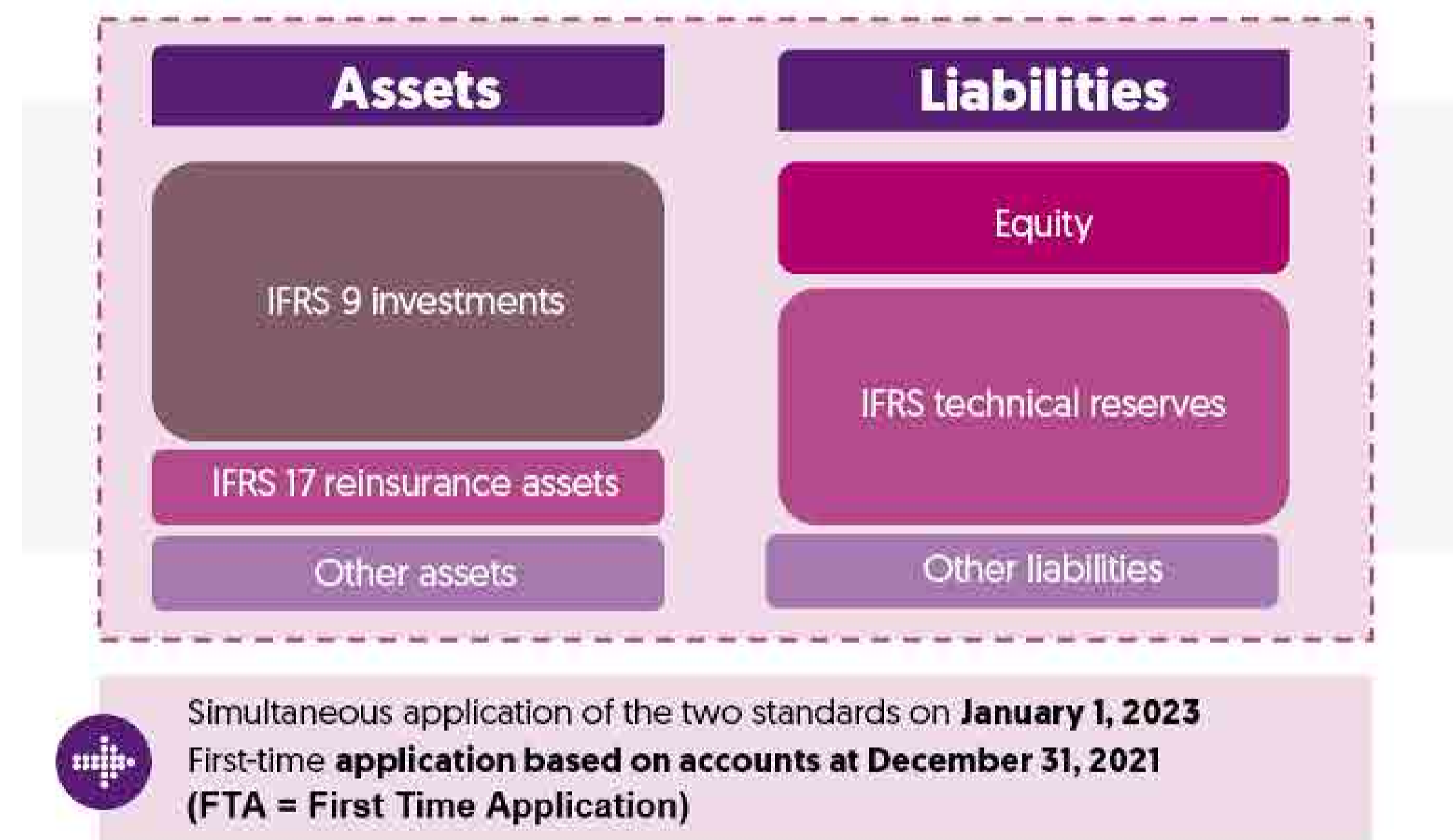


¹. "State of AI 2022" report on the uptake of artificial intelligence (AI) around the world published by McKinsey in December 2022, compiled from a self-administered questionnaire from 3-27 May and 15-17 August 2022, based on a sample of 1,492 companies on 5 continents. Results weighted for the weight of companies in GDP

IFRS 17

The IFRS¹17 international accounting standard “Insurance contracts”, published on May 18, 2017, entered force on January 1, 2023. Superseding IFRS 4, it notably aims to improve the transparency and comparability of financial information between insurance companies.

In order to contribute to Groupe BPCE’s consolidated financial statements, CEGC has applied IFRS 17, as well as IFRS 9 “Financial instruments”, simultaneously since January 1, 2023.



IFRS 17 modifies the principles determining the recognition, measurement, presentation and disclosure of the information to be provided in relation to contracts covered by the standard².

1. IFRS = International Financial Reporting Standards;
2. IFRS 17 applies to:
 - issued insurance contracts (including reinsurance treaties);
 - ceded reinsurance treaties;
 - issued investment contracts with discretionary participation features, providing that the entity also issues insurance contracts.

Valuation models

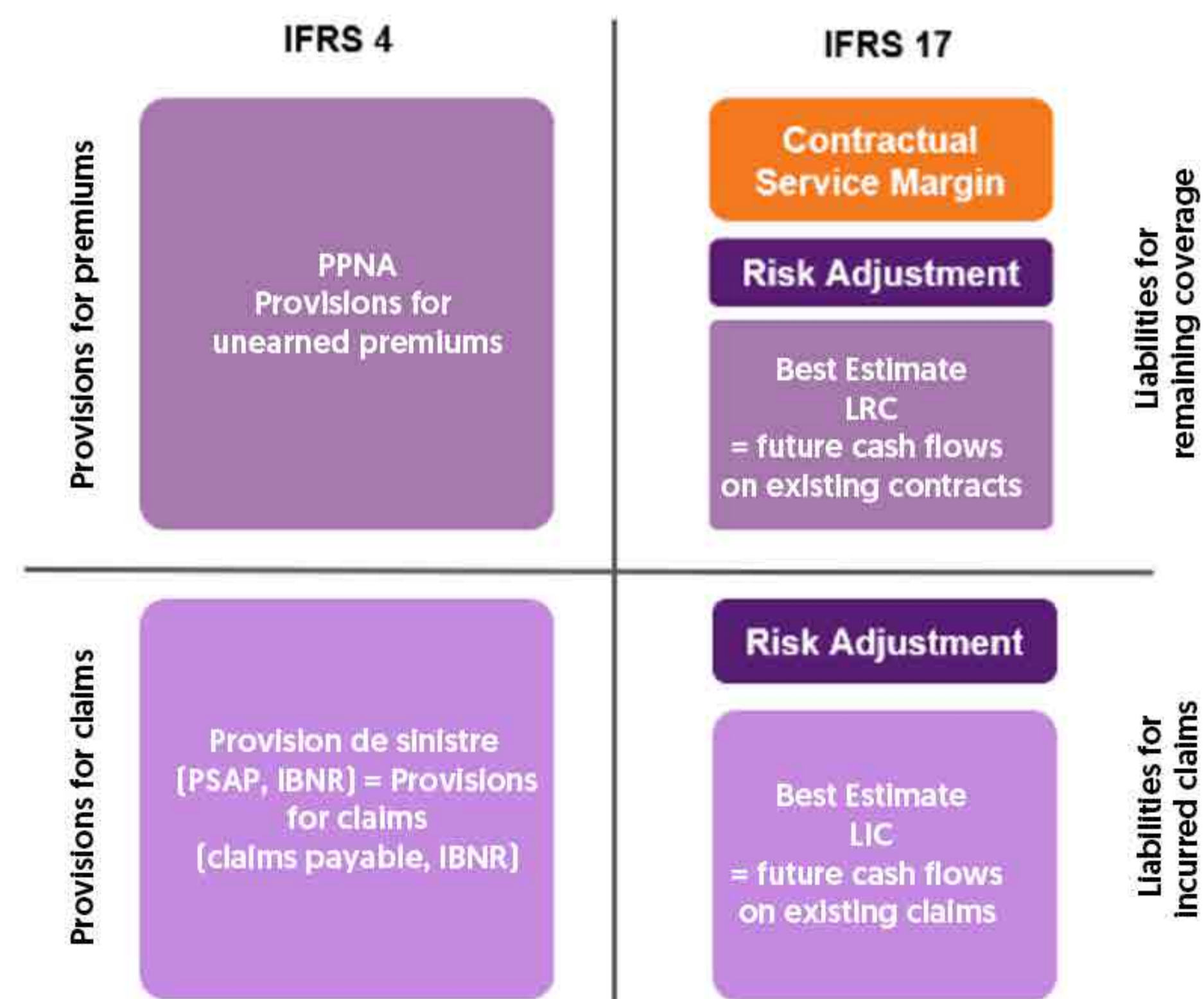
In accordance with IFRS 17, insurance assets and liabilities are recognized at their present value. Until December 31, 2022, they were measured under IFRS 4 which allowed commitments to continue to be measured according to French consolidation rules, except for the specific provisions introduced by IFRS 4, notably those relating to shadow accounting and the liability adequacy test.

Insurance assets and liabilities are measured according to a building blocks approach (the general model of IFRS 17), applicable by default to all contracts covered by IFRS 17.

This approach requires technical reserves to be measured on the basis of the following three blocks:

- a first block equal to the present value of estimated future cash flows (Best Estimate – BE);
- an adjustment for non-financial risk, in order to take account of the uncertainty related to these estimated future cash flows (Risk Adjustment – RA);
- a contractual service margin (CSM), representing future profits generated over the period of coverage.

CEGC opted for the general approach and consequently changed its model for measuring technical reserves on the basis of several blocks:



Level of contract aggregation

The standard defines the level at which contracts are aggregated – group of contracts – for the purposes of measuring the liabilities and the CSM related to insurance contracts.

The classification by portfolios applied by CEGC is consistent with the requirements of IFRS 17 as well as with internal segmentation and the method used to manage contracts.

Key assumptions and judgments

For the purposes of applying IFRS 17, insurance liabilities are measured with the use of estimation techniques, judgments and assumptions (notably default, early repayment and claims laws that are generally based on historic data, together with assumptions regarding expenses and fees/commissions).

Concerning discount rates, the risk free yield curve provided by BPCE in order to discount insurance contract cash flows is shown in the table below:

	12/31/2023				
Currency	1 year	5 years	10 years	20 years	30 years
Euro	3.36%	2.32%	2.39%	2.42%	2.44%

The illiquidity premium applied by CEGC was 0.11% at December 31, 2023.

Data calculated for CEGC – before restatement and reclassification at consolidated level by the Group:

- Technical reserves – insurance contracts issued at December 31, 2023: €2,601,073k;
 - of which CSM at December 31, 2023: €1,472,178k;
- Equity (group share) at December 31, 2023: €692,748k;
- Net income (group share): €94,667k.

ENERGY PERFORMANCE DIAGNOSIS (DPE)

“The energy performance diagnosis (DPE) rates the energy and climate performance of a housing unit or building (ratings of A to G), by assessing its energy consumption and impact in terms of greenhouse gas emissions.

It forms part of the energy policy framework defined at European level in order to reduce the amount of energy consumed by buildings and to restrict greenhouse gas emissions, and particularly to identify thermal sieves [F and G ratings of the DPE energy performance diagnosis, i.e. housing units that consume the most energy and/or emit the highest amount of greenhouse gases]. It is designed to inform buyers or tenants of the “green value” of the building in question, to recommend work to be done and to estimate energy costs.”

Definition of France's Ministry for Ecological Transition and Territorial Cohesion¹.

France's Climate and Resilience Law², adopted in 2021 and whose first provisions entered force in August 2021, made significant changes to the DPE energy performance diagnosis. **Since July 1, 2021, the diagnosis has ceased to be purely informative and is now fully binding.** The calculation method was reviewed to render it more reliable and also more easily readable.

Amid a sharp upturn in real estate transactions in 2021 and surging energy costs, DPE energy performance ratings have become a prime criterion for buyers and an increasing determinant of prices fixed for real estate assets.

According to the BPCE/Audirep Savings & Investment Survey carried out by the BPCE Finance division's Research & Forecasting department:

- A rating of F or G is a reason for selling for 43% of sellers
- DPE energy performance ratings have become an important criterion for 81% of buyers. Housing units with low energy performances (rated F or G) are seen as properties conducive to price negotiations, or as properties “to be avoided”.

France's association of notaries highlighted a price discount for properties rated F or G, the extent of the discounts ranging from 5% to 11% depending on the region in France in 2022 relative to prices for D-rated properties.³

In addition to its growing influence, the DPE energy performance diagnosis is now mandatory for housing sales and rentals.

An energy audit **is now compulsory⁴ for sales** of certain housing units rated D, E, F or G. This document rounds out the DPE energy performance diagnosis:

- Already in force for housing units rated F or G since April 1, 2023, this obligation will apply to those rated E as from January 1, 2025, and those rated D as from January 1, 2034.

The landlord must henceforth include the DPE energy performance diagnosis in the technical diagnosis folder (DDT) and transmit it to the future tenant. Bound to provide tenants with “decent housing”⁵, landlords are gradually **being placed under increasing constraints with the aim of encouraging energy renovation work:**

- Since August 24, 2022, landlords with housing **units ranked F or G can no longer increase rents** in metropolitan France, and this will also be the case for French territories overseas as from July 1, 2024;
- As from 2025 in metropolitan France, housing **units rated E, F or G will be subject to a gradual ban on letting**: G-rated housing as from January 1, 2025, F-rated housing as from January 1, 2028 and E-rated housing as from January 1, 2034. In French overseas territories, the ban will be gradually applied as from January 1, 2028.

This measure concerns new rental contracts and contract renewals (including tacit renewals).

At January 1, 2023, France’s Ministry for Ecological Transition estimated that 18.5% of privately rented housing units in metropolitan France were thermal sieves (housing rated F and G), i.e. close to 1.5 million thermal sieves in total, a disproportionate amount considering that privately rented housing accounts for only 15.7% of all primary residences⁷.

The energy transition - including the major issue of energy renovation for co-owned buildings - recognition of the risks inherent to the transition and the need to safeguard or enhance the value of real estate assets are all points of attention for CEGC.

- Concerning guarantees on real estate loans for individuals, we are progressively incorporating the property’s energy performance rating into our assessment of credit risk;
- We anticipated demand from the government to find innovative solutions for financing collective energy renovation work⁶. We are developing our offering of guarantees in collaboration with our Groupe BPCE partner networks that offer energy-renovation loans to property co-ownership syndicates.



Now the main tool for fighting thermal sieves, the DPE energy performance diagnosis is adjusted on a regular basis to take account of real-estate market specifics⁸.

- A ministerial order of March 25, 2024 **revised the method of calculating** the DPE rating for **housing units with surface areas under 40m²**, so as to “make DPE rating thresholds more equitable in view of the over-representation of thermal sieves (rated F or G) among this category of small properties”.

1. <https://www.ecologie.gouv.fr/diagnostic-performance-energetique-dpe> - 2. <https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000043956924> - 3. Notaires de France [French association of notaries]: The green value of housing in 2022 – published in November 2023 - 4. Article 158 of France’s Law n° 2021-1104 of August 22, 2021 on fighting climate change and improving resilience to its effects - 5. <https://www.ecologie.gouv.fr/interdiction-location-et-gel-des-loyers-des-passoires-energetiques> - 6. The meeting on February 16, 2024 of the French Banking Federation [FBF], representatives of the main banks and the Ministers for the Economy, Housing and Ecological Transition, led notably to France’s Law n°2024-322 of April 9, 2024 amending the rules for collective borrowing - 7. Observatoire National de la Rénovation Énergétique [France’s national observatory for energy renovation]: energy performance of the private rental market at January 1, 2023 – published on February 20, 2024 - 8. <https://www.economie.gouv.fr/particuliers/immobilier-diagnostic-performance-energetique-dpe#>

IMPACT LOANS

Extending our ESG engagements, we provide specific support for loans issued by our Groupe BPCE partner networks designed to assist companies with their environmental and societal transition.

Since 2022, we have been assisting the Caisse d'Épargne network in the rollout of its new "Impact Loans" offering for public housing clients.

These Impact Loans enable public housing actors to:

- Obtain preferential borrowing rates from the Caisse d'Épargne network, provided that the client respects or engages with a social or environmental theme;
- Benefit from a price discount on a CEGC guarantee, that can be passed on to a not-for-profit association with a social or environmental purpose.

Through this initiative, we aim to incentivize the development of more sustainable projects.

On the occasion of the **83rd public housing congress of the Union Sociale pour l'Habitat held in Nantes** on October 9, 2023, we teamed up with **Caisse d'Épargne Île-de-France** to grant two Impact Loans to Batigère. This financing was devoted to real estate projects destined to reduce the environmental impact of housing units

In the space of three years, the Caisse d'Épargne network's Impact Loan offering has led to an amount of over €500,000 being passed on to not-for-profit associations. [See the press release](#)

In 2023, we signed a partnership agreement with Crédit Coopératif geared to assisting the rollout of its "Choose" loans designed for social economy and public housing companies.

In signing this agreement, we mobilized at Crédit Coopératif's side to finance projects and work designed to reduce carbon footprints and accelerating environmental transition.

Crédit Coopératif's "Choose your Impact" range translates into three themes: "choose the transition of your activities", "choose energy renovation" and "choose green mobility".

All social economy and public housing actors taking out one of these loans enjoy a price discount on their CEGC guarantee*.

For more information on this [Crédit Coopératif range](#)

**Subject to review and acceptance of their application by CEGC.*



OUR RENT GUARANTEE OFFERING TAKES ACCOUNT OF RENTAL-MARKET CHANGES

The broader solvency criteria applied to this guarantee give our property manager clients an advantage, by facilitating renewal of the leases granted by their landlord clients.

With real purchasing power declining, there was an increase in the most financially pressured tenants¹ and households² looking to move in 2023:

- 43% of tenants intended to move in 2023 versus 37% in 2021, according to an OpinionWay survey for L'Officiel du Déménagement conducted on March 8-9, 2023¹
- “French people who are moving belong to the most financially pressured category of households ... 13% of French people who moved in 2023 reported having left a property that had become too expensive” according to a Déménageurs Bretons press release of March 30, 2023, based on an IFOP survey²

In the event of rent arrears, the assistance of our expert team, specialists in recovery and the associated procedures, rounds out the resources for managing claims effectively.

Landlords, who are themselves exposed to the crisis, need to deal with the risk of unpaid rent by their tenants. How can they secure the rate of return on their rental property investment and the correct payment of the instalments on the associated loan?

Rent guarantee insurance is proving to be an appropriate solution for landlords and a preferable one to a personal guarantee, which entails a certain formalism and tends to be more cumbersome.

In the event of non-payment, we take over from the tenant and proceed with recovery (and shoulder the associated expenses*). As an option, we can also protect landlords from the cost of wear-or-tear or damage to the property, while also allowing them to enjoy a tax deduction in certain cases.

**According to the conditions and limits set out in the contract*

By choosing CEGC, clients benefit from:

- the strength of Groupe BPCE;
- high-quality service and customized support;
- broader eligibility criteria, thanks to our longstanding and extensive expertise in assessing risk related to “individuals” (over 300,000 real-estate loan cases examined each year);
- an innovative module providing real-time responses;
- an integrated tool for checking documents provided by prospective tenants;
- a product offering several optional extras;
- extensive coverage;
- competitive pricing;
- recognized experience and know-how in recovering arrears.

¹. OpinionWay survey for L'Officiel du Déménagement on March 8-9, 2023. Self-administered questionnaire [Computer Assisted Web Interviewing (CAWI)] of 1,019 people representative of the French population aged 18 and over - ². IFOP survey for Les Déménageurs Bretons on February 1-3 and February 8-10, 2023. Self-administered questionnaire [Computer Assisted Web Interviewing (CAWI)] of 2,008 people representative of the French population aged 18 and over



Our dedicated Rent Guarantee product website



See all of the workshop run by CEGC during the FNAIM Congress of December 4-5, 2023 devoted to our rent guarantee product, with chapters focusing on France's Law of July 27, 2023 (the Kasbarian Law) and on the handling of property damage

GREEN WEIGHTING FACTOR

Measuring the environmental and climate impact of our clients' projects

As an extension of Groupe BPCE's actions and its desire to be a major player in environmental transition, **we support our clients with their own energy transition issues.**

We implemented the **Green Weighting Factor® (GWF)1** to measure our clients' engagement with ecological transition:

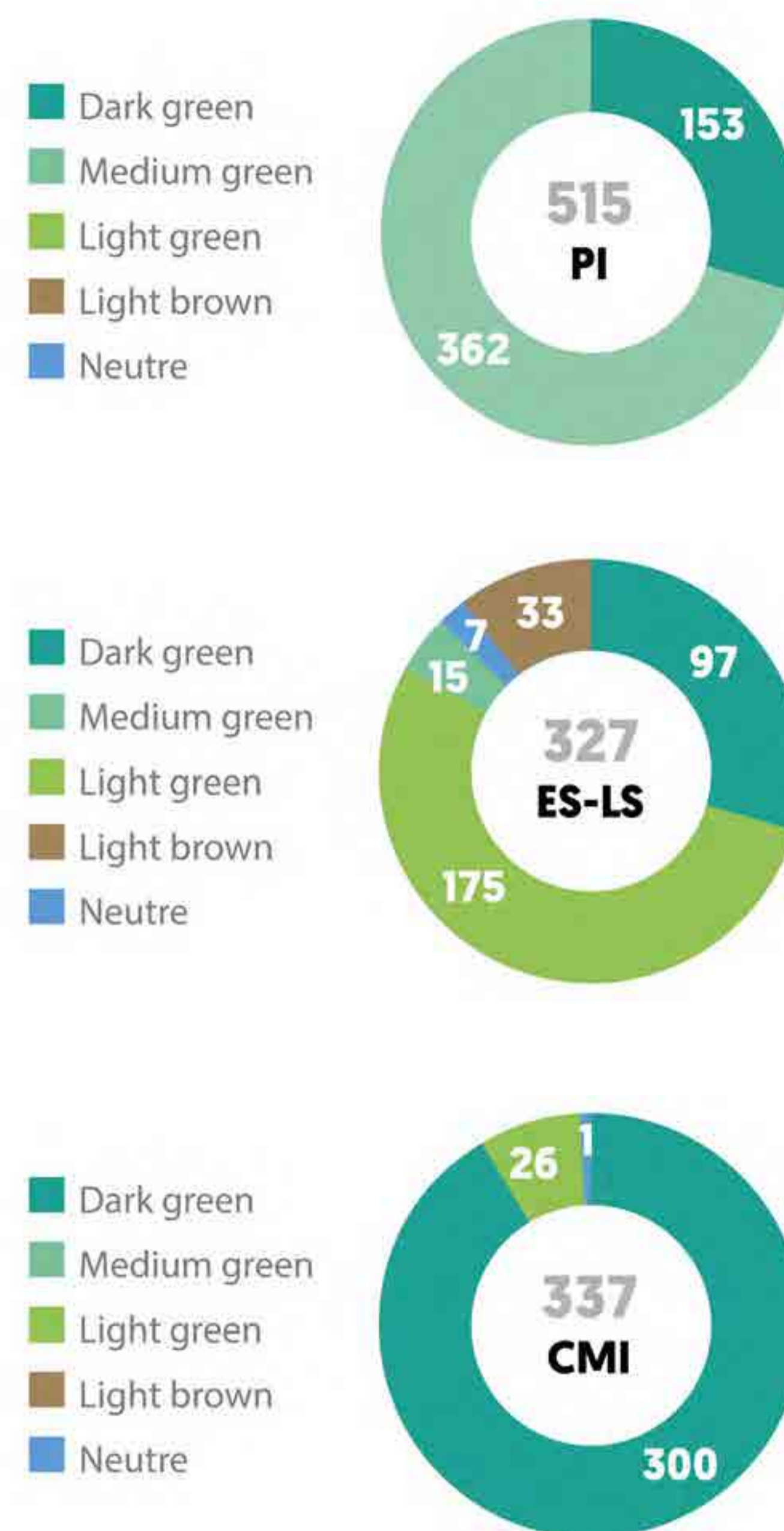
- Developed by Natixis, this tool is used to assign each financing project a color-coded rating that measures the project's climate impact (carbon strategy) and environmental impact;
- Ratings are issued on a scale of seven colors, ranging from the highest-emitting projects (dark brown) to the most virtuous projects (dark green).

Since 2021, we have incorporated this indicator into our analyses of real-estate development and public-housing guarantee applications.

And since 2022, we have also employed it for applications concerning individual-house building operations.

Our goal for 2024 is to assign an environmental rating to all of our corporate client portfolios.

Of the 1,169 clients or operations analyzed since 2021 involving our corporate clients, 96% yielded positive environmental impact indicators (dark green, medium green, light green).



Real Estate Development

Period from march 1, 2021 to december 31, 2023
Number of operations set up by category

Social Economy – Public Housing

Period from july 1, 2021 to december 31, 2023
Number of operations set up by category

Individual-House Builders

Period from july 1, 2021 to december 31, 2023
Number of operations set up by category

The “light green” marker here indicates gradual progress toward compliance with France’s RE2020 Environmental Regulation.

1. The Green Weighting Factor® (GWF) is a tool developed by Natixis since 2018. Based on a methodology that notably helps accelerate the transition toward sustainable finance, it systematically incorporates climate transition risk into financing activities, manages the climate alignment of financings and prepares for the introduction of future climate regulations.



PROFESSIONAL DIVERSITY at CEGC in 2023

GENDER EQUALITY INDEX CEGC

94/100



PAY DIFFERENCES

39/40



DIFFERENCES IN THE PROPORTION OF WOMEN AND MEN RECEIVING RISES

20/20



DIFFERENCES IN THE PROPORTION OF WOMEN AND MEN PROMOTED

15/15



RISES FOR WOMEN ON THEIR RETURN FROM MATERNITY LEAVE

15/15



EQUALITY AMONG THE 10 HIGHEST EARNERS

5/10



STAFF (PERMANENT AND FIXED-TERM CONTRACTS AT 12/31/2023)

394



64%
WOMEN



36%
MEN

PROPORTION OF WOMEN AMONG EXECUTIVE STATUS STAFF

61%



PROPORTION OF WOMEN AMONG LEADERS

58%



AVERAGE AGE OF EMPLOYEES

42 years
old and 5 months

NUMBER OF EMPLOYEES AGED UNDER 30

8%

NUMBER OF EMPLOYEES AGED 55 AND OVER

12%

EMPLOYMENT RATE OF EMPLOYEES WITH DISABILITIES

6%

GROUP ENERGY SOBRIETY

Alongside Groupe BPCE, we apply the Group's energy sobriety plan: consume less/consume better.

Here are some of the actions applied:

Energy sobriety > Consume less

- Temperature in our premises set to a low of 19°C in winter and air conditioning activated from 26°C in the summer;
- Lighting automatically turned off in our offices twice a day, at 12 noon and 8pm;
- Closure of our premises for fifteen days twice a year, spread between end-October and end-January, and in the summer period, during periods of low presence¹.

Energy efficiency > Consume better

- Partial deactivation of dynamic display screens in shared areas and on floors;
- Individual application of eco-gestures, notably during EcoWatt alert periods, e.g. individual screens systematically turned off manually, postponement of the most energy-intensive actions like printing, etc...

In addition, a SharePoint area was set up for the Group-wide Energie -10% program launched in September 2022. The area provides staff with details on the measures applied by Group companies, questions & answers on the program, practical information and data on the MonEcoWatt website developed by RTE² and ADEME³.

To cope with a potential red warning, the Group Security Department prepared a plan to ensure continuity of activity.

In 2023, the Group's results showed a significant and continuing reduction in our energy consumption: -15% versus 2022 and -21% versus 2021. This was comfortably in excess of the targeted reduction of 10%.



1. Only two BPCE/Paris sites remained open in order to host activities requiring an on-site presence - 2. RTE: the manager of France's electricity grid - 3. ADEME: the French Environment and Energy Management Agency



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