

# **2025 SOLVENCY AND FINANCIAL CONDITION REPORT**

**CALI EUROPE**

**AGIR CHAQUE JOUR DANS VOTRE INTÉRÊT  
ET CELUI DE LA SOCIÉTÉ**



**ASSURANCES**

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## SUMMARY

This report constitutes the Solvency and Financial Condition Report (SFCR) of Crédit Agricole Life Insurance (CALI Europe), a 94.08%-owned subsidiary of Crédit Agricole Assurance (CAA group) and 5.92%-owned by Crédit Agricole Indosuez Wealth (Europe), for 2025.

The SFCR was prepared in accordance with Solvency II regulations. It follows the guidelines of the European Insurance and Occupational Pensions Authority (EIOPA).

The SFCR aims to provide a view of all insurance activities in a Solvency II environment. This report, together with the various attached annual quantitative reporting templates (QRT), summarise and explain CALI Europe's business and performance, present the appropriateness of its system of governance, show the company's risk profile, describe the valuation approach applied to its prudential balance sheet, and provide a valuation for solvency purposes. This report was presented to and approved by the Board of Directors on 7 April 2026.

### Business and performance

CALI Europe is an insurer based in Luxembourg, conducting its business under the freedom to provide services (FPS) from Luxembourg and through permanent establishments from its France Branch. It markets savings products (100% of inflows for 2025).

The 2025 financial year ended with revenue of €1,865,796k (of which 29% in FPS and 71% in France) and net income of -€467k.

CALI Europe intends to pursue its development through new commercial partnerships and the strengthening of existing partnerships for revenue growth. This development is based on the financial strength of its group.

Commercial activity in 2025 illustrates CALI Europe's desire to continue and accentuate the diversification of its product mix towards unit-linked funds.

The Company is pursuing its international development by marketing its life insurance products under the Freedom to Provide Services (FPS) and freedom of establishment respectively within the European Economic Area, from its head office in Luxembourg and its Branch established in France, in accordance with European directives and local regulations. The nature and specific characteristics of the products sold consequently varies from one market to another.

CALI Europe has revealed its growth targets via its medium-term plan. It is seeking to position itself firmly as a major player, continue the development of the strong, profitable and lasting bank insurance partnerships in France and in Europe, primarily within Crédit Agricole Group S.A., and offer its partners and its clients a premium range of high-performance and innovative wealth and savings solutions, adapted to their needs.

### Governance system

CALI Europe has a system of governance appropriate to its lines of business and well-suited to its various job roles and management methods.

The Board of Directors determines the directions taken by the company's business activities and supervises their implementation. It assumes responsibility at the company level for compliance with the legal, regulatory and administrative provisions adopted by virtue of the Solvency II directive. The Board liaises with General Management, comprising Senior Management and the heads of the four key functions.

This system of governance contributes to the achievement of CALI Europe's strategic objectives and ensures effective control over the risks it faces, taking into account their nature, scale and complexity, and includes regular risk monitoring to ensure sound and prudent management of the business.

### Risk profile

CALI Europe's risk profile, described below in section C of this report, is the outcome of a risk mapping exercise, itself the principal tool used to identify the risks to which the company is exposed.

CALI Europe's main risks, life underwriting risks, market risks and then operational risk, are connected to the predominance of its savings businesses. Given its risk profile, the standard formula is therefore appropriate for calculating CALI Europe's capital requirement.

Risks that do not correspond to the standard formula are, like each of the identified risks, placed under a management and monitoring system that makes it possible, if necessary, to alert governance if a deviation from this standard management framework is observed.

## Valuation of the Solvency II balance sheet

CALI Europe's Solvency II balance sheet is produced for the year-end date of 31 December 2025. The general valuation principle used in a Solvency II balance sheet is that of the economic value of assets and liabilities:

- ▶ assets are valued at amounts for which they could be exchanged between knowledgeable, willing parties in an arm's length transaction;
- ▶ liabilities are valued at amounts for which they could be transferred or settled between knowledgeable, willing parties in an arm's length transaction.

## Capital management

The Capital management policy in place at CALI Europe falls entirely within the policy defined at the Crédit Agricole Assurances Group level. It determines management, monitoring and supervision methods for Capital and the financing process for the Crédit Agricole Assurances Group and its subsidiaries.

CALI Europe's Capital management policy is in line with the group risk appetite defined and validated by its Board of Directors.

It was designed so as to incorporate the constraints imposed by the regulations applicable to an insurer, banking regulations, regulations on financial conglomerates and Crédit Agricole Group's own objectives.

CALI Europe covers its regulatory capital requirements principally from Tier 1 and Tier 2 Capital. At 31 December 2025, available own funds totalled €352,850k. The solvency capital requirement (SCR) totalled €239,076k and the minimum capital requirement (MCR) was €107,584k.

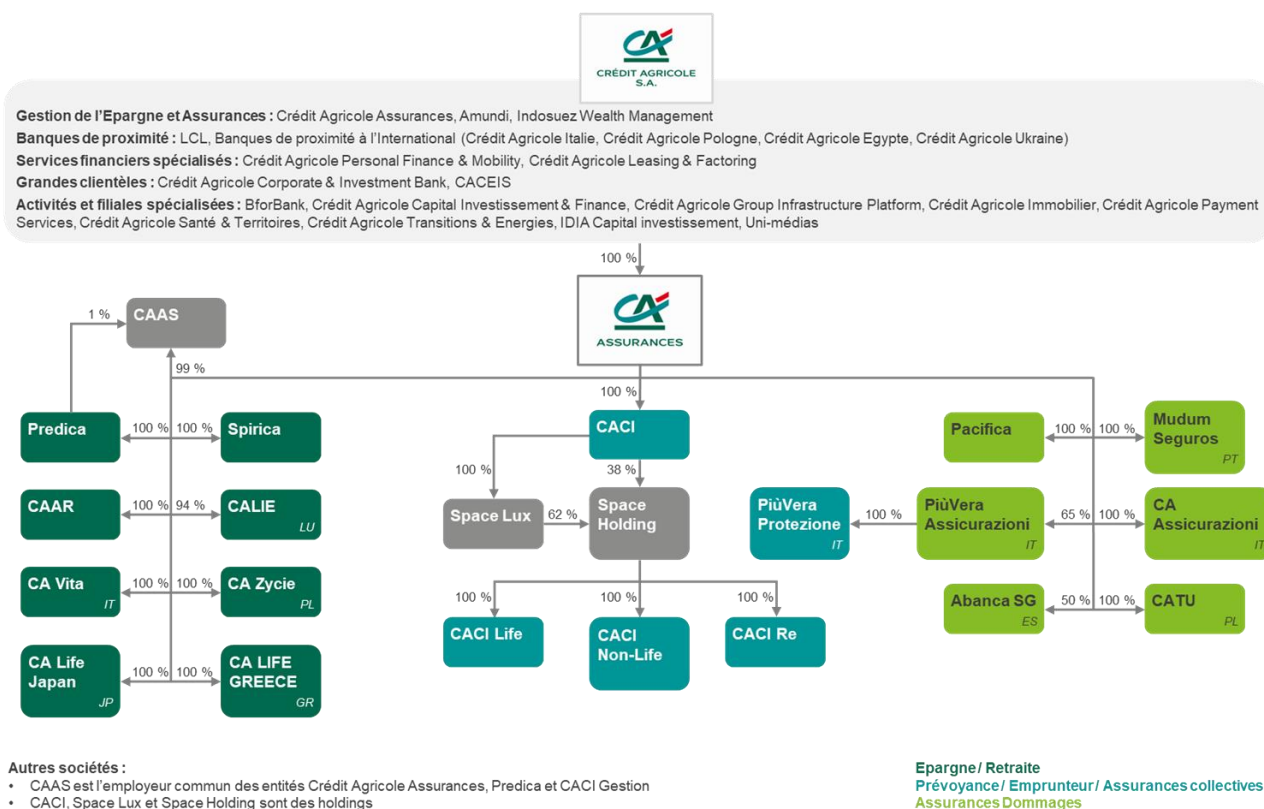
No transitional measure was used by CALI Europe in calculating its solvency ratio. Consequently at year-end 2025, CALI Europe's SCR solvency ratio was 148% and its MCR ratio was 245%.

# A. BUSINESS AND PERFORMANCE

## A.1 Business activity

### A.1.1 Scope

CALI Europe is an insurer based in Luxembourg, conducting its business under the freedom to provide services (FPS) from Luxembourg and through permanent establishments from its France Branch. CALI Europe is a public limited company registered in Luxembourg with share capital of €107,311k, located at 9 allée Scheffer, Building C L-2520 Luxembourg and governed by a Board of Directors. Its position within the Group is:



Crédit Agricole Assurances, a holding company with share capital of €1,490,403,670, located at 16/18 boulevard de Vaugirard in Paris and governed by a Board of Directors, is the parent company of the Crédit Agricole Assurances Group. It is fully owned by Crédit Agricole S.A.

As CALI Europe is itself 94%-owned by Crédit Agricole Assurances S.A., CALI Europe is therefore part of an insurance group (Crédit Agricole Assurances) and a financial conglomerate (Crédit Agricole).

The Crédit Agricole Assurances Group is subject to the supervision of the French Prudential Supervision and Resolution Authority (ACPR), located at 4 Place de Budapest, 75009 Paris (France).

CALI Europe is regulated by the Commissariat aux Assurances located at 11, rue Robert Stumper, L-2557 Luxembourg. The Company is audited by Forvis Mazars, located at 5 rue Guillaume J. Kroll, L-1882 Luxembourg.

### A.1.2 General introduction

CALI Europe is ranked among the largest Luxembourg companies as at 31 December 2025. Its success is built on its ability to meet the needs of its distributors and customers, thanks to the quality of its product range and its responsiveness to changes in the environment. It operates internationally and markets its life insurance products under the freedom to provide services and the freedom of establishment within the European Economic Area in accordance with European directives and Luxembourg domestic regulations from its registered office in Luxembourg. The nature of the products sold consequently varies from one market to another.

The principal lines of business distinguished within CALI Europe are as follows:

- ▶ **“Insurance with profit-sharing”**, which corresponds to all of our savings products with profit-sharing. CALI Europe distributes its products to an international customer base. CALI Europe’s development entails working in conjunction with Crédit Agricole Group’s banking entities;
- ▶ **“Index-linked or unit-linked life insurance”** equates to all unit-linked savings products. CALI Europe distributes its products to an international customer base. CALI Europe’s development entails working in conjunction with Crédit Agricole Group’s banking entities.

CALI Europe makes use of a number of distribution networks to market and sell these products, namely Regional Banks in Crédit Agricole Group, LCL Private Banking and Wealth Management, the CA Indosuez Wealth Private Banks, the Group’s international banks, and a selection of high-end banking partners external to the Group.

### A.1.3 Highlights of the financial year

The 2025 financial year was marked by significant events that had a major impact on the global economy and financial markets. The latter had a very strong year. Against this backdrop, CALI Europe generated inflows of €1,866m, up from 2024.

The year was also characterised by fewer claims than in 2024 and the discontinuation of marketing for the USD-denominated fund following the decision approved by the Board of Directors to cease this activity. The entire portfolio linked to this fund as well as all client commitments were liquidated during the financial year. There were no commitments remaining in this fund as at 31 December 2025.

Commercial activity in 2025 illustrates CALI Europe’s desire to continue the diversification of its product mix towards unit-linked funds.

The Company is pursuing its international development by marketing its life insurance products under the Freedom to Provide Services (FPS) and freedom of establishment respectively within the European Economic Area, from its head office in Luxembourg and its branch established in France, in accordance with European directives and local regulations. The nature and specific characteristics of the products sold consequently varies from one market to another.

For the marketing of its products, CALI Europe makes use of a number of partner banks in its Group, namely Regional Banks in Crédit Agricole Group, LCL Private Banking and Wealth Management, the CA Indosuez Wealth Private Banks, and a selection of high-end partners external to the Group, primarily in France and Italy.

In 2025, the company continued to develop its marketing strategy for euro-denominated funds. As such, on 1 January 2025, the company partially terminated the reinsurance treaty with Predica. This applies to group products offering a euro-denominated fund. This product is no longer marketed. Only additional contributions and transactions on existing policies (adjustments, etc.) are allowed.

This transfer was carried out in compliance with Luxembourg regulations. CALI Europe benefited from the new financial conditions on the bond market. This results in possible impacts on its growth, the scale and duration of which are impossible to determine at this stage.

CALI Europe is monitoring these developments and the possible impacts on its results and solvency ratio.

## A.2 Underwriting results

At the end of December 2025, CALI Europe reported revenue under Luxembourg standards of €1,866m, up compared with 2024 and realised in Luxembourg and France. The most significant countries in which CALI Europe conducts business are France and Italy.

At the end of 2025, CALI Europe’s activities exclusively comprised the Investment Solutions business lines, identical to 2024.

(en milliers d'euros)	2025						
	Pays d'origine	Pays (par montant de primes brutes émises) - engagements en vie					Total Pays
	Luxembourg	France	Italie	Monaco	Belgique	Autres	
Primes émises Brut	2,254	1,380,698	379,340	72,086	6,465	24,954	

The table below, presenting a breakdown (before outward reinsurance) by line of business according to the Solvency II framework, does not include financial income, the performance of which is described more specifically in the next section A3 - Investment results.

<i>(en milliers d'euros)</i>	2025			Total
	Ligne d'activité pour: obligations d'assurance vie			
	Assurance avec participation aux bénéfices	Assurance indexée et en unité de compte	Autres assurances vie	
<b>Primes émises</b>				
Brut	889 402	976 393	0	1 865 796
<b>Charges des sinistres</b>				
Brut	694 318	738 468	0	1 432 786

Compared with 2024, the 2025 financial year is marked by a decrease in claims expenses.

## A.3 Investment results

### Macroeconomic and market environment

The year 2025 confirmed the entry into a more unstable environment characterised by an increase in economic, geopolitical and trade risks, leading to a lasting revaluation of risk premiums, particularly on the bond markets. While 2025 started in an accommodative monetary environment, which had been implemented previously to consolidate growth following the disinflation phase, there was a growing divergence that was gradually revealed between central banks, reflecting disparate dynamics in terms of inflation, potential growth and fiscal sustainability. These discrepancies suggested more divergent monetary trajectories would emerge by 2026. The trade war launched by Donald Trump and culminating on Liberation Day also constituted a structural shock for global trade, causing uncertainty about global inflation and growth and reviving external inflationary risks.

Lastly, 2025 was characterised by marked regional divergences, with the US economy still robust but showing signs of weakening towards the end of the year, a vulnerable but resilient Europe (although large disparities remained), emerging countries heavily influenced by the weak dollar, and Japan faced with both monetary normalisation and a high level of public debt at the same time.

#### United States

In 2025, the US economy proved relatively resilient, driven by domestic consumption which remained solid and a robust labour market. However, this momentum gradually eroded as the months passed, showing the first signs of an economic slowdown and a weakening labour market.

On the economic front, the escalation of the trade war, solidified by Liberation Day, was a major shock for the US economy. This escalation of trade tensions profoundly shook business confidence while fuelling inflationary pressure through rising production costs and disorganised global supply chains.

The year 2025 was also marked by significant institutional instability, illustrated by uncertainties linked to trade policy as well as the government shutdown, which became the longest shutdown in US history. Occurring at the end of the year, this shutdown of federal services significantly reduced visibility on the economic scenario by stopping the release of essential statistics and making it almost impossible to assess economic conditions in real time.

The Federal Reserve was simultaneously faced with a lack of clarity in the economic environment, strained relations with the executive branch (due to Donald Trump's attempts to interfere) and unprecedented internal divisions. These disagreements highlighted fundamental differences over the delicate balance between fighting inflation and preserving employment. The dilemma was all the more complex as inflation remained above the 2% target while the labour market showed worrying signs of a slowdown, particularly with a marked deceleration in job creation. All in all, the Fed cut its rates three times during the 2025 financial year.

#### Europe

The year 2025 was marked by modest growth in the Eurozone, hampered by vulnerability to international trade and ongoing issues in the manufacturing sector. US trade tensions created mixed repercussions, disproportionately affecting the economies most integrated into global trade and their strategic industrial sectors.

Faced with the war in Ukraine and the repositioning of the United States, Europe kicked off the year with a major transformation of its defence policy in the form of the €800bn "ReArm Europe" programme. This ambitious initiative rallied €150bn in loans to EU Member States and loosened the rules of the Stability and Growth Pact, excluding military spending from the 3% GDP deficit ceiling. This European plan was accompanied by major national measures, such as the German constitutional reform to increase its defence spending to €153bn by 2029, i.e. twice its military budget.

This surge in public investment profoundly changed the European bond landscape. Long-term yields rose as a result of stronger growth expectations, medium-term inflation forecasts and a substantial increase in sovereign issues. All eyes were on the French economy, as political instability and the budget deadlock at year end drove sovereign yields even higher. This uncertainty led Fitch and S&P to downgrade the French rating from AA- to A+, reflecting concerns about its fiscal trajectory and political stability.

The European Central Bank made four rate cuts in 2025, stabilising its key rate at 2% by mid-year. This strategy reflects a balance between controlled inflation and a slightly stronger European economy than expected. The ECB's latest projections show cautious optimism with an upward revision of inflation forecasts for 2026, fuelled by persistently high prices in services and an improvement in the growth outlook for 2026 and 2027. The change in the ECB's tone at the end of the year, marking the end of its accommodative policy, could accentuate the divergence with the US Federal Reserve, risking further strengthening the euro against the dollar and weighing on the competitiveness of European exports.

### Emerging countries

Emerging economies experienced 2025 with very similar macroeconomic trajectories depending on their exposure to global trade, their dependence on foreign investment and the credibility of their economic policies. Rising trade tensions and persistently high yields in developed economies exerted pressure on capital flows and some emerging market currencies. While some countries benefited from strong fundamentals and structural reforms, financing costs rose for others, highlighting the asset class's ongoing sensitivity to global financial conditions.

### Japan

Japan pursued a singular trajectory characterised by the gradual normalisation of its monetary policy against a backdrop of more persistent inflation and improved nominal growth. This trend, combined with very high public debt and significant financing requirements contributed to gradual upward pressure on bond yields, particularly for longer maturities. Meanwhile, Japanese equity markets benefited from international flows, corporate governance reforms and exposure to export sectors, despite increased sensitivity to external shocks and fluctuations in global trade.

### Bonds

In 2025, bond markets experienced highly volatile periods, leading to moves of historic magnitude reflecting economic and geopolitical uncertainty.

In the United States, long-term yields followed a trajectory in several stages. During the first half of the year, they rose sharply, fuelled by escalating trade tensions and the inflationary concerns that ensued. Subsequently, these yields began to decline gradually as a result of growing concerns regarding growth momentum and expectations of potential monetary easing by the Federal Reserve.

The European fixed income landscape underwent a significant transformation, with a shift in the traditional hierarchy between 'core' countries such as Germany and France and 'peripheral' countries such as Italy and Spain. Eurozone bond yields rose significantly, with the German 10-year Bund gaining 47 basis points to end the month of December at 2.85%, while the French OAT climbed 31 basis points to 3.55%. This trend was even more pronounced for long maturities, as illustrated by the sharp rise of the French 30-year OAT by 66 basis points over the year to reach 4.21%.

This reflects the ongoing political uncertainty in France since 2024 and the fiscal challenges accompanying it. In this new context, Spanish and Italian yields traded below the French yield during 2025.

Japanese yields reached highs unseen for over 20 years, hitting 2.10% by the end of 2025. This dramatic rise in Japanese yields threatens to redefine the architecture of global investment flows, including the gradual dismantling of the yen carry strategies that have long structured global financial markets.

In contrast to the turmoil on sovereign bond markets, the credit market remained stable overall. This resilience was supported by relatively robust corporate fundamentals, as well as sustained investment flows into the asset class. The appetite for this asset class remained strong as investors moved away from sovereign bonds that had become less attractive. The strong momentum of the primary market and robust investor demand were also noteworthy.

### Equities

The year 2025 will continue to be characterised by a major upheaval in the global performance hierarchy, driven by advances in artificial intelligence, heightened geopolitical tensions and changes in global trade policies. US indices experienced a rare relative underperformance, rising 17%, but coming in far behind the MSCI All Country World ex-US index, which jumped 29%. This performance gap was the largest since the 2009 financial crisis.

Emerging markets performed particularly well in 2025, ending the year at record highs with the MSCI Emerging Markets Index posting an outstanding 30% return. The rally was driven by the convergence of several tailwinds – a weaker US dollar, attractive

valuations after several years of underperformance, and economic trajectories returning to positive momentum in many emerging markets.

European indices also performed very well, with the EURO STOXX 50 up 19%, buoyed in particular by the spectacular surge in defence-related stocks. The latter were among the top performers in 2025, benefiting directly from the military budget plans released at the beginning of the year.

Artificial intelligence confirmed its status as a structural megatrend on the equity markets, continuing to fuel investor optimism and support tech company valuations. However, concerns emerged at the end of the year regarding the colossal investments of companies and the difficulty in accurately gauging the actual economic benefits of these revolutionary technologies, raising doubts as to the sustainability of this dynamic in the long term.

In this context of uncertainty from multiple sources, precious metals perfectly fulfilled their role as safe havens, with substantial returns. Gold was up 68% while silver rose 157%, driven by the persistent weakness of the dollar, expectations of US rate cuts throughout the year, growing concerns regarding budget deficits and escalating global geopolitical tensions.

### Investment performance overall

Against this backdrop, the financial result generated by CALIE's two investment portfolios in 2025 showed mixed performances depending on the investment universes of the two portfolios.

En EURO milliers	2025			2024		
	Total	Fonds Propres	Fonds Euro 3	Total	Fonds Propres	Fonds Euro 3
Obligations, titres structurées et titrisations	121,297	677	120,620	21,040	264	37,031
Actions et fonds d'investissements	0			0	0	
Trésorerie et équivalents de trésorerie	16,920	1,546	15,374	11,165	1,157	9,263
Immobilier	0			-12	0	
Total produits financiers	138,217	2,223	135,994	32,193	1,420	46,294
	0			0		
Frais de gestion des placements	-4,022	-81	-3,941	-899	-8	-770
Produits financiers nets de charges	<b>134,195</b>	<b>2,142</b>	<b>132,053</b>	<b>31,294</b>	<b>1,412</b>	<b>45,524</b>

Each year, the Company establishes a financial policy submitted to the Board of Directors for approval. The principal objectives of the investment policy are to generate long-term revenue, taking into account capital security, the stability of stocks, and liquidity.

The Company's US Dollar Fund investment portfolio was liquidated as at 31 December 2025 following the decision, approved by the Board of Directors, to cease activities on the US Dollar Fund.

The Investment Committee is responsible for the proper application of the investment strategy defined by the Board of Directors. It is also specified that the implementation of the investment strategy is entrusted to the Crédit Agricole Assurances Investment Department.

#### A.4 Income from other activities

Interest expenses on subordinated loans for the 2025 financial year totalled €5,934k, up compared with 2024, in connection with new loan issues of €65,000k.

CALI Europe mainly uses a property lease for its operating property. This contract is not significant in relation to CALI Europe's activity.

#### A.5 Other information

Not applicable



## B. GOVERNANCE SYSTEM

CALI Europe has a system of governance appropriate to its lines of business and management methods. This system of governance contributes to the achievement of the Company's strategic objectives while ensuring sound and prudent management of risks, taking into account their nature, scale and complexity.

### B.1 GENERAL INFORMATION ON THE SYSTEM OF GOVERNANCE

CALI Europe's governance is described in a governance policy, the aim of which is to set out the key governance principles and present internal and regulatory bodies and committees.

In the context of its international activity developed from its head office in Luxembourg, mainly under the Freedom to Provide Services (FPS) regime in the European Economic Area, and its activity from its France Branch, developed under the Free Establishment scheme, CALI Europe's mission is to develop strong, profitable and sustainable bancassurance partnerships in Europe and France, respectively, within the Crédit Agricole Group and outside its Group, with selected high-end partners; to offer its partners and their high-end customers high-end wealth management and savings solutions that meet their needs and requirements; to contribute through the quality of its offering, expertise and services to the development of the growth and leadership of the Crédit Agricole Assurances Group and the Crédit Agricole Group in Europe.

For its mainly European private clients, CALI Europe offers a life insurance investment offering tailored to the size of the client's assets.

CALI Europe is supervised by the Commissariat aux Assurances and operates under the responsibility of Crédit Agricole Assurances within the framework defined by the bodies of the Crédit Agricole Group.

CALI Europe's activities in Luxembourg and France are structured around six departments presented below:

- ▶ Senior Management
- ▶ Development
- ▶ Actuarial & Finance
- ▶ Customer Management and Relations
- ▶ IT & Organisation
- ▶ France Branch

The Chief Executive Officer of CALI Europe is vested with the powers and responsibilities defined by Luxembourg law and is approved by the Commissariat aux Assurances (the Luxembourg insurance supervisory authority) in his capacity as Authorised Officer.

Without prejudice to the foregoing, Members of Management shall in particular monitor the following Divisions or Departments:

- ▶ **the Chief Executive Officer**
  - Compliance / Financial Security
  - Legal
  - Risks and Controls
  - General Secretariat
  - Human Resources
  - Investment Analysis & Control
  - Actuarial function
- ▶ **the Head of Development**
  - International Sales Department
  - Marketing & Products
  - Distribution



- ▶ **the Head of Actuarial & Finance**
  - General Accounting
  - Middle Office Financier
  - Management Control & Treasury
  - Actuarial & ALM
  
- ▶ **the Head of IT & Organisation**
  - IT
  - Organisation
  - Information System Security
  - Data Governance & Quality
  
- ▶ **the Head of Customer Management & Relations**
  - Customer Management & Relations Luxembourg
  - Customer Management & Relations France
  
- ▶ **the Head of the France Branch**
  - Day-to-day management of the France Branch (General Representative)
  - France Sales Department (Branch and FPS)

The French entity is supervised by the French Prudential Supervision and Resolution Authority (ACPR). Luxembourg insurance and banking entities are regulated respectively by the Commissariat aux Assurances and the Commission de Surveillance du Secteur Financier. The consolidated supervision of the Crédit Agricole Assurances Group is the responsibility of the ACPR.

## **B.1.1 Roles, responsibilities and duties of governance functions**

### **B.1.1.1 Governance principle**

CALI Europe's Chief Executive Officer, as the senior executive at CALI Europe, supervises the Company's business activities. He reports to the Head of Crédit Agricole Assurances International.

In accordance with the Group's organisational principles, dual reporting lines are in place for the following functions: Permanent Risk & Controls, Compliance, and Financial Security.

The following general governance principles apply within the Company:

- ▶ Distribution of an agenda to the permanent members two days before the Committee meeting. Permanent members are responsible for participating in the Committee depending on the topics on the agenda or for getting a member of their team to represent them (excluding "Session Chairs" or compliance with the "judge and party" ethical rules),
- ▶ Distribution of draft minutes to participants following the Committee meeting,
- ▶ Distribution of the minutes to the permanent members within seven days of the Committee meeting,
- ▶ Archiving of media and minutes in a shared Directors/Managers file,
- ▶ Implementation of an Executive Committee alert system (e.g. communication of a significant delay on a project, a degraded control without an action plan, a complaint exceeding the delegation),
- ▶ Presentation to the "extended Management Committee" of a news flash by each "Session Chair" on the key events in the period.

### **B.1.1.2 Board of Directors**

The CALI Europe Board of Directors is composed of 7 directors. Directors are proposed by Crédit Agricole Assurances, in accordance with the fitness and good reputation requirements of the regulations.

The functions of Chair of the Board of Directors are separated from those performed by the non-Director Deputy Chief Executive Officer.



The Board of Directors has overall responsibility for the firm. It ensures the proper conduct and the continuity of the business. It approves and adopts in writing, after consultation with the Managing Director, the following in particular:

- ▶ the commercial strategy;
- ▶ the risk strategy;
- ▶ the Capital and liquidity strategy;
- ▶ the guiding principles relating to internal control, regulation and sanction mechanisms aimed at ensuring that any behaviour that does not comply with the applicable rules is adequately prosecuted and sanctioned, as well as the guiding principles relating to ethics and corporate values, including in the area of managing conflicts of interest;
- ▶ the guiding principles for the administration of the firm, including the human and material resources required to implement the organisational and operational structure and strategies of the firm, the guiding principles for the administrative, accounting and IT organisation, and the guiding principles for outsourcing;
- ▶ the guiding principles applicable to business continuity and crisis management arrangements; and
- ▶ the guiding principles governing the appointment and succession to key positions in the firm (director and deputy director positions).

The agenda for Board of Directors meetings is the responsibility of the Chairman of the Board of Directors.

The Board of Directors of CALI Europe has conferred on the Chief Executive Officer, in his capacity as Managing Director, full powers and authority in respect of the day-to-day management and representation of the Company, including the power to sub-delegate.

The Board of Directors supervises the implementation by the Managing Director of its strategies and guiding principles and is kept regularly informed about the Company's operations, its financial situation and its risk management. It may consult with the key functions, at its request when it wishes, and if necessary without the presence of the Managing Director. The Board of Directors may receive assistance from ad hoc committees if the Board deems it necessary.

### **B.1.1.3 Audit Committee**

The Audit Committee is a governing body with very specific responsibilities, which are regulated by law. It includes at least two persons appointed by the CALI Europe Board of Directors from among its members.

The Audit Committee meets at least four times a year, prior to meetings of the Board of Directors.

The Committee reports on its work to the Board of Directors of CALI Europe. The agenda is set by the Chairman of the Audit Committee. The Audit Committee ensures the monitoring of the preparation and verification of the accounting and financial information submitted to the regulator and in particular:

- ▶ the process for preparation of financial information and supervisory reporting;
- ▶ the legal auditing of the annual financial statements and the consolidated financial statements by the Statutory Auditors;
- ▶ the independence of the Statutory Auditors.

In the framework of its mission, with respect to the financial statements, it examines:

- ▶ the company accounts of CALI Europe before they are submitted to the Board of Directors;
- ▶ changes and adaptations of the accounting principles and rules used in establishing these accounts.

In addition, the Audit Committee is presented with indicators and management charts enabling it to:

- ▶ understand the formation of CALI Europe's result;
- ▶ understand the trend in this result;

In this regard, the Audit Committee:

- ▶ approves the internal audit plan proposed by the Head of the Internal Audit key function;
- ▶ monitors the results of the audit assignments conducted within the company;
- ▶ is informed of the results of audit assignments conducted and the implementation of recommendations made, if applicable;



- ▶ receives a summary of the audit reports prepared by the Group General Inspectorate or by any other regulatory authority.

In order to carry out its work, the Audit Committee may request any documents and information necessary for the proper execution of its mission. The Audit Committee is authorised by the Board of Directors to request external advice, within the limit of its responsibilities; the budget for this shall be decided by the Board of Directors. It may engage the Chief Executive Officer, and obtain any appropriate information from the Finance Division, Internal Control and its key functions, or the Statutory Auditor.

#### **B.1.1.4 Senior Management**

The Chief Executive Officer, in his capacity as Managing Director, is responsible for the effective, sound and prudent day-to-day management of the business (and the risks that are inherent therein). However, the Members of the Board share the daily tasks relating to the close monitoring of the different activities as indicated in the preamble.

The Chief Executive Officer implements, via internal written policies and procedures, all of the strategies and guiding principles approved by the Board of Directors relating to the central administration and internal governance, in accordance with legal and regulatory provisions.

If the decisions taken by the Chief Executive Officer, have or could have a material impact on the firm's risk profile, the Chief Executive Officer must firstly seek the advice of the Risk Control function and, if necessary, the Compliance/Financial Security function and the Legal Department.

The Chief Executive Officer promptly and effectively implements the corrective measures to fix any weak points (problems, deficiencies and irregularities) identified by the internal control functions, the auditor, or other inspection bodies, in accordance with a procedure validated by the Board of Directors. Under this procedure, the internal control functions prioritise the various weak points identified and the Chief Executive Officer, in collaboration with the operational functions concerned, sets deadlines (near future) within which these weak points must be corrected.

The Chief Executive Officer implements the processes and organisation to monitor and verify the application and compliance of the internal policies and procedures. Any breach of internal policies and procedures must result in prompt and appropriate corrective action.

The Chief Executive Officer regularly checks that the central administration and internal governance mechanisms are operating effectively. He adapts internal policies and procedures in the light of actual and anticipated internal and external changes, and lessons learned from past experience.

The Chief Executive Officer delegates to the Managing Directors of the Branch Offices, acting jointly within the limits defined by Groupe CAA and approved by the Board of Directors, the powers necessary for the day-to-day management of these Branch Offices, in accordance with the budget plans and rules of consultation with the parent company.

#### **B.1.1.5 Key functions**

Four key functions have been set up within CALI Europe:

- ▶ a risk management function;
- ▶ an actuarial function;
- ▶ a compliance function;
- ▶ an internal audit function.

These key functions, each of which is headed up by a manager, inform and assist the CALI Europe Senior Management and Board of Directors in leading the governance system. They have the required authority and independence for the effective realisation of their missions.

#### **Risk Management function**

The principles behind the organisation and workings of the CALI Europe risk management mechanism are consistent with those of Crédit Agricole S.A. Group's Risk business line and the requirements of the Solvency II directive.

##### Function roles and responsibilities

Its missions are to:



- ▶ verify that the policies and the overall risk management system are appropriate to the risk profile, as well as to the decisions and guidelines taken by the company,
- ▶ verify that the identification of risks by the business line and operational managers has been carried out and is consistent with the risk mapping,
- ▶ ensure compliance with the risk appetite and limits set by the Board of Directors,
- ▶ propose, in accordance with Group policies and procedures, adaptations of the risk management policy, monitored indicators and internal working standards,
- ▶ give an opinion on the scenarios used and the assessment of the impacts on the company, particularly in terms of solvency and risks,
- ▶ ensure that the ORSA exercises are carried out, in accordance with the policy,
- ▶ implement and coordinate a risk management system (detection, measurement, alerts, controls, risk reporting and monitoring of action plans),
- ▶ coordinate contacts and communication with the Regulator, the CA Assurances Group Risk Department, the Insurance Audit Department and the Crédit Agricole SA Group General Inspectorate (IGL), within the context of audits and follow-up audits,
- ▶ meet management and communication needs,
- ▶ report to governance on risk exposure and the associated control elements.

#### Organisation of the function, reporting lines, and connections to other insurance departments and entities

CALI Europe's Risk Management reports to Senior Management and bears final responsibility with regard to the Luxembourg supervisory authority. The head of the Risk Management function has cross-functional authority within the company with respect to risk expertise. The post reports hierarchically to CALI Europe's Senior Management and functionally to the CAA Group Risk Department. The Risk Management function also relies on contributions from other key functions (in particular the Actuarial function for underwriting risks) and the company's internal control mechanisms.

### **Actuarial function**

#### Actuarial function roles and responsibilities

Its missions are to:

- ▶ coordinate the calculation of prudent technical provisions;
- ▶ ensure the appropriateness of methodologies, the underlying models and assumptions used to calculate technical provisions;
- ▶ assess the suitability and quality of data used in calculating technical provisions;
- ▶ carry out an annual review of the process for establishing provisions and give an opinion on the level of uncertainty of provisions and the compliance of the methods applied;
- ▶ conduct a review of the documentation available concerning the annual closing;
- ▶ give an opinion on the underwriting policy and the reinsurance policy as well as on the adequacy of the measures taken in terms of reinsurance;
- ▶ prepare an annual actuarial report for the Board of Directors;
- ▶ give an opinion on the stress scenarios chosen as part of the ORSA and the assessment of the impacts in terms of solvency with regard to technical risks and the effects of reinsurance;
- ▶ give an opinion on the methods for projecting technical provisions and the SCR as part of the ORSA assessments.

#### Organisation of the function, reporting and connections to other insurance departments

The head of the Actuarial function reports hierarchically to CALI Europe's Senior Management. The Actuarial function makes use of the principles of subsidiarity. CALI Europe has the resources necessary to manage the risks inherent to its activity and puts a



separate Actuarial function in place compliant with Solvency II requirements and the proportionality principle (the checks and analyses of the actuarial function focus on activities, portfolios and material risks at the local level). The Actuarial function is separate from the operational functions in accordance with the principle of segregation of duties.

The Actuarial function exchanges information with the Group Actuarial function about the conducting of separate Actuarial assignments and the implementation of permanent controls relating to the Actuarial function.

## Compliance function

The principles behind the organisation of the Compliance function are consistent with those of Crédit Agricole S.A. Group's Compliance business line and the requirements of the Solvency II directive.

### Function roles and responsibilities

The purpose of the Compliance function is to protect CALI Europe against the risk of non-compliance with applicable laws and regulations and CALI Europe's internal standards that relate to areas under Compliance's remit as defined by Crédit Agricole S.A. Group's Compliance line. Its missions are to:

- ▶ ensure compliance with the legal and regulatory provisions relating to activities falling within the scope of CALI Europe's internal control, professional and ethical standards and practices, and those of the Crédit Agricole Assurances Group and Crédit Agricole SA, thus aiming to ensure:
  - compliance with ethical rules;
  - prevention of conflicts of interest;
  - protection against image and reputational risk;
  - protection of employees and Managers against criminal risk;
  - the fight against money laundering and terrorist financing;
  - the fight against corruption;
  - the fight against tax evasion;
  - the fight against mixed fraud;
  - protection of personal data.
- ▶ implement the policy for verifying compliance, monitored indicators and internal working standards;
- ▶ draw up a compliance plan detailing all compliance verification activities;
- ▶ ensure the consistency of compliance verification methods within CALI Europe, verify compliance with the compliance standards of the Crédit Agricole Assurances Group and Crédit Agricole S.A. and liaising with the Crédit Agricole Group Compliance Department;
- ▶ alert designated persons and bodies in the event of non-compliance, according to the process described in the policies.

To monitor compliance with regulations, the Head of Compliance is informed by the Operational Managers of projects and situations requiring the implementation of systems to be able to comply with regulations, such as:

- ▶ projects that may generate conflicts of interest;
- ▶ complaints due to non-compliance;
- ▶ the annual plan of external controls and results, audits carried out on the part concerning compliance;
- ▶ IT projects whose methodology includes a mandatory component for reviewing the compliance of the project;
- ▶ the results of incident collection and permanent controls in order to be able to increase its vigilance on vulnerable areas in terms of risk management;
- ▶ the minutes of the various Committee meetings.

### Organisation of the function, reporting lines, and connections to other insurance departments and entities

CALI Europe's Compliance key function reports to Senior Management, and its duties are performed by the Compliance department. Consistent with the creation of the Group Compliance business line, this function is now hierarchically attached to the Crédit Agricole Assurances Group and functionally to the Company's Chief Executive Officer. The head of Compliance exchanges information with counterparts from other Group entities through various committees. The Compliance function



receives contributions from the Legal Department and cooperates as and when required with others involved in the internal control mechanism, including the Risk and Permanent Control and Internal Audit Departments in particular.

### **Internal Audit function**

#### Function roles and responsibilities

The Internal Audit function performs its duties in accordance with the Internal Audit Policy that was ratified by the Crédit Agricole Assurances Group and CALI Europe Boards of Directors. This policy – wholly within the framework that resulted from the Solvency II directive – is revised annually. It also complies with the principles and standards established by the Crédit Agricole Group Audit Inspection Business Line.

#### Organisation of the function, reporting lines, and connections to other insurance departments and entities

A CALI Europe Director, reporting to the DAA, performs the “Internal Audit Function” role for CALI Europe within the meaning of the Solvency II Directive and is supported by the DAA for the “Periodic Controls”. The function conducts audit assignments, on documents or in situ, in all units falling within the scope of Crédit Agricole Assurances Group internal control (there are no exemptions) including CALI Europe. The scope of its work consequently covers the entire entity, all business activities, processes and functions falling within the remit of the Company’s internal control. It also encompasses governance and the activities of the other three key functions within the meaning of the Solvency II directive. Lastly, the function also covers outsourced provision of services or other critical or important tasks.

Preparation of the annual audit plan is based on a risk mapping process that covers all business activities and the entire system of governance, along with the expected developments in the business. For CALI Europe, the result is a multi-year audit plan intended as a comprehensive review of activities over a maximum of five years (the review frequency can be shorter depending on the assessment of the risks involved). The audit plan is reviewed annually by the Audit Committee for validation by the Board of Directors.

Assignments undertaken by the DAA are insurance tasks within the meaning of professional standards and are not consultancy. Their purpose is to ensure the adequacy and effectiveness of the risk management and internal control systems, and in particular to:

- ▶ ensure the effectiveness of the entire risk management and governance system;
- ▶ develop, implement and maintain the internal audit plan detailing the audit work to be performed taking into account all of the company’s business activities and governance system;
- ▶ communicate the audit plan to the administrative, management or control body;
- ▶ report to the Audit Committee on the results of the control missions and the work carried out.

They thus provide members of administrative, management and supervisory bodies (AMSB) at the Crédit Agricole Assurances Group and CALI Europe, and the Audit Inspection Business Line (LMAI) at Crédit Agricole Group, with an independent, objective, and professional opinion concerning the functioning, risk management system, and internal control system at CALI Europe.

### **B.1.1.6 Committees under Senior Management’s responsibility**

#### Management Committee

Under the chairmanship of the Chief Executive Officer, the Management Committee:

- ▶ ensures the implementation of the strategic priorities decided by the Board of Directors and the approved guiding principles relating to the central administration and internal governance, in accordance with legal and regulatory provisions;
- ▶ coordinates the resources employed to that end;
- ▶ defines the guiding principles and priorities of the Company;
- ▶ handles recurring matters and current issues, in particular:
  - monitors revenue, budget and financial performance;
  - oversees governance and regulatory developments;
  - decides on general organisational rules to be put in place;





- o oversees ongoing corporate activities (board meetings and AGMs);
- o and considers any significant issue requiring its involvement.

The members of the Management Committee submit to the Chief Executive Officer for approval the internal and external signatures authorised to commit the Company in accordance with the terms and conditions defined by the Board of Directors of CALI Europe.

<b>Périodicité</b>
Au moins mensuelle (en dehors des mois de juillet et août)
<b>Membres permanents</b>
Directeur Général (Préside le Comité)
Directeur du Développement
Directeur Actuariat & Finance
Directeur Gestion & Relations Clients
Directeur IT & Organisation
Mandataire Général Succursale France
<b>Quorum requis</b>
5 membres dont : (1) le Directeur Général et (2) au moins trois membres de la Direction.
<b>Invités</b>
Tout membre du personnel peut être invité pour présenter un sujet ou un dossier
<b>Secrétariat (organisation, agenda et relevé de décisions)</b>
Assistant(e) de Direction

The **managers’ circle**, composed of the Management Committee and managers, meets as often as necessary and in the most appropriate format (plenary meetings, off-site, etc.), particularly when developing the strategy, preparing the MTP or managing the HR process.

**Human Resources Committee (HR Committee)**

The Human Resources Committee meets at the initiative of the Chief Executive Officer. This Committee is responsible in particular for determining the amounts of variable remuneration and changes in remuneration of members of staff other than members of the Management Committee. The overall budget allocated to variable remuneration for the past financial year is defined in advance by the Chief Executive Officer.

This Committee also covers the aspects of internal mobility, promotion and training of staff members.





<b>Périodicité</b>
En cas de besoin et au moins une fois par an
<b>Membres permanents</b>
Directeur Général (Préside le Comité)
Directeur du Développement
Directeur Actuariat & Finance
Directeur Gestion & Relations Clients
Directeur IT & Organisation
Représentant Ressources Humaines
Mandataire Général Succursale France (si concerné)
<b>Quorum requis</b>
6 membres dont : (1) le Directeur Général, (2) au moins trois membres de la Direction, (3) Représentant Ressources Humaines
<b>Invités</b>
Le Comité est étendu aux managers en fonction des sujets à l'ordre du jour
<b>Secrétariat (organisation, agenda et relevé de décisions)</b>
Direction Générale / Représentant Ressources Humaines

### **B.1.2 Material changes to the system of governance over the reporting period**

In the first quarter of 2026, one director was replaced before the publication of the report. The number of directors was seven.

### **B.1.3 Information concerning the remuneration policy**

#### **B.1.3.1 General principle of the remuneration policy**

As subsidiaries of the Crédit Agricole S.A. Group, the entities of the Crédit Agricole Assurances Group share, for their own remuneration policy, the principles of fairness, transparency and usefulness that have contributed to building its success and reputation.

Crédit Agricole S.A. has defined a responsible remuneration policy that governs risk-taking and strives to uphold the Group's values while respecting all stakeholders: employees, customers and shareholders.

Its objectives are to:

- ▶ Attract, motivate and retain the talent the Group needs;
- ▶ Recognise individual and collective performance over time;
- ▶ Align the interests of employees with those of Crédit Agricole S.A. and its shareholders;
- ▶ Promote sound and effective risk management;
- ▶ Apply a gender-neutral remuneration policy.

As regards any specific features of its business lines, legal entities and legislations in individual countries, the Group ensures its remuneration system delivers financial recompense that is consistent with market benchmarks in order to attract and retain the





talent the Group needs. Remuneration is dependent on both individual performance and the business line's collective performance.

The remuneration policy of CALI Europe is thus drawn up in line with the objectives defined by the Group while endeavouring to adapt them to the various categories of employees and the Insurance regulatory corpus defined in particular by the texts applicable to insurance and reinsurance companies that fall under the "Solvency II" system in accordance with Delegated Regulation 2015/35 of 10 October 2014. It also incorporates the Insurance Distribution Directive, the provisions of the Banking and Financial Separation Act, the provisions of the Volcker Rule and the European Sustainable Finance Disclosure Regulation (SFDR) on the consideration and integration of sustainability risks.

In general, and in collaboration with the Human Resources Department of CA Indosuez Wealth (Europe) (which operationally manages Human Resources aspects on behalf of the Company), CALI Europe ensures that its remuneration policy complies with the national and European legal and regulatory environment in force.

CALI Europe's policy may be subject to local adaptations in order to comply with the requirements of national regulations when they are more restrictive than the Group policy.

### **B.1.3.2 Remuneration policy**

Within the context of its international activities, Crédit Agricole Assurances (CAA) gives each of its foreign subsidiaries the possibility of deploying its own wage policy so that it can meet the requirements of its local market and its legal, economic and competitive environment. However, these policies must evolve by considering that the elements presented above represent the limits and minimum requirements of their own remuneration practices, and must take into account the following principles:

#### **Respect for the Group's values**

In France and abroad, remuneration principles must:

- ▶ convey the values of fairness and merit specific to Crédit Agricole;
- ▶ ensure a satisfactory level of competitiveness in relation to the local market;
- ▶ meet the legitimate expectations of shareholders, employees and customers.

#### **Remuneration structure**

Any necessary changes to the remuneration structure of an international subsidiary are made according to the target architecture defined by Crédit Agricole Assurances.

This target architecture is a guide to any changes in the subsidiary's remuneration structure: the various mechanisms are not binding on it in any way.

### **B.1.3.3 Scope**

This policy applies to CALI Europe Luxembourg. As its France Branch is dependent on Crédit Agricole Assurances for Human Resources aspects, the applicable policy is that of the Group.

### **B 1.3.4 Overall remuneration**

The total remuneration of the company's employees is made up of the following components:

- ▶ fixed remuneration;
- ▶ variable remuneration, which may include:
  - discretionary personal annual variable remuneration (which may be determined by a formula or indexed to individual or collective success indicators),
  - exceptional personal variable remuneration linked to recruitment;
- remuneration peripherals (pension, health protection and benefits in kind).



Each employee benefits from all or some of these elements depending on their responsibilities and level within the company.

The Company compares its practices with those of its market (Insurance and Mutual Insurance, Bancassurance). It thus aims to position the overall remuneration of its employees at the median of market practices for a level of performance in line with expectations.

### **Basic salary**

The basic salary rewards the skills of employees necessary to carry out the responsibilities of the position entrusted to them in line with the specificities of each business line in the local market. A position and therefore the function associated with it are characterised by a mission and contributions, a level in the organisation and a profile of expected skills and experience.

The basic salary is determined by taking all these elements into account and with regard to local internal and external benchmarks, in compliance with local regulations.

Any changes in the basic salary of employees is based first and foremost on the assessment of the contribution of employees in the context of their duties. The assessment takes into account technical, behavioural, cross-functional aspects (e.g. ability to influence, manage a project, etc.) and managerial aspects, where applicable. In addition, it takes into account year-on-year progress: whether or not there has been an increase in the mastery of the position and/or the responsibilities entrusted.

The assessment is made formal in an annual appraisal interview.

This assessment is then compared with the internal and/or external salary positioning of the employee, in order to determine whether or not an increase is appropriate and its level. When taking up a new position, the change in responsibility is taken into account when determining the basic salary.

### **Annual variable remuneration (AVR)**

Discretionary annual variable remuneration rewards an employee's performance when eligible and constitutes an integral part of his/her annual compensation.

The basic salary and the variable remuneration are set in such proportions that they authorise a perfectly flexible variable remuneration policy and, in particular, the possibility of non-payment of the AVR in the event of insufficient performance, non-compliance with internal rules or procedures and/or notified and proven risky behaviour.

The performance appraisal must not be based solely on economic and financial criteria, but with regard to the achievement of qualitative and quantitative objectives.

The variable remuneration awarded must be directly affected by any reports of behaviour in breach of compliance rules and procedures and risk limits.

In addition, the annual variable remuneration packages are set so as not to hinder the ability of the entities to strengthen their Capital as necessary. They must take into account all risks, the cost of capital and the cost of liquidity.

The AVR is also referred to as a "Bonus". It is not guaranteed either in principle or in amount.

The individual distribution of bonuses is based on a discretionary decision by the managerial lines based on the assessment of individual performance.

### **Rules of good conduct**

The Company ensures that remuneration practices:

- ▶ Do not create incentives that could encourage those involved to favour their own interests to the potential detriment of their client;
- ▶ Do not impede the ability of its employees to act in the best interests of clients, nor discourage them from presenting information in an impartial, clear and non-misleading manner;
- ▶ Do not encourage the taking of speculative positions in proprietary trading activities permitted by the texts.

In addition, all employees undertake not to resort to any individual hedging or insurance strategy to protect income or civil liability that would compromise the risk alignment anticipated by the variable remuneration schemes.





Lastly, apart from the legal, contractual or collective provisions provided for in the event of departure, no other severance payment can be provided for contractually and, if this were to be the case, it must be linked to the performance recorded over the entire period of activity and designed in such a way as not to reward failure.

**Variable remuneration for “key” S2 functions:**

In order to prevent any conflict of interest, the remuneration of staff holding so-called “key” functions is set independently of that of the business lines whose operations they validate or verify. These functions are the risk management, compliance, internal audit and actuarial functions.

The objectives set for them and the metrics used to determine their variable remuneration must not take into consideration any criteria relating to the results and financial performance of the entities that they check.

**Annual variable remuneration of senior executives**

The variable remuneration of senior executives aims to remunerate, on the one hand, the annual performance based on the scope of responsibility of each senior executive, and, on the other hand, the long-term performance of the company and the Group by considering sustainable economic performance, consideration of its societal impact and the alignment of the interests of senior executives and shareholders.

Senior executives have their annual performance assessed on the basis of both economic and non-economic criteria related to the Group’s three pillars: customer, human and societal, and measure value creation:

- ▶ Customer: satisfaction of services and advice provided, adaptation of offers to new uses, innovation approach;
- ▶ Human: ability to attract, develop and retain employees, to engage in managerial transformation enabling a strengthened framework of trust;
- ▶ Societal: mutualist and societal commitment, respect for values beyond legal obligations, development of green finance.

**Remuneration peripherals**

Remuneration peripherals (pension, health and personal protection schemes) are set up as part of group schemes specific to the Company.

Benefits in kind are implemented within the context of programmes specific to the Company.

In accordance with the Group’s remuneration policy, the Company does not grant advances or loans to members of the administrative, management or supervisory bodies, or make commitments on behalf of these persons under any guarantee whatsoever.

**B.1.3.3 Remuneration of members of the Board of Directors**

Directors of CALI Europe do not receive any remuneration.

**B 1.3.4 Governance of the remuneration policy**

The Company’s remuneration policies and practices are governed by the Senior Management of CALI Europe.

The remuneration policy is reviewed and updated periodically, as necessary, and presented for approval to the CALI Europe Board of Directors.

**B.1.4 Principal characteristics of significant transactions with related parties**

No dividend was paid in 2025 for the 2024 financial year.





## **B.2 Fitness and good reputation requirements**

CALI Europe's policy aims to govern the procedures for assessing and justifying the fitness and good reputation of the executive managers, directors and key function managers of the Crédit Agricole Assurances Group's insurance companies in response to Solvency II requirements. This policy includes:

- ▶ the structuring regulatory principles of the system for managing individual fitness, collective fitness and good reputation;
- ▶ the procedures for assessing and justifying the fitness and good reputation of the persons concerned by this policy, and the key stages of the processes;
- ▶ the governance principles of the processes implemented (decision-making and validation circuits as well as the monitoring and control procedures).

### **B.2.1 Scope of application**

#### **B.2.1.1 Population concerned**

The persons covered by Solvency II in terms of fitness and good reputation are:

- ▶ members of the Board of Directors;
- ▶ the executive managers;
- ▶ heads of key functions.

#### **B.2.1.2 Entity concerned**

The scope of this policy applies to CALI Europe Luxembourg and its France Branch.

The objective, given the number of directors present on several Boards of Directors, is to harmonise the fitness and good reputation policy within all the insurance companies of the Crédit Agricole Group.

#### **B.2.1.3 Responsibilities, contributions and frequency of updates**

This policy comes into force on the date it is approved by the Company's Board of Directors. It is reviewed annually and amended, if necessary, if events so warrant (e.g. changes to the rules for assessing and justifying fitness and good reputation). The Board of Directors will then be informed of this change.

## **B.2.2 Structuring regulatory principles**

### **B.2.2.1 Strengthened existing regulatory framework**

The Solvency II Directive sets out the constraints in terms of assessing and justifying fitness and good reputation. It focuses on two main points:

- ▶ assessment of individual and collective fitness,
- ▶ proof of the chosen level of fitness and good reputation.

#### Areas of expertise

There are six expected areas of expertise, including the first five in line with the LSA, for the assessment of both individual competence and collective competence of the Board of Directors:

1. "Insurance markets and financial markets":

- ▶ the different families of insurance organisations, the segmentation of the market (insurance branches), the various types of products distributed, the different distribution networks used and the key figures of the market;
- ▶ financial markets in terms of asset families and associated risks.

2. "Company strategy and business model":



- ▶ the strategic and development priorities to which CALIE and the Crédit Agricole Assurances Group must respond;
  - ▶ the risks the Company must face;
  - ▶ the Group's strategy and associated financial impacts/risks;
  - ▶ the Company's business model.
3. "Corporate governance system":
- ▶ the risk governance system and committee structure implemented, i.e. the roles, responsibilities and missions of the stakeholders;
  - ▶ the families of risks faced by CALI Europe and the Crédit Agricole Assurances Group as well as the risk management actions and the various controls carried out;
  - ▶ control of the operational risks of the Company and the Group in terms of crisis management and business continuity planning.
4. "Financial and actuarial analysis":
- ▶ control of the main financial risks;
  - ▶ the impacts to which the institution is exposed;
  - ▶ the financial asset allocation principles put in place;
  - ▶ the management of multi-standards applicable to the main financial aggregates and ratios;
  - ▶ prudential Capital management mechanisms;
  - ▶ an understanding of reinsurance mechanisms;
  - ▶ an understanding of actuarial mechanisms.
5. "Regulatory requirements applicable to the insurance undertaking":
- ▶ the responsibilities of the Board of Directors;
  - ▶ the main regulations and systems put in place in terms of compliance (including AML/CFT) and ethics;
  - ▶ the objectives of Solvency II policies.
6. "Corporate social responsibility".

### **B.2.2.2 Collective fitness of the Board of Directors**

Collective fitness is assessed on the basis of all the qualifications, knowledge and experience of the directors. It takes account of the different missions assigned to each member of the Board of Directors, to ensure a diversity of qualifications, knowledge and experience of a kind to ensure the business is managed and supervised professionally.

### **B.2.2.3 Individual fitness of directors, executive managers and heads of key functions**

#### Executive managers and heads of key functions

The individual fitness of the executive managers and key function managers is assessed by taking into account qualifications and experience in a manner commensurate with their responsibilities. It is also based on the existence of previous posts held and on the training taken throughout their term of office.

#### Directors

The assessment of the individual fitness of directors is used as a means of determining collective fitness.

### **B.2.2.4 Good repute of directors, executive managers and heads of**



## key functions

### Principles of good repute

Good repute is assessed by checking that individuals have not been convicted of: money laundering, corruption, influence peddling, embezzlement or misappropriation, drug trafficking, tax fraud, etc., or been declared bankrupt in a personal capacity. The reputation of individuals and their integrity are also factors taken into account in the assessment.

### Cases of disrepute

Persons convicted of an offence should cease to perform their role within one month of the relevant court ruling.

### Proof of good repute

Furthermore, proof of good repute is required to prove, at the first request of the Supervisory Authority, the good repute of the persons concerned. This proof consists, at a minimum, of the production of a criminal record or, failing that, an equivalent document issued by a competent judicial or administrative authority.

## **B.2.2.5 Notification to the supervisory authority**

The Supervisory Authority must be informed of all executive managers and heads of key functions currently working at the Company, when they are nominated and each time their position is renewed. The Company's Executive Secretariat and/or Legal Department is responsible for identifying the information necessary to prepare the notification files with the Supervisory Authority (in Luxembourg, the Commissariat Aux Assurances).

## **B.2.3 Assessment of fitness and good repute**

### **B.2.3.1 Process for assessing fitness to serve**

#### **B.2.3.1.1 Individual fitness**

##### **B.2.3.1.1.1 Principle adopted**

The assessment of individual fitness is mainly based on experience acquired (current position, previous mandates, etc.). The principles adopted are as follows:

- ▶ Executive managers and heads of key functions (within their scope of responsibility): the assessment of their fitness across all five areas mentioned takes into consideration their qualifications, previous posts, experience, and training taken.
- ▶ Directors: the assessment of their fitness across all areas mentioned is based on their qualifications, previous mandates and experience.

##### **B.2.3.1.1.2 Support and frequency for assessing the individual fitness of directors**

For the identification of qualifications, mandates, experience and training completed, "an experience and skills summary" is completed by each director at the time of their appointment and then each year by the list of their offices in force on 31 December and the list of training completed during the year.

#### **B.2.3.1.2 Collective fitness**

##### **B.2.3.1.2.1 Principle adopted**

The assessment of the collective fitness of the Boards of Directors is based on a study of the individual fitness of each director. It takes into account diplomas, mandates and experience, but it is also necessary to assess the level of fitness in relation to the topics required by Article 275 of the LSA, with a view to drawing up and proposing training plans to directors.

##### **B.2.3.1.2.2 Questionnaire and frequency of assessment of collective fitness**



A "self-assessment of knowledge" questionnaire to assess the expected level of competence for each of the themes is sent to the directors each year. Each director must rate his/her level of knowledge at between 0 and 4, across the themes required:

Nom du niveau	Intitulé de niveau	Descriptif de niveau
Niveau 0	"Pas de connaissance"	Sujet inconnu
Niveau 1	"Connaissance"	Sujet connu dans ses grandes lignes mais les objectifs visés ne sont pas totalement appréhendés
Niveau 2	"Compréhension"	Sujet connu, les objectifs et les enjeux visés sont compris mais difficulté challenger le management
Niveau 3	"Expertise"	Sujet connu, les objectifs et les enjeux visés sont compris et faculté pour challenger le management
Niveau 4	"Vision prospective"	Capacité à piloter le sujet et à maîtriser les enjeux financiers associés de manière prospective

### B.2.3.1.2.3 Rules for assessing collective fitness

The collective fitness of the Board of Directors must comply with the two cumulative rules on the five themes mentioned above.

- ▶ At least one person at level 3 or above;
- ▶ and an overall average greater than or equal to 2.

The results of the collective assessment are communicated to the Board. They serve as a reference for drawing up the training plan. Directors may also express requests for collective or individual training.

### B.2.3.1.3 Training plan

#### B.2.3.1.3.1 Definition of the training plan

Analysing the results of the skills assessments serves to determine the training plans to be implemented.

- ▶ Executive managers and heads of key functions:
  - As part of the induction process and depending on the needs identified, training plans may be suggested and monitored by the executive managers and key function holders on an individual basis,
- ▶ Directors:
  - The training plan proposed is identical for all members of any given Board. Nonetheless, a focus on specific aspects might arise at the request of a board member, which could either be added to the collective training plan or be taken individually.

#### B.2.3.1.3.2 Definition of the training plan

At least two topics are proposed per year.

### B.2.3.2 Process for assessing good repute

#### B.2.3.2.1 Principle and provision of evidence

The Company's Legal Department and/or Executive Secretariat must provide evidence of the good repute of board members, executive managers and heads of key functions and demonstrate that they have no legal or criminal convictions or penalties. The good repute form is presented in the appendix to this document.

- ▶ Executive managers and heads of key functions

File of notification to the Supervisory Authority kept by the Company's Executive Secretariat (which includes in particular proof of no criminal conviction and an extract of their criminal record).





► **Directors:**

File of good repute kept by the Executive Secretariat of CALI Europe which includes, in particular, the declaration of good repute, proof of no criminal conviction, an extract of their criminal record as well as the elements mentioned in circular letter 22/15 issued by the Commissariat aux Assurances.

**B.2.3.2.2 Frequency of signature of the declaration of good repute and consequences**

► **Signature frequency**

This declaration must be completed for the first time at the time of appointment and will be updated annually.

► **Rules and consequences of the analysis of results**

If a case of disrepute is raised, it is presented to the Chair of the Board and the Chief Executive Officer, who must discuss further with the principal interested party to obtain more details on the point raised and justify the recommendation, submitted for the decision of the Board of Directors, regarding the continuation of his duties and mandates.

However, in the event of a conviction, and without the need for a prior decision by the Board of Directors, which is then informed, the person must cease his/her activity within one month of the date on which the court decision is final.

**B.2.4 Governance of the system**

**B.2.4.1 Role and responsibilities of the parties involved (collection of information, traceability, data, communication with the persons concerned and monitoring over time)**

**B 2.4.1.1 Chairman of the Board of Directors and CEO**

The duties and responsibilities of the Chairman of the Board of Directors and the Chief Executive Officer are to:

- Validate the proposed training plan annually,
- Validate the good repute and fitness of any new executive manager and key function manager,
- Decide on the actions to be taken in the event of non-compliance with the principle of good repute for the entire population concerned regarding whether or not to maintain a mandate on the Board or a position.

These items are presented to the Board of Directors.

**B 2.4.1.2 Executive Secretariat and / or Legal Department of the Company**

The Executive Secretariat, in conjunction with the Legal Department, has the following duties and responsibilities in terms of good repute and fitness, consistently for the entire Company:

- Inform and communicate with the Chair of the Board and the Chief Executive Officer as soon as an event warrants it (results of the fitness and good repute analysis for the population concerned already in office and for new hires, as well as the training plans);
- Communicate on the system for assessing and justifying fitness and good repute of directors, executive managers and key function managers (rules and principles to be followed, communication of assessment results, proposal of training plans);
- Collect the necessary information from the population concerned (CV, criminal record, summary of experience and skills, self-assessment, declaration of good repute) and prepare and transmit, if necessary, the notification files to the Supervisory Authority;
- Monitor and update materials over time (knowledge summary sheets, monitoring of training attendance and absence).



## **B.3 Risk management system, including internal risk and solvency assessment**

### **B.3.1 Risk management framework**

In accordance with the Group framework, CALI Europe has set out its own process and mechanism for assessing, monitoring and managing risk, with the mapping of processes and risks, a risk strategy and the ORSA process. It also sets formal policies and procedures giving a strictly defined structure to risk management (underwriting risk, reserve risk and reinsurance risk, and so on).

Alerts are issued when limits are exceeded to CALI Europe's Senior Management and the Group Risks Department (e.g. limits on financial investments) or, where necessary, the CALI Europe Board of Directors. An action plan is then established to address them. To conduct its strategy while managing its risks, CALI Europe establishes a risk appetite including financial indicators of a strategic nature, on the three dimensions consisting of the solvency ratio, financial performance and value, broken down into key indicators by risk type forming the foundation of the CALI Europe risk strategy. This strategy, reviewed annually as a minimum, formally describes the supervision mechanism for the various risks to which its business exposes it (financial, underwriting and operational risks) including all related limits and warning thresholds.

The risk strategy and risk appetite are approved by the CALI Europe Board of Directors, after examination of the metrics and major limits by the Executive Committee, the Technical Committee, and in conjunction with the Crédit Agricole Assurances Group Risk Department. Any breach of a limit or warning threshold, and the associated remedial measures, are notified to CALI Europe's Senior Management, or the Crédit Agricole Assurances Group's or Crédit Agricole S.A.'s Risk Department in the case of limits that fall within their responsibility. This risk management mechanism is supplemented by the Own Risk and Solvency Assessment (ORSA), as presented below.

Risk mapping is the means by which the risks to which the Company is exposed are identified. The risk map is developed, according to sector practices, based on available information sources, consultation of the business lines and existing measurement systems: risk performance indicators, operational risk mapping updated regularly, results of permanent controls, collection of incidents and operating losses, observations arising from audit assignments, interviews and analyses conducted by the various business units, etc. In addition to identifying the principal risk exposures, CALI Europe, in conjunction with the business lines, constantly monitors the risks relating to insurance activities. This monitoring is based on numerous sources (economic research, internal and external studies, studies from consultancy firms or published by EIOPA, the Commissariat aux Assurances, the Autorité de Contrôle Prudentiel or the Association des Compagnies d'Assurances, etc.). Financial risk management is based on a Group corpus of financial risks communicated each year and appropriately incorporated within CALI Europe's financial policy. This policy is approved and ratified by the Board of Directors every year. Financial risks are managed across the Crédit Agricole Assurances Group as a whole through:

- ▶ a group-wide corpus of financial risks comprising risk policies and procedures, applicable to the management positions awarded by the entities to Amundi, Crédit Agricole S.A. Group's asset management arm;
- ▶ analysis of financial risks and issuance of opinions for general use, including concerning investments made directly by the Investment Department, after a decision by the head of the Crédit Agricole Assurances Group in accordance with delegation procedures.

Other types of risk are also managed from a Group standpoint, with coordination and consolidation undertaken at Group level (underwriting and operational risks). Monitoring and management of IT security and business continuity risks falling within the scope of the Crédit Agricole Assurances Group are centralised under the IT and BCP risk manager and are separated from the operational monitoring of these risks under the remit of the international Crédit Agricole Assurances CISO (Chief Information Security Officer), which function is also centralised. The role of the IT and BCP risk manager includes the safety of both property and staff.

CALI Europe has established a committee structure to manage risks in a consistent manner: Audit Committee, Financial Security Committee, Internal Control Committee, Mediation / Litigation Monitoring Committee, Complaints Committee, Complex or Sensitive Transactions Committee, Investment Committee, Strategic Investment Committee, New Businesses and Products Committee, External Partners Committee and Underwriting Committee. In accordance with the Crédit Agricole Group's internal control standards, these committees coordinate the four key Solvency II functions and enable the Risk Managers to report any alerts observed. In addition, a Model and Technical Committee, which includes the review of insurance models, validates the modelling risk management system and oversees it.

### **B.3.2 ORSA mechanism**

The ORSA mechanism has been placed under the Risk function's responsibility, with contributions from the Actuarial and Finance functions, and follows the existing risk management procedure (the risk strategy in particular). The ORSA mechanism is integral to the Company's operations and included within the current decision-making processes in both management and operational aspects. Consequently, CALI Europe synchronises its ORSA with its budget preparation, and uses its financial results and



analyses to update its risk appetite and business line policies consistent with budget information and capital planning. The ORSA mechanism combines quantitative and qualitative approaches to identify and assess all the risks to which CALI Europe is exposed, including those not explicitly included in the standard calculation formula. The ORSA is produced at least once a year but may also be reviewed and updated at any time deemed appropriate in the event of a material change in the environment or risk profile. Calculations and data produced by the Actuarial and ALM department serve as input, and the ORSA is based on the standard calculation formula. Group-wide consistency is achieved by following the framework defined by the Crédit Agricole Assurances Group:

- ▶ Group forward-looking ORSA guidelines which set out the structure for the methodology;
- ▶ Group ORSA scenarios applied across all entities, established in conjunction with the Crédit Agricole Assurances Group consolidated risk profile. This does not rule out companies adding specific scenarios to ORSA so as to incorporate material risks affecting them that are not covered by the Group scenarios;
- ▶ a set of shared Group-wide metrics are used as input to the minimum common foundation for Group and entity dashboards and consequently to facilitate evaluation of the risk profile at each level, plus aggregation and then analysis of those metrics.

CALI Europe's internal ORSA policy, ratified by its Board of Directors, reiterates the key information in the ORSA process and how it coordinates with the Group process. The ORSA mechanism is therefore integral to CALI Europe's operations and included in the decision-making processes in place for the three levels of decision:

- ▶ at a strategic level: presentation to governance for ratification of the strategic issues and risk appetite framework with reference to solvency, profitability and value objectives, as reflected in the risk strategy in the form of risk tolerance limits and monitoring indicators;
- ▶ at coordination level via synchronisation with the medium-term planning process;
- ▶ at operational level via allocation, pricing, etc. studies including ORSA's financial criteria.

For ORSA 2025, which covered the three regulatory assessments of overall solvency requirements, ongoing compliance and the adequacy of the standard formula assumptions relative to the risk profile, the scenarios used for forward-looking valuations focused not only on financial and non-financial stresses, bearing in mind the significance of underwriting risk and financial risk for CALI Europe, but also took into account risks not covered by the standard assessment (stress on sovereign issuers, specific non-financial risks, etc.). They aimed to analyse the consequences of adverse situations on the basis of financial scenarios (high rates, budget stress, etc.) and non-financial scenarios (alternative base scenario with the impact of the discontinuation of elevated rates) combined. For each of these scenarios, the business assumptions have been adapted to better reflect the risks to which the Company is exposed.

This work provides information about CALI Europe's financing requirements, in terms of quality and quantity, making it possible to determine potential financial operations to be put in place if the scenarios described do in fact arise (see section E for comments). They also help identify the levers for action in the event of a change to one of the adverse scenarios.

## **B.4 Internal control system**

The internal control system is defined as all of the mechanisms put in place to provide control over the activities and risks of all kinds to which the entity is exposed, ensuring the regularity, security and effectiveness of operations. CALI Europe has its own internal control system built in accordance with the standards and methodologies established by the Group: it includes permanent control, compliance, actuarial and internal audit activities. The internal control system is organised such that all CALI Europe employees are part of it. Within each Department, employees therefore contribute very actively in the transaction verification process at various levels of responsibility. This organisation meets the following common principles:

- ▶ comprehensive coverage of the activities, risks and responsibilities of all those concerned, with Senior Management being directly involved in the organisation and running of the internal control system;
- ▶ clearly defined tasks, effective separation of commitment and control functions, and decision-making procedures based on formal, up-to-date delegation of responsibility;
- ▶ formal, up-to-date standards and procedures, particularly as regards accounting practices;
- ▶ control system comprising permanent controls integrated into transaction processing (1st degree) or conducted by operational staff not involved in the transactions being checked (2nd degree - 1st level), or conducted by dedicated staff (2nd degree - 2nd level), and internal audits (3rd degree) carried out by the General Inspectorate or the Audit Department;
- ▶ Board of Directors informed about the risk policy and monitoring of application of the policy (including the limits set and their use), the findings of internal control work and implementation of associated remedial measures.





Permanent control plans include:

- ▶ local control plans, with the critical processes and major risks identified in the risk mapping targeted as a priority,
- ▶ a “2.2” second-level control framework established by the Crédit Agricole S.A. Group Risk Department,
- ▶ as well as controls specifically intended for the activities of the Group’s insurance entities, also second-level controls, known as “key internal controls” or “KIC”, developed by the Crédit Agricole Assurances S.A. Risk Department.

All of these control plans ensure the quality and proper functioning of the risk monitoring and control system.

Four distinct participants ensure the consistency and effectiveness of the internal control system and compliance with these principles:

- ▶ the Head of the Risk Management Function, responsible for both the permanent control system and risk management;
- ▶ the Head of Compliance;
- ▶ the Head of the Actuarial Key Function, who is involved in particular in the quality of data and the validation of prudential technical reserves;
- ▶ Periodic Control (Internal Audit Key Function), which operates according to a method governed by the audit policy.

The Risk Management function regularly interacts with Internal Audit when preparing assignments and when providing feedback. The findings and recommendations issued feed into the action plans and are used to update the risk mapping. Similarly, it works closely with the Actuarial Function, which contributes to risk management and modelling.

Across all the areas of Compliance regulated at Crédit Agricole S.A. Group level by the “FIDES” corpus, the Compliance function covers those applicable to insurance, and more specifically in each entity, those applicable to its particular business activities. Compliance breaks the corpus down into policies and operating procedures, and determines the permanent control plan that is intended to ensure they are followed, and to manage non-compliance risks identified at the time the risk mapping is produced or updated.

Compliance system management, which meets the ongoing objective of preserving the Company’s reputation and avoiding the impact of a breach in applicable regulations (financial losses, judicial, administrative or disciplinary sanctions), also includes dispensing training and information for employees and management. Like the Risk Management Function, Compliance issues opinions when new products are launched or new business activities begun where the approval process involves new activities and product committees set up by CALI Europe, and it does the same for investment plans.

The Actuarial Function contributes to the overall effectiveness of the system, in particular by informing it of the reliability and adequacy of the calculation of prudential technical reserves, by issuing “actuarial opinions” on the overall underwriting policy and on the reinsurance arrangements taken. It contributes to the effective implementation of the risk management system concerning in particular the modelling of the risks underlying the calculation of the capital requirements (SCR/MCR) and the ORSA (this is discussed in chapter “B.6 Actuarial function”).

## **B.5 Internal audit function**

### **B.5.1 General principle**

The Internal Audit function performs its duties in accordance with the Internal Audit Policy that was ratified in 2025 by the Crédit Agricole Assurances Group and CALI Europe Boards of Directors. This policy – wholly within the framework that resulted from the Solvency II directive – is revised annually. It also complies with the principles and standards established by the Crédit Agricole Group Audit Inspection Business Line.

Since 2010, the Internal Audit function has been incorporated within the Crédit Agricole Assurances Internal Audit Department (DAA). With 37 members of staff in Paris, it is also supported by the resources and methodological standards used by the Crédit Agricole Group Audit Inspection Business Line (LMAI). The DAA covers the entire scope of internal control for the Crédit Agricole Assurances Group. It also directly covers CALI Europe.

### **B.5.2 Internal audit function roles and responsibilities**

A CALI Europe Director reporting to the Internal Audit Department (DAA) performs the “Internal Audit Function” role for CALI Europe within the meaning of the Solvency II Directive and is supported by the DAA for “Periodic Controls”. The function conducts audit assignments, on documents or in situ, in all units falling within the scope of Crédit Agricole Assurances Group internal control



(there are no exemptions) including CALI Europe. The scope of its work consequently covers the entire entity, all business activities, processes and functions falling within the remit of the Company's internal control. It also encompasses governance and the activities of the other three key functions within the meaning of the Solvency II directive. Lastly, the function also covers outsourced provision of services or other critical or important tasks.

Preparation of the annual audit plan is based on a risk mapping process that covers all business activities and the entire system of governance, along with the expected developments in the business. For CALI Europe, the result is the production of an audit plan running for several years, intended as a comprehensive review of activities over five years maximum (the review frequency can be shorter depending on the assessment of the risks involved). The audit plan is reviewed annually by the Audit Committee for validation by the Board of Directors.

Assignments undertaken by the DAA are insurance tasks within the meaning of professional standards and are not consultancy. Their purpose is to ensure the adequacy and effectiveness of the risk management and internal control systems, and in particular to:

- ▶ ensure the correct measurement and management of risks connected to the business activities of Crédit Agricole Assurances Group companies (identification, record keeping, supervision, coverage);
- ▶ ensure the adequacy and effectiveness of control mechanisms used to ensure the reliability and accuracy of financial, management and operational information from the areas audited, in accordance with applicable standards and procedures in force;
- ▶ ensure the proper implementation of corrective measures decided upon (including those resulting from assignments conducted by the Supervisory Authorities or Crédit Agricole Group's General Inspectorate);
- ▶ assess the quality and effectiveness of the organisation's general operation.

They thus provide members of administrative, management and supervisory bodies (AMSB) at Crédit Agricole Assurances Group and CALI Europe, and the Audit Inspection Business Line (LMAI) at Crédit Agricole Group, with an independent, objective, and professional opinion concerning the functioning, risk management system, and internal control system at CALI Europe.

## **B.6 Actuarial function**

The actuarial function within CALI Europe is organised in accordance with the new regulatory requirements of Solvency II. It is based on the principle of subsidiarity: CALI Europe has the necessary resources to manage the risks inherent to its activity and sets up a separate Actuarial function that complies with Solvency II requirements. CALI Europe organises its Actuarial Function to suit its specific features and in line with the supervisory authorities requirements.

To produce its conclusions and recommendations, the Actuarial Function makes use of its review of specific subjects (e.g. intra-group reinsurance).

The principal missions of the company's actuarial function are to:

- ▶ coordinate the calculation of prudential technical provisions;
- ▶ ensure the appropriateness of methodologies, the underlying models and assumptions used to calculate technical provisions;
- ▶ assess the suitability and quality of data used in calculating technical provisions;
- ▶ provide an opinion on the overall underwriting policy and the adequacy of reinsurance arrangements;
- ▶ contribute to the risk management system in particular as regards the modelling of the underlying risks in calculating capital requirements and ORSA.

The Actuarial Function submits the deliverables below to the governing bodies (Boards of Directors):

- ▶ underwriting policy;
- ▶ reinsurance policy;
- ▶ reserves policy;
- ▶ model governance policy;
- ▶ actuarial report to the Board of Directors and the Luxembourg regulator, prepared every year.

## B.7 Subcontracting

### B.7.1 General principles and objectives of the Group subcontracting policy

The subcontracting policy:

- ▶ defines outsourcing in accordance with the Solvency II Directive, the European Digital Operational Resilience Act (DORA), the EBA Outsourcing Guidelines and the EIOPA Guidelines on Outsourcing to Cloud Service Providers and with local regulations (in particular LC21-15 and LC22-16);
- ▶ defines the criteria for qualifying an outsourcing service by distinguishing between “critical or significant” outsourcing and those that are not, according to the definitions of the aforementioned standards;
- ▶ sets out the general principles and main expectations for managing subcontracting at each key stage in the use of outsourcing;
- ▶ identifies the associated responsibilities, including that of “Lead” outsourcing, a function held by a senior manager who reports directly to the management body and is responsible for overseeing the outsourcing framework;
- ▶ recalls the obligation to inform the supervisor of the intention to outsource critical or important activities;
- ▶ describes the subcontracting control system (including its inclusion in the audited activities).

### B.7.2 Scope

The subcontracting policy applies to all of CALI Europe’s subcontracting areas, regardless of which department is responsible. The policy constitutes a set of guiding principles that apply to the whole company.

### B.7.3 Dealings between the Group and subsidiaries

This policy has been ratified by the CALI Europe Board of Directors. The Head of the Risk Management Function is responsible for its implementation and for proposing the necessary changes to ensure that it is regularly updated. The Outsourcing Lead is responsible for ensuring application of the policy, and the Head of the Risk Management Function is responsible for carrying out the controls requested by the Group. The outsourcing policy and the outsourcing strategy are validated by the Board of Directors, according to its own governance process.

### B.7.4 Critical or important activities

CALI Europe subcontracts a number of activities. The largest concerns IT and, more specifically, the hosting of our systems, software and hardware. The second is financial subcontracting, with the financial management of funds entrusted to a third party. The table below shows outsourced activities by supplier which CALI Europe has assessed as critical or important.

Nom du fournisseur	Groupe / Hors Groupe	Pays	Activité
Amundi S.A.	Groupe	France	Gestion des placements
CA Indosuez Wealth (Europe) S.A. (CAIWE)	Groupe	Luxembourg	Hébergement et gestion de l’infrastructure IT
CA Indosuez Wealth (Europe) S.A. (CAIWE)	Groupe	Luxembourg	Moyens généraux et ressources humaines
CACEIS Fund Administration S.A.	Groupe	France	Gestion comptable et services associés
Crédit Agricole Assurances Solutions S.A.	Groupe	France	Services d’investissement
Crédit Agricole Assurances Solutions S.A.	Groupe	France	Fourniture d’application – outil comptable
Deloitte Tax & Consulting, s.à r.l.	Hors Groupe	Luxembourg	Production documentaire KIDS PRIIPS
Switch Information Technology S.A.	Hors Groupe	Luxembourg	Logiciel de gestion des contrats



Use of subcontractors enables CALI Europe to focus on development and innovation, controlling quality, costs and timescales, improved responsiveness and risk mitigation. CALI Europe does not use subcontracting for the key functions defined by Solvency II.

The Internal Audit function is carried out by the Insurance Audit Department of the Crédit Agricole Assurances Group. Performance of this activity by the Prudential Group enables CALI Europe to benefit from the expertise and pooling of resources as part of a multi-year audit plan.

Nom du fournisseur	Groupe / Hors Groupe	Pays	Activité
Crédit Agricole Assurances S.A.	Groupe	France	Audit interne

## B.8 Other information

Not applicable



## C. RISK PROFILE

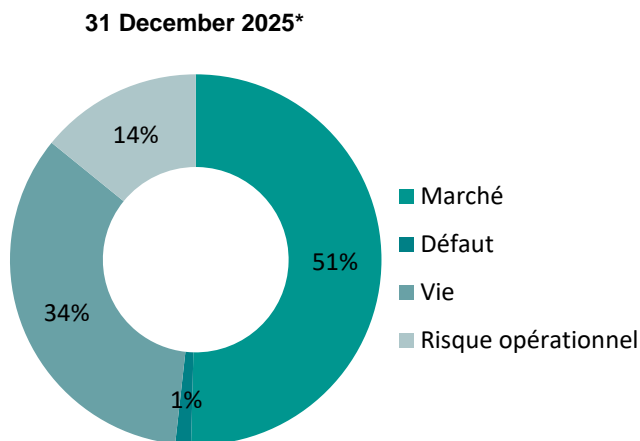
The risk profile of CALI Europe described later in this section is established on the basis of the process for identifying major risks, which is the tool for identifying and assessing the risks to which the Company is exposed. This risk profile is used as the basis for calculating the capital requirement, which is itself expanded upon later in Part E of this report on capital management.

### C.1 Introduction

Due to the predominance of its savings business, CALI Europe's principal risks are market risk and underwriting risk, which are included in the standard calculation formula for the solvency capital requirement (SCR). The standard formula also covers other technical risks that are less significant at CALI Europe level, together with operational risks.

Risks that do not correspond to the standard formula are, like each of the risks identified in the risk map, placed under a management and monitoring system that makes it possible, if necessary, to alert governance if a deviation from this standard management framework is observed.

These risks are analysed using stress scenarios. With regard to risks identified at year-end 2025, CALI Europe's SCR amounted to €239,076k at the end of 2025. Risk exposure is primarily composed of capital requirements with respect to market risk (51%), life underwriting risk (34%), operational risk (14%) and, to a lesser extent, default risk. The main risk aspects of risk exposure are shown in the following graph, corroborating the identification of major risks by CALI Europe.



\* Risk exposure is defined as the nBSCR before diversification and after absorption of losses by technical provisions and taxes and including operational risk.

### C.2 Underwriting risk

CALI Europe operates in the savings business through its Luxembourg entity and its Branch office in France. It conducts its business under the freedom to provide services (FPS) from Luxembourg and a permanent establishment in France. It markets

and sells insurance products to residents of France and an international customer base. At the end of 2025, underwriting risk exposure represented 34% of the Company's risk exposure.

Technical provisions for insurance with profit-sharing represented 38% of CALI Europe's best estimate gross life commitments, versus 62% for technical provisions for index- or unit-linked insurance commitments.

### **C.2.1 Exposure to main risks**

Through its savings business, CALI Europe is exposed to the risk of deducting insufficient fees to cover operating expenses and commissions paid to distributors, and to mortality risk, but above all to the risk of policy surrenders (large-scale surrenders reflecting a lack of trust in CALI Europe or Crédit Agricole S.A. Group, or a drift towards surrenders which could occur in particular if the profit-sharing rate is deemed uncompetitive by policyholders in relation to the rates they could obtain on the market). If the risk of surrender becomes fact under unfavourable market conditions, the impact on the Company's profit and solvency could be substantial.

Life underwriting risk is the second risk incurred by CALI Europe, accounting for 34% of risk exposure. It amounted to €112,930k.

### **C.2.2 Principal risk management and mitigation techniques**

The savings activities mainly expose CALI Europe to surrender risk. Controlling this risk requires the monitoring of policyholder behaviour, a competitive profit-sharing policy and a prudent financial policy, particularly in the management of reserves. The surrender rate is monitored in collaboration with our partners and through a monthly surrender rate monitoring system that can detect cyclical fluctuations.

### **C.2.3 Main concentrations**

As at 31 December 2025, life activities excluding unit-linked business accounted for 38% of the best estimate gross reinsurance. The best estimate net reinsurance was composed primarily of unit-linked business and the Euro Funds.

Unit-linked commitments accounted for 62% of the best estimate gross reinsurance.

### **C.2.4 Sensitivity**

The main underwriting risk incurred by CALI Europe is surrender risk, the sensitivity of which is tested indirectly during the sensitivity tests conducted on the assets (bond yield curve), or directly in CALI Europe's specific ORSA stress scenarios.

## **C.3 Market risk**

Market risk represented 51% of the Company's risk exposure at the end of 2025 and amounted to €166,918k. Given the increase in savings activities, market risk is the primary risk borne by the Company.

Market risk arises mainly from spread, interest-rate and equity risks.

### **C.3.1 Risk exposure**

Outstanding unit-linked investments as at 31 December 2025 amounted to €9,326,128k, up compared with 2024.

Market risk at year-end 2025 was primarily the result of equity risk, spread risk, interest rate risk and, to a lesser extent, foreign exchange risk and real estate risk.

Exposure to sovereign bonds for our euro-denominated vehicles (and government guarantees), not taken into account in the calculation of the standard formula, is mainly concentrated in Europe. Exposure to sovereign bonds in peripheral countries of the eurozone was relatively marginal.

## C.3.2 Principal risk management and mitigation techniques

Market risk is affected for the most part by savings activity linked to the Euro 3 Fund and unit-linked products and the concentration of risks on a single issuer. These factors are found in the equity risk sub-model and concentration sub-model respectively.

### C.3.2.1 Equity risk

Equity risk represents 38% of market risk, exposure, amounting to €88,455k before the effect of diversification. It is linked to the change in the diversification component of investments to cover our commitments related to unreinsured euro-denominated vehicles and the change in outstandings on unit-linked activities impacted by changes in the financial markets. It should be noted that this type of product is regulated by a circular issued by the Luxembourg regulator defining the investment rules for life insurance products linked to investment funds.

### C.3.2.2 Concentration risk

At 31 December 2025, there was no exposure to concentration risk

### C.3.2.3 Interest rate risk

Interest rate risk accounts for 28% of market risk exposure, amounting to €67,160k before the effect of diversification. Monitoring of interest rate risk is conducted monthly based on analyses and is presented to the Company's investment committee.

### C.3.2.4 Spread risk

Spread risk accounts for 30% of market risk exposure, amounting to €70,606k before the effect of diversification. It is material for the company and relates to investments to cover unit-linked technical commitments, the Euro 3 Fund, and also investments of own funds.

This risk, which applies to the various investment portfolios mentioned in the previous paragraph, is managed through limits on the distribution of issues across the various rating bands.

Issuer risk is analysed and closely monitored by Amundi's Risk teams (to which the management of the aforementioned CALI Europe portfolios is delegated). Quarterly portfolio reviews with Amundi (incorporating sectoral themes related to the economic environment), supplemented by reviews with the Crédit Agricole S.A. Group Risk Department, enable proactive management with, if deemed necessary, the monitoring of issuers (list of issuers common to the Crédit Agricole Assurances Group in which it is prohibited to invest) or even the implementation, at the Crédit Agricole Assurances Group level, of risk disposal programmes.

### C.3.2.5 Diversification assets risk

Alert thresholds are set globally for diversification investments and individually for each asset class (equities, real estate, private equity and infrastructure, alternative management). While these assets are likely to provide higher yields and bring about some decorrelation, they entail a valuation and accounting provision risk (provision for long-term impairment, with a subsequent impact on policyholders' returns).

### C.3.2.6 Foreign exchange risk

Foreign exchange risk amounted to €9,198k. It was mainly attributable to the conversion of unit-linked activities into euros.

## C.3.3 Sensitivity

ORSA sensitivity

The ORSA process followed by the company also analyses the sensitivity of the various indicators set out in the risk appetite policy in several alternative scenarios as defined and communicated by the Group. The 2025 ORSA process also analysed the sensitivity of these solvency and outcome indicators in the context of specific and/or alternative scenarios determined directly by the company.

In total, four Group scenarios and one specific scenario were analysed in comparison with the base scenario in the 2025 ORSA work.

- ▶ The “central” scenario:
  - Moderate growth, slow disinflation and a moderately high rate regime;
  - Change in outstandings as presented in Crédit Agricole S.A.’s MTP ACT 2028.
- ▶ The “budget stress” scenario is based on the following economic and financial environment:
  - Escalating trade tensions;
  - Spike in inflation;
  - Geopolitical and energy crisis.
- ▶ The “high rates and large-scale surrenders” scenario is based on the following economic and financial environment:
  - Rise in rates alongside a downward trend on the markets;
  - Widening of spreads;
  - Stress on inflation.
- ▶ U-shaped low interest rate scenario:
  - Sustained decline in rates over 3 years;
  - Sharp rise in interest rates.
- ▶ The specific “alternative base scenario with the impact of the discontinuation of elevated rates”
  - Environment similar to the base scenario with waves of surrenders.

The trajectory of the Company’s Solvency II ratio in the base scenario after additional financing remains in the risk appetite zone over the entire forecast period. The same applies to the specific CALIE scenario, taking into account successive waves of surrenders of euro-denominated vehicle outstandings that are not reinsured after the end of the elevated-rate periods between 2026 and 2028 and in a U-shaped low interest rate scenario. For the other stress scenarios, the trajectories of solvency ratios deteriorate on the appearance of shocks associated with levels that, in some cases, are lower than the capacity threshold set at 100%. In the base scenario, thanks to the additional financing budgeted, the Company may conduct its strategic development plan in accordance with its risk appetite framework in terms of the solvency ratio as set out in the risk appetite policy. For the specific CALIE scenario, the trajectory of the solvency ratio is fairly close to that observed in the base scenario despite successive waves of surrenders. The company’s solvency ratio therefore remains within the acceptable range over the entire forecast period. For the adverse “budget stress” and “high rates and large-scale surrenders” scenarios, the company’s solvency ratio trajectories deteriorate significantly. For these scenarios, the strategic development plan must be adapted, requiring measures to rectify these trajectories and to return as far as possible to the acceptable range in terms of Solvency.

### **Sensitivity on the 2025 solvency ratio**

Financial sensitivity analyses were also conducted on the solvency ratio as at 31 December 2025. They involved the principal risk factors first taken in isolation (equity, rates, spread) and then in combination.

The assumptions used are described below:

### Sensibilités financières - Scénarios

	Choc retenu
Actions	-25%
Hausse des taux	+ 50 bps
Baisse des taux	- 50 bps
Hausse des taux	+ 100 bps
Hausse des spreads souverains	+ 75 bps
Hausse des spreads corporates	+ 75 bps
hausse des taux	+ 100 bps

### Sensibilité financière - Scénario combiné

	Choc retenu
Actions	-25%
Taux	+ 50 bp
Immobilier	-10%

Given the weight of our Euro 3 Fund outstandings, the solvency ratio becomes more sensitive to market risks, with a penalising effect in the event of a rise in interest rates. It is also sensitive to a combined shock of falling equities, rising interest rates and falling real estate, and to a widening of spreads.

## C.4 Counterparty risk

### C.4.1 Risk exposure

Exposure to counterparty default risk is a minor risk for CALI Europe and represents only 1%, amounting to €4,530k before the effect of diversification. The exposure arises from:

- ▶ Financial counterparties on forward financial instruments (failure of the counterparty to honour its commitments) used as hedging or on deposits/cash at bank (failure of the bank holding the deposit account to honour its commitments);
- ▶ Reinsurance counterparties (failure of a reinsurer preventing it from bearing the cost of that part of claims losses incumbent upon it);

### C.4.2 Principal risk management and mitigation techniques

#### C.4.2.1 Financial counterparties

Cash is not usually left in current accounts, but instead invested in cash UCITS.

#### C.4.2.2 Reinsurance counterparties

Management of reinsurer default risk is based on CAA Group's internal standards, namely:

- ▶ firstly, the financial strength of the selected reinsurers: minimum A- rating taking a conservative approach which consists of retaining the lowest financial strength rating from the three rating agencies S&P, Moody's and Fitch. The assessment of whether this threshold is met has been adapted to take into account the special features of partnership agreements and reinsurance pools. Requests for an exception to be made are submitted to Senior Management accompanied by a risk opinion. The ratings of the reinsurers with which CAA Group works are monitored every month;
- ▶ rules for reinsurance divided up by treaty defined by each of the companies that monitor them. A report on exposure in terms of concentration of outward premiums overall at CAA Group level to the various reinsurers is produced annually;

- ▶ outward provisions are secured by means of standard collateral clauses: cash pledges are preferred, otherwise financial instruments meeting certain quality criteria.

### C.4.3 Main concentrations

The 100% quota share reinsurance of a portion of our euro fund remains the principal concentration and accounts for almost all the counterparty risk. Other concentrations involve cash deposited with financial institutions, principally Group entities.

As regards reinsurance counterparties, Predica, a CAA Group subsidiary, receives all (100%) of the outward premiums. A pledge is established by the reinsurer over one of its accounts to cover its commitments.

## C.5 Liquidity risk

### C.5.1 Risk exposure

CALIE Europe needs to be in a position to cover liabilities payable in terms of benefits on either surrender or death. The risk stems from the possibility of having to realise capital losses in order to deal with these liabilities (unfavourable market conditions, large volume of benefit payouts).

This risk, which is not quantified in the standard formula, can be assessed using various approaches which will be described in the next section.

This liquidity risk for CALIE is governed by the liquidity risk management policy, which aims to define the principles set for managing short-to-medium-term and long-term liquidity risk, as well as the main actions and procedures to be undertaken when the risk materialises. On the one hand, liquidity is a criterion for investment selection: majority of securities listed on regulated markets, limited volume of inherently less-liquid assets such as property, private equity, unrated bonds, equity securities, alternative asset management, etc.

On the other hand, liquidity management mechanisms, harmonised at the CAA Group level, are monitored by CALIE on a monthly basis through investment committees organised by CALIE's Actuarial and ALM department, which monitors liquidity risk using various indicators adapted to different horizons (short term, medium term and long term).

### C.5.2 Principal risk management and mitigation techniques

For CALIE, liquidity risk is managed and supervised through various mechanisms:

- ▶ Short- to medium-term liquidity (< 2 years): by monitoring the sensitivity level and the indicator which monitors available liquidity in the bond portfolio;
- ▶ Long-term liquidity (> 2 years): by monitoring and limiting annual liquidity gaps;
- ▶ For commitments related to reinsured euro-denominated funds: by ensuring the reinsurer provides liquidity, with monthly monitoring organised by CALIE and a quarterly statement sent to the reinsurer.

In addition, temporary liquidity management mechanisms for commitments related to non-reinsured euro-denominated funds in the event of an exceptional situation where the markets are unavailable have also been provided for and detailed in CALIE's liquidity risk management policy.

### C.5.3 Sensitivity

Surrender rates and arbitrages between foreign currency-denominated and unit-linked funds are also monitored regularly so that, in the event of stress, very much closer monitoring can be carried out.

## C.6 Operational risk

An operational risk is the risk of loss resulting from unsuitability or failure attributable to internal procedures, personnel or systems, external events, including events with a low probability of occurrence but with a high risk of loss. It includes non-compliance and legal risk, risks related to process management (back office, etc.), IT malfunctions, cyber risks, risks related to ESG requirements and also the risks generated by the use of service providers (in particular Critical or Important Outsourcing), but excludes strategic and reputational risks. With regard to cyber risk, the infrastructure is managed under an outsourcing contract with a Crédit Agricole

Group entity. The Company carries out controls to secure this service. The cyber risks associated with the MyCalie website and critical applications are borne directly by the Company, which is responsible for carrying out the various procedures to secure them.

### **C.6.1 Risk exposure**

The operational risk capital requirement totalled €46,815k at 31 December 2025 compared with €49,184k at end-2024, i.e. a decrease of 5%.

The most sensitive risk areas, as regards process execution, are the risk on unit-linked transactions, which may result in a gain or loss (depending on market direction), the production of financial and accounting information, with a major challenge in terms of data quality, and, more generally, fraud (policies and claims). Computer malfunctions, which can delay processing and also alter data, are generally difficult to quantify financially. Attention is also paid to personal safety and property protection.

Non-compliance risks (identified mainly in the customer, product and commercial practice category) are also a major issue. The key areas are combating money laundering and the financing of terrorism, and customer protection (handling of complaints, treatment of unclaimed assets). CALIE is vigilant in ensuring proper control of the distribution of its products by its networks (Regional Banks, LCL, etc.), especially as the Company is continuing its development in favour of increasingly sophisticated unit-linked policies: the diversification of investments and their forms in this category is becoming an essential driver for competitiveness whose operational risks, which are constantly growing, must be mitigated.

### **C.6.2 Principal risk management and mitigation techniques**

The mapping is updated each year, in accordance with regulatory requirements. The mapping in force to date was updated in the second half of 2025.

Control plans cover the main risks identified in the local risk map and have been adapted to reflect organisational changes and process changes.

The Compliance system implemented within CALI Europe makes it possible to secure the non-compliance risks to which the entity is exposed. Our Compliance department is also heavily involved in matters falling within the scope of compliance and financial security.

A dedicated system relating to New Activities and Products (NAP Committees) and Complex and Sensitive Transactions (COCS) makes it possible to identify and cover, where applicable, the risks inherent in these transactions.

### **C.6.3 Sensitivity**

The impacts of operational risks are measured according to the methodology of the IIA (Institute of Internal Auditors), provided in French by its French chapter (IFACI – Institut français de l'audit et du contrôle interne), which proposes a matrix with two main groups (financial risks characterised by an amount and a frequency, and non-financial risks characterised by criteria relating to image, loss of business, regulatory sanctions and criminal sanctions).

This is used to identify the critical processes entailing material risks, and the action plans needed to improve control over them.

## **C.7 Other significant risks**

### **C.7.1 Risk exposure**

#### ► **Reputational risk**

Given its product distribution model, which essentially relies on the networks of banks that are members of Crédit Agricole S.A. Group together with selected bank partners from outside the Group, and despite the development of alternative channels, any factor affecting the competitive position, reputation (products launched, market availability) or credit quality of banks in Crédit Agricole S.A. Group could affect CALI Europe's financial performance.

#### ► **Risk of changes to the legal framework**

Changes in standards as a result of developments in legislation and the legal environment within which CALI Europe operates are also a risk that cannot in any way be disregarded.

► **Risk of dependence on the Crédit Agricole Group**

CALI Europe relies on the banking networks of the Crédit Agricole Group and institutional partners to distribute its products. As a result, any factor affecting the competitive position, reputation or credit quality of Crédit Agricole Group banks could have an impact on CALI Europe's results in terms of income or solvency. As explained below, CALI Europe has implemented a system to best manage reputational risk and underwriting risk, which could be linked to its dependence on the Crédit Agricole Group.

► **Risk on intra-group transactions**

CALI Europe relies on the banking networks of the Crédit Agricole Group and institutional partners to distribute its products. As a result, any factor affecting the competitive position, reputation or credit quality of Crédit Agricole Group banks could have an impact on CALI Europe's results in terms of income or solvency. As explained below, CALI Europe has implemented a system to best manage reputational risk and underwriting risk, which could be linked to its dependence on the Crédit Agricole Group. CALIE Europe also carries a risk of dependence on the Crédit Agricole Group via intra-group activities/transactions. Indeed, five of the eight critical subcontracting activities are carried out intra-group.

► **Strategic risk**

Strategic risk relating to business continuity is likely to threaten the ability to maintain a profitable business and create value. It may result from unfavourable business decisions, poor implementation of those decisions, a lack of responsiveness to industry changes or any other significant external factor.

## C.7.2 Principal risk management and mitigation techniques

► **Reputational risk**

CALI Europe secures the introduction of new products by systematically holding committee meetings for new businesses and new products, to examine the policy documents and sales materials. Distribution networks are supported through appropriate training and the provision of promotional and sales materials. Protective measures as regards reputation and image also include management procedures for handling relations with third parties, including the press, and intelligence gathering to detect emerging risks (press, media, social media, comparison websites, forums, etc.) and to be in a position to organise a suitable response.

► **Risk of changes to the regulatory framework**

Monitoring of changes in regulation by the Legal and Compliance Department, supplemented by monitoring carried out by Crédit Agricole S.A. Group, makes it possible to anticipate the impact of such changes and to prepare for the developments that they may bring about.

► **Risk of dependence on the Crédit Agricole Group**

CALI Europe has implemented a system to best manage reputational risk and underwriting risk, which could be linked to its dependence on the Crédit Agricole Group.

► **Risk on intra-group transactions**

CALI Europe has implemented a system to best manage underwriting risk, the risk linked to outsourced activities and reputational risk, which could be linked to its dependence on the Crédit Agricole Group.

► **Strategic risk**

CALI Europe carries out an annual strategic planning process that makes it possible to identify major changes in the business line and the environment in advance, and changes in terms of strategic direction.

In addition, strategic decisions are presented to governance. The strategic committees also deal with changes in risk and planned measures, in connection with the risk appetite framework. To this end, each strategic decision that materially changes CALI Europe's risk profile is subject to an impact analysis on the indicators monitored within the risk appetite framework.

## C.8 Other information

Not applicable

## D. GENERAL VALIDATION PRINCIPLES

### D.1 Introduction

The prudential balance sheet of CALI Europe is prepared as at 31 December and is drawn up in accordance with Solvency II regulations. The general principle for valuing the prudential balance sheet, set out in Article 75 of the Solvency II Directive, is that of an economic valuation of the assets and liabilities.

#### D.1.1 Valuation principles

The general valuation principle used in a Solvency II balance sheet is that of the economic value of assets and liabilities:

- a) assets are valued at the amount for which they could be exchanged between informed and consenting parties in an arm's length transaction;
- b) liabilities are valued at the amount for which they could be transferred or settled between informed and consenting parties in an arm's length transaction.

The aforementioned assets are valued at their economic value using the following hierarchy of valuation methods:

- ▶ Method 1: Price quoted on an active market for an identical asset: a market is considered to be active if prices are readily and regularly available from an exchange, broker, dealer, pricing service or regulatory agency and these prices represent actual transactions properly conducted on the market on an arm's length basis;
- ▶ Method 2: Price quoted on an active market for a similar asset with the necessary adjustment to take account of the specific differences;
- ▶ Method 3: If no price quoted on an active market is available, businesses make use of mark-to-model valuation techniques whereby the alternative values obtained are compared, extrapolated or otherwise calculated as accurately as possible using market data. The method used might be based on:
  - ▶ transactions involving similar assets;
  - ▶ discounted future income generated by the asset;
  - ▶ a calculated cost of replacing the asset.

No adjustment intended to take credit quality into account is included in the valuation of liabilities described in subsection b.

In most cases, Luxembourg's standards do not allow fair value valuation as per the Solvency II principles. However, certain valuation methods, such as amortised cost, cannot be adopted to produce the financial balance sheet.

#### D.1.2 Consolidation rules and methods

With no specific rules set out in the Solvency regulations, the consolidation methods used are those used in preparing financial statements in line with Luxembourg standards. They reflect the nature of the control exercised by CALI Europe over its Branch, with Branches fully consolidated within CALI Europe's corporate financial statements. Note that for consolidation purposes, CALI Europe undertakes the adjustments needed to harmonise valuation methods used in individual accounts.

#### D.1.3 List of entities included within the consolidation scope

CALI Europe has one Branch located in France. The Branches are included in the consolidated financial statements after restatements in accordance with Luxembourg standards.

#### D.1.4 Foreign exchange transactions

At the balance sheet date, assets and liabilities denominated in foreign currencies are converted at the closing rate into CALI Europe's operating currency, i.e. the euro.

The balance sheets of foreign Branches are converted into euros, which is the presentation currency for CALI Europe's consolidated financial statements, at the closing rate.



## **D.1.5 Offsetting of assets and liabilities**

CALI Europe offsets financial assets and liabilities and presents a net balance if and only if it has a legally enforceable entitlement to offset the amounts recognised and has the intention to settle the net amount or to realise the asset and liability simultaneously.

## **D.1.6 Use of estimates and expert appraisals**

The valuations necessary to prepare the financial statements require assumptions to be formulated and include risks and uncertainties as to their future realisation. They serve as a basis for the exercising of the judgement necessary to determine the book values of assets and liabilities that cannot be obtained directly from other sources. Future realisations can be influenced by many factors, including:

- ▶ domestic and international market activities;
- ▶ the economic and political environment in certain business sectors or countries;
- ▶ regulatory and legislative changes;
- ▶ policyholders' behaviour;
- ▶ demographic changes.

## **D.1.7 Events after the balance sheet date**

There were no post-balance sheet events affecting the statutory financial statements.



## D.2 Assets

### Table of S2 values

		SFCR
		Valeur S2
		2025
	<i>(en milliers d'euros)</i>	
R0030	Immobilisations incorporelles	0
R0040	Impôts différés à l'actif	0
R0050	Excédent lié aux pensions de retraite	0
R0060	Immobilier d'exploitation, matériel et équipement détenus hors SCI	4
R0070	Investissements (autres qu'actifs en représentation de contrats en unités de compte et indexés)	4 684 574
R0080	Biens immobiliers (autres que détenus pour usage propre)	0
R0090	Détention dans des entreprises liées, y compris participations	0
R0100	Actions	0
R0110	Actions - cotées	0
R0120	Actions - non cotées	0
R0130	Obligations	4 069 460
R0140	Obligations d'Etat	1 455 166
R0150	Obligations d'entreprise	2 614 294
R0160	Titres structurés	0
R0170	Titres garanties	0
R0180	Organismes de placement collectif	615 114
R0190	Produits dérivés	0
R0200	Dépôts autres que les équivalents de trésorerie	0
R0210	Autres investissements	0
R0220	Actifs en représentation de contrats en unités de compte et indexés	9 326 128
R0230	Prêts et prêts hypothécaires	0
R0240	Avances sur police	0
R0250	Prêts et prêts hypothécaires aux particuliers	0
R0260	Autres prêts et prêts hypothécaires	0
R0270	Montants recouvrables au titres des contrats de réassurance	1 184 877
R0280	Non-vie et santé similaire à la non-vie	0
R0290	Non-vie hors santé	0
R0300	Santé similaire à la non-vie	0
R0310	Vie et santé similaire à la vie, hors santé, UC et indexés	1 184 877
R0320	Santé similaire à la vie	0
R0330	Vie hors santé, UC et indexés	1 184 877
R0340	Vie UC et indexés	0
R0350	Dépôts auprès des cédantes	0
R0360	Créances nées d'opérations d'assurance et montants à recevoir d'intermédiaire	597
R0370	Créances nées d'opérations de réassurance	3 732
R0380	Autres créances (hors assurance)	142 120
R0390	Actions propres auto-détenues (directement)	0
R0400	Eléments de fonds propres et ou fonds initial appelé(s), mais encore payé(s)	0
R0410	Trésorerie et équivalents de trésorerie	68 606
R0420	Autres actifs non mentionnés dans les postes ci-dessus	1 305
<b>R0500</b>	<b>Total Actif</b>	<b>15 411 945</b>

## **D.2.1 Intangible assets and deferred costs**

Intangible assets are identifiable non-monetary assets without physical substance. An asset is regarded as identifiable if it can be sold or transferred separately, or if it arises from contractual or other legal rights. The principal intangible assets are software, goodwill and insurance portfolio securities.

### **D.2.1.1 Intangible assets (including goodwill)**

Under Solvency II standards, intangible assets are valued at nil on the balance sheet. In fact, one of the criteria under the IAS38 standard for valuation of other intangible assets is the existence of an active market. However, the company essentially owns software and in this case it is not possible to prove the existence of a market meeting the conditions for an 'active market' as defined by the IAS38 standard.

### **D.2.1.2 Deferred acquisition costs**

Under Luxembourg standards, deferred acquisition costs are that fraction of commissions paid to intermediaries and internal acquisition costs that are attributable to later financial years, as shown by a breakdown of expenses by category, recognised as expenses for the current year. Deferred acquisition costs can be recognised if the regulator's agreement is obtained.

Under Solvency II standards, deferred acquisition costs and expenses are eliminated from the balance sheet.

## **D.2.2 Property, plant and equipment**

CALI Europe has no property assets.

## **D.2.3 Financial instruments**

Under Luxembourg standards, investments related to policies where the risk is borne by the policyholder and the assets relating to reinsurance are valued at market value. The company's own investments, meanwhile, are valued at the acquisition price using the criteria below:

- ▶ Equities and other variable-income marketable securities and shares in mutual investment funds are valued at their historic acquisition cost. A significant decrease of at least 30% of the value over a period of six consecutive months must give rise to the recognition of an impairment.
- ▶ Bonds and other fixed-income transferable securities other than those held in deposits received from reinsurers are valued at the historic acquisition cost minus the difference between the acquisition cost and the redemption value. A significant deterioration in credit risk shown by a risk of non-recovery for debt securities constitutes a factor giving rise to the creation of an impairment.

Under Solvency II, insurance company investments are presented by category in the balance sheet (property for own use, investment property, equities, bonds, investment funds, loans, assets held for unit-linked policies, etc.). They are measured at fair value.

Investments related to policies where the risk is borne by the policyholder are identified as a separate items on the Solvency II balance sheet. They are valued at fair value.

## **D.2.4 Outward technical provisions**

Reinsurers' share in technical provisions under Luxembourg standards equates to the reinsurer's share in the estimated value of the insurance company's commitments to insured parties. Commitments include, inter alia, profit-sharing already allocated.

Under Solvency II, reinsurers' share in the best estimate is measured using principles consistent with those applicable to the corresponding gross liabilities, taking due account of likely losses from counterparty default.

### **D.2.5 Deferred taxes**

Deferred taxes are not permitted under Luxembourg standards. Under Solvency II, recognition and valuation of deferred taxes on the balance sheet must comply with IFRS, in this case IAS 12. Deferred taxes recognised on a Solvency II balance sheet result from:

- ▶ timing differences (including those connected to applying fair value) between the Solvency II value and the fiscal value of assets and liabilities;
- ▶ unused tax credits and deficits carried forward.

A deferred tax asset is recognised insofar as it is likely that the business will have future taxable profits (other than those already taken into account elsewhere on the Solvency II balance sheet) against which these timing differences, tax losses and unused tax credits can be allocated.

The calculation of deferred taxes is carried out independently for each CALI Europe entity. On each balance sheet item subject to a Solvency II restatement, a deferred tax is determined by applying the tax rate of each entity. The deferred tax assets and liabilities are then consolidated. The assets affected by deferred tax are intangible assets, non-unit-linked investment portfolio assets, and reinsurance receivables.

The SCR is affected by a net amount of €32,894k for 2025 (net deferred tax liabilities).

### **D.2.6 Cash and cash equivalents**

Cash positions and cash equivalents are measured at fair value under Solvency II and Luxembourg standards. Cash includes cash on hand and demand deposits.

### **D.2.7 Trade receivables and other asset items**

The “trade receivables” (insurance receivables, reinsurance receivables, other receivables), “other asset items” (tangible assets and stocks, cash at bank, post office cheque accounts, cheques and cash in hand, own shares or units) and “accruals and prepayments” (interest and rent received not yet due, other accruals and prepayments) are not revalued from Luxembourg standards to meet Solvency II standards.

## **D.3 Technical provisions**

### **D.3.1 Summary of technical provisions**

Summary of Solvency II provisions at 31 December 2025

Synthèse des provisions techniques Solvabilité 2

SFCR

Source Groupe: QRT S.02.01

(en milliers d'euros)	2025
Provisions techniques Vie (hors UC et indexés)	5 590 388
Provisions techniques - santé (similaire à la vie)	0
Provisions techniques - Calculées comme un tout	0
Meilleure estimation	0
Marge de risque	0
Provisions techniques Vie (hors santé, UC et indexés)	5 590 388
Provisions techniques - Calculées comme un tout	0
Meilleure estimation	5 548 171
Marge de risque	42 217
Provisions techniques - UC et indexés	9 212 081
Provisions techniques - Calculées comme un tout	0
Meilleure estimation	9 170 584
Marge de risque	41 496

The table below shows a breakdown of technical provisions by LoB measured using Solvency II standards.

(en milliers d'euros)	2025			Total
	Assurance avec participation aux bénéfices	Assurance indexée et en unité de compte	Autres assurances vie	
Meilleure estimation brute	5 548 171	9 170 584		14 718 755
Marge pour risque	42 217	41 496		83 713
<b>Total Provisions techniques</b>	<b>5 590 388</b>	<b>9 212 080</b>	<b>0</b>	<b>14 802 468</b>

Life insurance provisions show the figures from the best estimate calculation plus an estimated risk margin (€83,713k). Under Solvency II standards, the life insurance provision for the insurance with profit-sharing LoB (€5,590,388k) is €61,018k less than the life insurance provision presented according to local Luxembourg standards, which amounts to €5,651,406k.

Technical provisions for the index-linked or unit-linked insurance commitments LoB (investment risk borne by the policyholder) are lower in value under Solvency II (€9,212,080) compared with Luxembourg standards (€9,326,128k).

### D.3.2 Valuation principles

Under local standards, technical provisions include the estimated value of commitments including profit-sharing already allocated. The life insurance provision is calculated separated for each insurance policy. Technical provisions in respect of life insurance where the risk is borne by the policyholder cover commitments relating to investments made under life insurance policies the value or yield of which is determined on the basis of an index or on the basis of investments for which the policyholder bears the risk.

Under Solvency II standards, technical provisions are measured using the best estimate defined as the likely current value of future cash flows calculated on the basis of up-to-date information and realistic assumptions, and risk-free interest rate curves. The best estimate figure is increased by a risk margin defined as the amount that a business would request to take over and honour the insurance commitments.

Under Solvency II, technical provisions are measured as the amount the insurer would have to pay transfer its insurance liabilities immediately to another insurance provider.

#### Best estimate calculation

The value of technical provisions under Solvency II equates to the sum of the best estimates (BE) of the provisions and risk margin (RM). The best estimate represents the most accurate estimated value of commitments to insured parties. The best estimate is calculated:

- ▶ consistent with the market data available on the valuation date;
- ▶ using an objective and reliable approach;
- ▶ in accordance with the regulatory framework in force in Luxembourg.

The gross best estimate for reinsurance is calculated as the current value of likely future flows of benefits to insured parties and management costs incurred in the administration of these commitments until they cease, minus the premiums due to be received in respect of policies in the portfolio.

The risk margin is a provision amount in addition to the best estimate, calculated in such a way as the total provision recorded on the balance sheet matches the amount that a benchmark entity would request to take over and honour the insurer's commitments. The risk margin is calculated directly net of reinsurance. These two components are valued separately unless a replicating portfolio exists where a market value is observable on an active market (arises very rarely in practice).

Consequently Solvency II provisions differ from Luxembourg standards through the systematic discounting of cash flows and the measurement of options and financial guarantees (guaranteed interest rates, profit-sharing, surrenders, etc.).

### D.3.3 Segmentation

EIOPA's guidelines on the valuation of technical provisions (guideline no. 21) state that the allocation of insurance commitments to a line of business should reflect the nature of the risks relating to said commitment. The legal form of a commitment is not necessarily a decisive factor in deciding the nature of the risk.

Furthermore, where a policy covers insurance commitments across a number of lines of business, unbundling of the obligations is not required where only one of the risks covered by the contract is material.

As part of the segmentation of its insurance commitments, CALI Europe groups policies by uniform category such that the risks of individual policies are perfectly reflected: this leads to a representation of liabilities similar to those obtained under contract-by-contract estimates.

### D.3.4 Initial recognition

Consistent with EIOPA's guidelines on technical provisions, commitments are recognised on the basis of the insurer's commitment, either because the policy is signed or because the policy cannot be terminated by the insurer.

### D.3.5 General valuation principles

#### Valuation - cash flows

The gross best estimate for reinsurance is calculated as the current value of likely future flows of benefits to insured parties and management costs incurred in the administration of these commitments until they cease, minus the premiums due to be received in respect of policies in the portfolio. Cash flow projections include assumptions about policyholders' behaviour and management decisions by Senior Management. These assumptions include surrenders, the profit-sharing bonus policy and the asset allocation policy. All such assumptions are documented and ratified by the entity's management.

#### Valuation - granularity of projections

Policies are analysed individually for modelling purposes, then combined into uniform risk groups.

The following criteria are used to determine uniform risk groups for the valuation of technical provisions:

- ▶ the nature of the insurance cover;
- ▶ the timing of the cover (e.g. managed on the basis of events arising/claim submission);
- ▶ the type of business (direct entity business, acceptance of applications, etc.);
- ▶ claims settlement currencies;
- ▶ the claim payment type.



The uniform risk groups defined by CALI Europe are as follows:

- ▶ LoB\_Insurance with profit-sharing;
- ▶ LoB\_Index-linked or unit-linked insurance commitments;
- ▶ LoB\_Other life insurance commitments.

### Valuation – policy limits

The “boundary” date of a policy is defined as the first of the dates on which:

- ▶ the insurer first has the unilateral right to terminate;
- ▶ the insurer first has the unilateral right to refuse to accept premiums; or
- ▶ the insurer first has the unilateral right to refuse to amend premiums or cover such that the premium paid fully reflects the risk.

Premiums paid after the “boundary” date of an insurance policy or reinsurance agreement and the associated commitments are not included in the best estimate calculation.

Independently of the previous stipulations, no future premium is included in the best estimate calculation whenever a policy:

- ▶ does not stipulate a payout for an event materially adversely affecting an insured party;
- ▶ stipulates no material financial guarantee.

These principles take the following practical form:

- ▶ Future premiums for savings products are recognised for policies where the insured party is obliged to pay a periodic premium (scheduled payments) and where the financial guarantee stipulated corresponds at minimum to a lump-sum pay-out (denominated in euros).
- ▶ Future premiums for insurance products are recognised for:
  - Multi-year policies where the insurer is not entitled to change the premium, decline cover or terminate the policy before the end of the policy term;
  - For risk policies renewed annually, the periodic premiums will be projected up to the policy’s first anniversary date following the best estimate valuation date.

Future premiums for savings products are projected from the annual premium paid for each policy in the previous period and a premium reduction rate that will be applied annually to the premium amount for the previous period. CALI Europe has selected the following options:

- ▶ unit-linked savings: no projected future premiums, as UL policies generally do not offer any material financial guarantee;
- ▶ savings in euros: no integration of future premiums on existing policies as the policies are constituted entirely of voluntary contributions.

### Valuation – profit-sharing policies

Profit-sharing (PB) is included in the cash flow modelled to measure the best estimate for provisions.

Modelled PB benefits meet local regulatory and policy constraints, and make use of strategic assumptions reviewed by CALI Europe’s management.

### Valuation – options and guarantees

Life insurance policies include options and financial guarantees. The best estimate value includes the effect of these options and guarantees when they have a material impact. The principal options valued are:

- ▶ The surrender option in savings and income protection products
- ▶ Minimum guaranteed rates and technical rates
- ▶ Profit-sharing policy clauses

### Valuation – costs

In accordance with Article 31 of the Delegated Regulation, the cash flow projection used to calculate the best estimate includes all of the following costs:

- ▶ administrative expenses;
- ▶ investment management charges;
- ▶ claim handling costs;
- ▶ acquisition costs.

Overheads incurred in managing insurance commitments are also taken into account. In accordance with Article 7 of the Delegated Regulation, cost projections are based on the assumption that the company will underwrite new policies in future.

Following the EIOPA guidelines on the level of detail in cost allocation, CALI Europe allocates costs to uniform risk groups using a minimum granularity of lines of business, as is used when segmenting insurance commitments.

Non-recurring costs and any other justifiable restatements are subtracted from the cost basis used to determine the unit costs.

Administration expenses are adjusted for inflation over the projection period. The commission rate used in calculations reflects the commission payment agreements in force on the valuation date, taken as a whole.

### Valuation – discounting

In accordance with Article 44 et seq. of the Delegated Regulation, CALI Europe uses the CRA and VA provided by EIOPA for the purposes of calculating interest rates. This information is defined by currency and by country.

The baseline interest rate is the swap/govie rate curve in each currency. The risk-free interest rate curve equates to the baseline curve adjusted for a credit risk consistent with the currency in question, known as the Credit Risk Adjustment (CRA). This adjustment is used to take into account the credit risk linked to the variable leg of the swap.

The risk-free interest rate used for projecting and discounting cash flows is based on the previous risk-free interest rate curve with an additional Volatility Adjustment (VA). This adjustment is a counter-cyclical premium used to adjust the risk-free rate for variations in corporate and govie spreads. It serves to reduce the impact of variations in spread on the volatility of the solvency ratio.

Market swap rates are used for the first 20 years of the curve. After year 20, forward rates converge over 40 years towards the Ultimate Forward Rate (UFR) for the euro. The Smith-Wilson method is used for this convergence.

Rate curves, the CRA and the VA figures are defined by currency and country. The matching adjustment and the other transitional measures proposed under Solvency II for interest rates are not used.

## **D.3.6 Risk margin**

The risk margin corresponds to the cost of the capital tied up for a third party who would take over CALI Europe's commitments. The risk margin is measured by discounting the annual cost (risk premium) generated by tying up capital equivalent to the baseline SCR as defined by the regulations over the residual life of the commitments used to calculate the best estimate. The cost of capital is set to 6% per annum, in accordance with Article 39 of the Delegated Regulation.

## **D.3.7 Valuation of disposals**

The best estimate figure is calculated gross of reinsurance, without deducting amounts assigned to reinsurers. However, best estimates of recoverables are valued separately. The best estimate valuation of reinsurance recoverables follows the same principles as those states for gross best estimates.

Recoverable future cash flows are calculated within any limits stipulated by the insurance policies to which they relate.

## **D.4 Other liabilities**

### Summary of Solvency II provisions at 31 December 2025

(en milliers d'euros)	2025
Passifs éventuels	0
Provisions autres que les provisions techniques	6 606
Engagements de retraite	270
Dépôts provenant des réassureurs	55 283
Impôts différés au passif	32 894
Dérivés - au passif	0
Dettes dues aux établissements de crédit	0
Passifs financiers autres que les dettes dues aux établissements de crédit	0
Dettes nées d'opérations d'assurance et montants dues aux intermédiaires	64 835
Dettes nées d'opérations de réassurance	49
Autres dettes (hors assurance)	95 384
Passifs subordonnés	147 494
Passifs subordonnés non inclus dans les fonds propres de base	0
Passifs subordonnés inclus dans les fonds propres de base	147 494
Autres dettes non mentionnées dans les postes ci-dessus	1 305

The deferred tax item under liabilities includes for each balance sheet adjustment, an unrealised tax liability or receivable calculated under Solvency II. As the company possesses, in addition to its head office in Luxembourg, a Branch office located in another EU member state, the tax rate for this company and the business activities conducted by this company have been accounted for in the calculation of the various impacts. Net deferred tax liabilities as at 31 December 2025 amounted to €32,894k and therefore comprise deferred taxes on revalued balance sheet items.

Subordinated loans were also revalued under Solvency II by -€1,311k.

The other items remain unchanged.

#### D.4.1 Provisions and contingent liabilities

Provisions and contingent liabilities (other than deferred tax liabilities) are recognised at fair value under both Luxembourg standards and Solvency II.

Under Luxembourg standards, deferred tax liabilities equate to the amount of tax as yet unpaid. Under Solvency II, the item is adjusted to include latent taxes corresponding to adjustments made to the Solvency II balance sheet.

##### Provisions other than contingent liabilities

Under Solvency II, “provisions for liabilities and charges” are recognised if the likelihood of disbursement is greater than 50% (otherwise it is a contingent liability). They are measured at their economic value, on the basis of discounted probable future financial transactions.

Provisions under local standards are used in preparing the Solvency II balance sheet.

##### Contingent liabilities

Contingent liabilities (likelihood of disbursement below 50%) are recognised under Luxembourg standards at market value and under Solvency II at market value if one exists or otherwise on the basis of discounted future flows at risk-free interest needed to settle the liabilities (e.g. a guarantee) and a risk premium reflecting the variability of outcomes.

Contingent liabilities within the meaning of Article 11 of the Delegated Regulation are recognised in the prudential balance sheet when they are significant and can be measured reliably.

#### D.4.2 Liabilities for employee benefits

These commitments are valued following the IAS 19 standard as the standard stipulates a valuation method that is consistent with an economic valuation.

Commitments recognised in respect of defined benefit schemes are presented net of the fair value of the scheme's assets. There is no adjustment to the Luxembourg valuation to meet Solvency II standards.



### **D.4.3 Financial liabilities**

Under Luxembourg standards, the valuation method used determines the category of a financial liability:

- ▶ financial liabilities valued at amortised cost (general rule); or
- ▶ financial liabilities valued at fair value through income.

Financial liabilities recognised at fair value through profit or loss are valued at their fair value. However, the effect of variations in own credit risk is not taken into account. The principal categories of financial liabilities to be revalued at fair value (excluding the effect of changes in the Group's own credit risk, i.e. taking into account the risk-free rate at the balance sheet date and the spread at the issue date) are medium and long-term debt: subordinated debt and senior financing debt. For other financial liabilities, for the sake of simplicity, the IFRS value (amortised cost of the liability) is deemed an acceptable approximation of the Solvency II value, whenever the liability matures within one year of the year end date. There is no restatement of the IFRS value to obtain the value in the Solvency II balance sheet.

### **D.5 Alternative valuation methods**

The fair value hierarchy used for the valuation of financial instruments is presented in section D.1.3 above. Financial assets included in the company's Solvency II balance sheet are valued at different levels. The company does not value securities using an alternative valuation method.

### **D.6 Other information**

Not applicable



# E. CAPITAL MANAGEMENT

## E.1 Capital

### E.1.1 Capital management policy

The Capital management policy in place at CALI Europe falls entirely within the policy defined at the Group level. It determines management, monitoring and supervision methods for Capital and the financing process for the Crédit Agricole Assurances Group and its subsidiaries. This policy is ratified by the Board of Directors.

CALI Europe's Capital management policy is in line with the group risk appetite defined and validated by its Board of Directors. It was designed so as to incorporate the regulations applicable to insurance companies, the banking regulations, regulations on financial conglomerates and Crédit Agricole Group's own objectives.

The CAA Group's Capital management policy forms part of the group risk appetite ratified every year by the CAA Group Board of Directors. The capital management policy was designed so as to incorporate the regulations applicable to an insurance group, banking regulations, regulations on financial conglomerates and Crédit Agricole S.A. Group's own objectives.

Both CALI Europe and Crédit Agricole Assurances manage their Capital in such a way as to:

- ▶ meet regulatory requirements on solvency;
- ▶ help optimise Capital at the Crédit Agricole S.A. Group level;
- ▶ plan an adequate allocation of Capital to CAA Group subsidiaries.

The Capital allocation policy is defined to match the reality of the risks borne by CALI Europe. Capital management takes the form of yearly ratification of the Capital management plan in a meeting of the Board of Directors. This plan stipulates the schedule and nature of financial transactions over the current year and over the medium term (three years). It uses ORSA's results to define possible capital issues and estimate the impact of the maturity of Capital items, the dividend policy, the end of transitional measures and any other changes in a Capital item.

CALI Europe ensures the enforcement of this capital management plan, the maintenance of its solvency position relative to the risk appetite zone defined, and the continuous coverage of the solvency capital requirement (SCR) and the minimum capital requirement (MCR) via solvency monitoring carried out quarterly at minimum.

### E.1.2 Available capital

#### E.1.2.1 Composition of and changes in available capital

CALI Europe covers its regulatory capital requirements principally from Tier 1 and Tier 2 Capital. All Capital items are core Capital, as CALI Europe has no ancillary Capital.

CALI Europe's available Capital in 2025 amounted to €352,850k. Unrestricted Tier 1 capital amounted to €205,356k. This was made up of share capital of €107,311k and the reconciliation reserve of €98,045k.

Subordinated debt constituted the balance of €147,494k (Tier 1: €37,127k; Tier 2: €110,366k).

Available Capital increased by €96,578k, or 37% compared to 2024. This increase is explained by the issue of new subordinated loans for €65,000k, and an increase in the VIF, less a negative result under local standards.

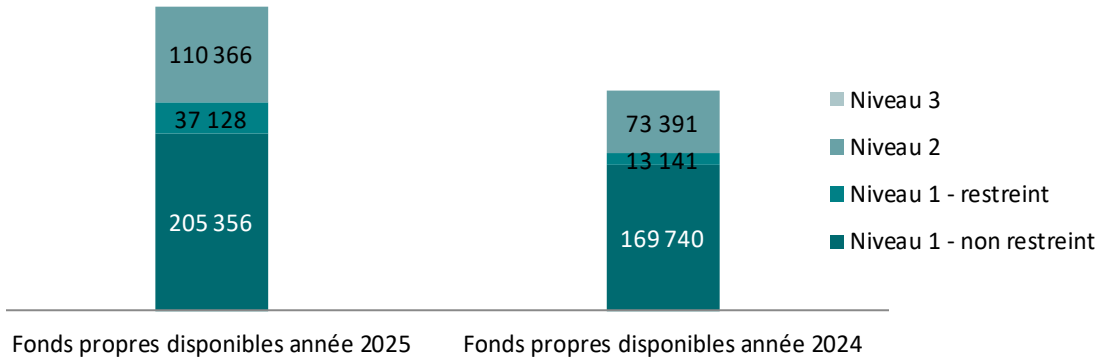
The change in our reconciliation reserve also takes into account the change in assets under management during 2025.

#### Breakdown of available Capital by Tier in €k



352 850 k€

256 272 k€



Subordinated debt

The Capital management policy allows CALI Europe to underwrite subordinated debt with CAA Group.

As at 31 December 2025, subordinated debt was valued under Solvency II at €147,494k, 100% of which was held by the Crédit Agricole Assurances Group.

(en milliers d'euros)	Emetteur 1: CALIE 0: Autres	Mesure transitoire	Maturité légale	Taux	Montant
Niveau 1	1	Non	16/12/2035	6%	24,441
	1	Non	16/12/2034	7%	12,687
Niveau 2	1	Non	16/12/2035	4%	24,709
	1	Non	16/12/2035	5%	14,855
	1	Non	19/03/2034	5%	30,890
	1	Non	16/12/2034	5%	30,316
	1	Non	16/12/2034	4%	9,596
<b>Total Général</b>					<b>147,494</b>

Reconciliation reserve

The reconciliation reserve is a significant component of Capital amounting to €98,045k at 31 December 2025.

(en milliers d'euros)	31/12/2025	31/12/2024
Excédent d'actif sur passif	205 356	169 740
Actions propres (détenues directement et indirectement)	0	0
Dividendes, distributions et charges prévisibles	0	16 300
Autres éléments de Fonds Propres de Base	107 311	107 311
Ajustement pour les éléments de fonds propres restreints relatifs aux portefeuilles sous ajust égalisat et aux FP cantonnés	0	0
<b>Réserve de réconciliation</b>	<b>98 045</b>	<b>46 129</b>

It is made up of consolidated reserves (retained earnings, reserves, earnings) in the amount of €3,817k, asset revaluations of €49,256k and revaluations of technical provisions and other liabilities of €175,066k and €1,316k respectively. Other deductions are adjustments to net deferred taxes of €32,894k. Note that no dividend will be paid in respect of 2025.

Reconciliation with Capital under Luxembourg standards





CALI Europe's capital as shown in the financial statements under Luxembourg standards in 2025 amounted to €111,128k before distribution of dividends. The main differences with Capital calculated for solvency purposes, which amounted to €352,850k, corresponded to:

- ▶ The revaluation of balance sheet items in the amount of €94,228k;
- ▶ Fair value valuation of subordinated debt for €147,494k;

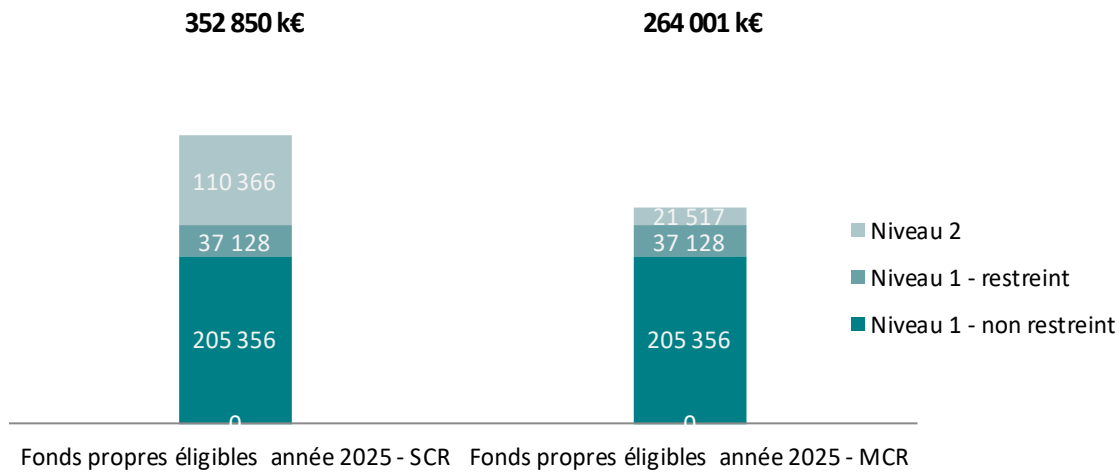
**Differences between Capital under Luxembourg standards and Capital under Solvency II**

The principal items explaining the difference between Capital under Luxembourg standards and available Capital under Solvency II are the components of the reconciliation reserve as detailed above, and the subordinated liabilities shown under liabilities on the Luxembourg balance sheet but recognised under Capital under Solvency II.

**E.1.3 Eligible capital**

Capital eligible to meet the SCR and MCR as at 31 December 2025 amounted to €352,850k and €264,001k respectively. The difference observed stems from the different calculation rules between SCR and MCR for the determination of eligible capital.

**Breakdown of eligible Capital by Tier**



**E.2 Solvency capital requirement and minimum capital requirement**

The solvency capital requirement (SCR) is measured by applying the standard formula from the Solvency II Directive to the balance sheet prepared under Luxembourg standards. No transitional measure was used by CALI Europe in calculating its SCR.





As the regulations stipulate, the calculations for entities used to calculate the consolidated SCR are based on instructions issued by the CAA Group. This document sets out the principles governing implementation of separate calculations using the standard formula, on the basis of the European Solvency II and Omnibus II Directives transposed into local legislation.

The interest rate curve used to calculate the technical provisions as at 31 December 2025 includes the credit risk adjustment and the volatility adjustment (CRA of +10 bps and VA of +14 bps for all euro funds). No transitional measure was used by the Group in measuring the SCR. Consequently, at 31 December 2025, CALI Europe's SCR amounted to €239,076k. The minimum capital requirement (MCR) for CALI Europe amounted to €107,584k.

### **E.3 Use of the term-based equity risk sub-module in the calculation of the Solvency Capital Requirement**

Not applicable

### **E.4 Differences between the standard formula and any internal model used**

Not applicable

### **E.5 Non-compliance with the minimum capital requirement and non-compliance with the solvency capital requirement**

Not applicable

### **E.6 Other information**

Not applicable

# Appendices

S.02.01.02 Balance sheet

1/2

<i>In thousands of euros</i>		Solvency II value
		C0010
<b>Assets</b>		
Intangible assets	R0030	-
Deferred tax assets	R0040	-
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	4
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	4,684,574
Property (other than for own use)	R0080	-
Holdings in related undertakings, including participations	R0090	-
Equities	R0100	-
Equities – listed	R0110	-
Equities – unlisted	R0120	-
Bonds	R0130	4,069,460
Government bonds	R0140	1,455,166
Corporate bonds	R0150	2,614,294
Structured notes	R0160	-
Collateralised securities	R0170	-
Collective investments undertakings	R0180	615,114
Derivatives	R0190	-
Deposits other than cash equivalents	R0200	-
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	9,326,128
Loans and mortgages	R0230	-
Loans on policies	R0240	-
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	-
Reinsurance recoverables	R0270	1,184,877
Non-life and health similar to non-life	R0280	-
Non-life excluding health	R0290	-
Health similar to non-life	R0300	-
Life and health similar to life, excluding health, index-linked and unit-linked	R0310	1,184,877
Health similar to life	R0320	-
Life excluding health and index-linked and unit-linked	R0330	1,184,877
Life index-linked and unit-linked	R0340	-
Deposits with ceding insurers	R0350	-
Receivables arising from insurance operations and amounts receivable from intermediaries	R0360	597
Receivables arising from reinsurance transactions	R0370	3,732
Other receivables (excluding insurance)	R0380	142,120
Own shares (held directly)	R0390	-
Amounts due in respect of capital items or initial funds called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	68,606
Other assets not shown elsewhere	R0420	1,305
<b>Total assets</b>	<b>R0500</b>	<b>15,411,945</b>

		Solvency II value
<i>In thousands of euros</i>		C0010
<b>Liabilities</b>		
Technical provisions – non-life	R0510	-
Technical provisions – non-life (excluding health)	R0520	-
Technical provisions calculated as a whole	R0530	-
Best estimate	R0540	-
Risk margin	R0550	-
Technical provisions - health (similar to life)	R0560	-
Technical provisions calculated as a whole	R0570	-
Best estimate	R0580	-
Risk margin	R0590	-
Technical provisions - life (excluding index-linked and unit-linked)	R0600	5,590,388
Technical provisions - health (similar to life)	R0610	-
Technical provisions calculated as a whole	R0620	-
Best estimate	R0630	-
Risk margin	R0640	-
Technical provisions - life (excluding health, index-linked and unit-linked)	R0650	5,590,388
Technical provisions calculated as a whole	R0660	-
Best estimate	R0670	5,548,171
Risk margin	R0680	42,217
Technical provisions - index-linked and unit-linked	R0690	9,212,081
Technical provisions calculated as a whole	R0700	-
Best estimate	R0710	9,170,584
Risk margin	R0720	41,496
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	6,606
Pension benefit commitments	R0760	270
Deposits from reinsurers	R0770	55,283
Deferred tax liabilities	R0780	32,894
Derivatives	R0790	-
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	-
Insurance and intermediaries payables	R0820	64,835
Reinsurance payables	R0830	49
Other liabilities (excluding insurance)	R0840	95,384
Subordinated liabilities	R0850	147,494
Subordinated liabilities not included in core capital	R0860	-
Subordinated liabilities included in core capital	R0870	147,494
Other liabilities not shown elsewhere	R0880	1,305
<b>Total liabilities</b>	<b>R0900</b>	<b>15,206,588</b>
<b>Excess of assets over liabilities</b>	<b>R1000</b>	<b>205,356</b>

S.04.05.21 Premiums, claims and expenses by country

		Home country	Top 5 countries (by amount of gross premiums written) – non-life obligations					Total Top 5 and home country
<i>In thousands of euros</i>		C0010	C00XX	C00XX	C00XX	C00XX	C00XX	C0020
<b>Premiums written (gross)</b>								
Gross written premium (direct)	R0020	-	-	-	-	-	-	-
Gross written premium (proportional reinsurance)	R0021	-	-	-	-	-	-	-
Gross issue premium (non-proportional reinsurance)	R0022	-	-	-	-	-	-	-
<b>Premiums earned (gross)</b>								
Gross premium earned (direct)	R0030	-	-	-	-	-	-	-
Gross premiums earned (proportional reinsurance)	R0031	-	-	-	-	-	-	-
Gross premiums earned (non-proportional reinsurance)	R0032	-	-	-	-	-	-	-
<b>Claims incurred (gross)</b>								
Claims incurred (direct)	R0040	-	-	-	-	-	-	-
Claims incurred (proportional reinsurance)	R0041	-	-	-	-	-	-	-
Claims incurred (non-proportional reinsurance)	R0042	-	-	-	-	-	-	-
<b>Expenses incurred (gross)</b>								
Gross expenses incurred (direct)	R0050	-	-	-	-	-	-	-
Gross expenses incurred (proportional reinsurance)	R0051	-	-	-	-	-	-	-
Gross expenses incurred (non-proportional reinsurance)	R0052	-	-	-	-	-	-	-

		Home country	Business line for life insurance commitments					Total Top 5 and home country
<i>In thousands of euros</i>		C0030	FR C0040	IT C0040	MC C0040	BE C0040	DE C0040	C0040
Gross written premium	R1020	2,254	1,380,698	379,340	72,086	6,465	1,000	<b>1,841,842</b>
Gross premium earned	R1030	2,254	1,380,698	379,340	72,086	6,465	1,000	<b>1,841,842</b>
Claims incurred	R1040	51,773	569,504	651,348	69,923	38,341	2,367	<b>1,383,256</b>
Gross expenses incurred	R1050	1,066	39,978	21,342	2,144	1,306	93	<b>65,929</b>

		Line of Business for: non-life insurance and reinsurance commitments (direct business and accepted proportional reinsurance)								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and bonding insurance
<i>In thousands of euros</i>		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090
<b>Premiums written</b>										
Gross – direct insurance	R0110	-	-	-	-	-	-	-	-	-
Gross – Proportional reinsurance accepted	R0120	-	-	-	-	-	-	-	-	-
Gross – Non-proportional reinsurance accepted	R0130									
Gross – direct insurance	R0140	-	-	-	-	-	-	-	-	-
<b>Net</b>	<b>R0200</b>	-	-	-	-	-	-	-	-	-
<b>Premiums earned</b>										
Gross – direct insurance	R0210	-	-	-	-	-	-	-	-	-
Gross – Proportional reinsurance accepted	R0220	-	-	-	-	-	-	-	-	-
Gross – Non-proportional reinsurance accepted	R0230									
Reinsurers' share	R0240	-	-	-	-	-	-	-	-	-
<b>Net</b>	<b>R0300</b>	-	-	-	-	-	-	-	-	-
<b>Claims incurred</b>										
Gross – direct insurance	R0310	-	-	-	-	-	-	-	-	-
Gross – Proportional reinsurance accepted	R0320	-	-	-	-	-	-	-	-	-
Gross – Non-proportional reinsurance accepted	R0330									
Reinsurers' share	R0340	-	-	-	-	-	-	-	-	-
<b>Net</b>	<b>R0400</b>	-	-	-	-	-	-	-	-	-
Expenses incurred	R0550	-	-	-	-	-	-	-	-	-
Balance - other technical expenses/income	R1210	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>R1300</b>	-	-	-	-	-	-	-	-	-

		Line of Business for: non-life insurance commitments			Line of Business for: non-proportional reinsurance accepted			Total	
		Legal expenses insurance	Assistance	Miscellaneous financial losses	Health	Casualty	Marine, aviation and transport insurance		Property
		C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
<i>In thousands of euros</i>									
<b>Premiums written</b>									
Gross – direct insurance	R0110	-	-	-					-
Gross – Proportional reinsurance accepted	R0120	-	-	-					-
Gross – Non-proportional reinsurance accepted	R0130				-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	-	-	-	-
<b>Net</b>	<b>R0200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Premiums earned</b>									
Gross – direct insurance	R0210	-	-	-					-
Gross – Proportional reinsurance accepted	R0220	-	-	-					-
Gross – Non-proportional reinsurance accepted	R0230				-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	-	-	-	-
<b>Net</b>	<b>R0300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Claims incurred</b>									
Gross – direct insurance	R0310	-	-	-					-
Gross – Proportional reinsurance accepted	R0320	-	-	-					-
Gross – Non-proportional reinsurance accepted	R0330				-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	-	-	-	-
<b>Net</b>	<b>R0400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Expenses incurred	R0550	-	-	-	-	-	-	-	-
Balance - other technical expenses/income	R1210								-
<b>Total expenses</b>	<b>R1300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

		Business line for life insurance commitments						Life reinsurance commitments		Total
		Health insurance	With-profits insurance	Index- and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance commitments	Annuities stemming from non-life insurance contracts and relating to insurance commitments other than health insurance commitments	Health reinsurance	Life reinsurance	
<i>In thousands of euros</i>		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
<b>Premiums written</b>										
Gross	R1410	-	889,402	976,393	-	-	-	-	-	1,865,795
Reinsurers' share	R1420	-	23,143	434	-	-	-	-	-	23,576
<b>Net</b>	<b>R1500</b>	<b>-</b>	<b>866,259</b>	<b>975,960</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,842,219</b>
<b>Premiums earned</b>										
Gross	R1510	-	889,402	976,393	-	-	-	-	-	1,865,795
Reinsurers' share	R1520	-	23,143	434	-	-	-	-	-	23,576
<b>Net</b>	<b>R1600</b>	<b>-</b>	<b>866,259</b>	<b>975,960</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,842,219</b>
<b>Claims incurred</b>										
Gross	R1610	-	694,318	738,468	-	-	-	-	-	1,432,786
Reinsurers' share	R1620	-	2,623,950	120	-	-	-	-	-	2,624,069
<b>Net</b>	<b>R1700</b>	<b>-</b>	<b>(1,929,632)</b>	<b>738,348</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,191,284)</b>
Expenses incurred	R1900	-	18,845	41,099	-	-	-	-	-	59,944
Balance - other technical expenses/income	R2510									-
<b>Total expenses</b>	<b>R2600</b>									<b>59,944</b>
<b>Total amount of surrenders</b>	<b>R2700</b>									<b>1,432,786</b>

		Home country	Top 5 countries (by amount of gross premiums written) – non-life obligations					Total Top 5 and home country
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
<i>In thousands of euros</i>								
<b>Premiums written</b>								
Gross – direct insurance	R0110	-	-	-	-	-	-	
Gross – Proportional reinsurance accepted	R0120	-	-	-	-	-	-	
Gross – Non-proportional reinsurance accepted	R0130	-	-	-	-	-	-	
Reinsurers' share	R0140	-	-	-	-	-	-	
<b>Net</b>	<b>R0200</b>	-	-	-	-	-	-	
<b>Premiums earned</b>								
Gross – direct insurance	R0210	-	-	-	-	-	-	
Gross – Proportional reinsurance accepted	R0220	-	-	-	-	-	-	
Gross – Non-proportional reinsurance accepted	R0230	-	-	-	-	-	-	
Reinsurers' share	R0240	-	-	-	-	-	-	
<b>Net</b>	<b>R0300</b>	-	-	-	-	-	-	
<b>Claims incurred</b>								
Gross – direct insurance	R0310	-	-	-	-	-	-	
Gross – Proportional reinsurance accepted	R0320	-	-	-	-	-	-	
Gross – Non-proportional reinsurance accepted	R0330	-	-	-	-	-	-	
Reinsurers' share	R0340	-	-	-	-	-	-	
<b>Net</b>	<b>R0400</b>	-	-	-	-	-	-	
<b>Change in other technical provisions</b>								
Gross – direct insurance Variation	R0410	-	-	-	-	-	-	
Gross – Proportional reinsurance accepted	R0420	-	-	-	-	-	-	
Gross – Non-proportional reinsurance accepted	R0430	-	-	-	-	-	-	
Reinsurers' share	R0440	-	-	-	-	-	-	
<b>Net</b>	<b>R0500</b>	-	-	-	-	-	-	
Expenses incurred	R0550	-	-	-	-	-	-	
Other expenses	R1200							
<b>Total expenses</b>	<b>R1300</b>							

		Country based	Business line for life insurance commitments					Total
			FR	IT	MC	DE	BE	
			C0220	C0230	C0240	C0250	C0260	
<i>In thousands of euros</i>								
<b>Premiums written</b>								
Gross	R1410	2,254	1,380,698	379,340	72,086	1,000	6,465	1,841,842
Reinsurers' share	R1420	-	4,200	17,779	-	500	1	22,480
<b>Net</b>	<b>R1500</b>	<b>2,254</b>	<b>1,376,498</b>	<b>361,561</b>	<b>72,086</b>	<b>500</b>	<b>6,463</b>	<b>1,819,362</b>
<b>Premiums earned</b>								
Gross	R1510	2,254	1,380,698	379,340	72,086	1,000	6,465	1,841,842
Reinsurers' share	R1520	-	4,200	17,779	-	500	1	22,480
<b>Net</b>	<b>R1600</b>	<b>2,254</b>	<b>1,376,498</b>	<b>361,561</b>	<b>72,086</b>	<b>500</b>	<b>6,463</b>	<b>1,819,362</b>
<b>Claims incurred</b>								
Gross	R1610	51,773	569,504	651,348	69,923	2,367	38,341	1,383,256
Reinsurers' share	R1620	36,399	2,053,883	207,123	43,590	2,366	114,010	2,457,371
<b>Net</b>	<b>R1700</b>	<b>15,374</b>	<b>(1,484,379)</b>	<b>444,225</b>	<b>26,333</b>	<b>1</b>	<b>(75,668)</b>	<b>(1,074,114)</b>
<b>Change in other technical provisions</b>								
Gross	R1710	-	-	-	-	-	-	-
Reinsurers' share	R1720	-	-	-	-	-	-	-
<b>Net</b>	<b>R1800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Expenses incurred	R1900	1,052	38,579	15,198	2,073	39	1,188	58,129
Other expenses	R2500	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>R2600</b>							<b>58,129</b>



		With-profits insurance	Index- and unit-linked insurance		Other life insurance		Annuities stemming from non-life insurance contracts and relating to insurance commitments other than health insurance commitments		
				Contracts without options or guarantees	Contracts with options or guarantees	Contracts without options or guarantees		Contracts with options or guarantees	
<i>In thousands of euros</i>		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090
<b>Technical provisions calculated as a whole</b>	R0010	-	-			-			-
Total recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated with technical provisions calculated as a whole	R0020	-	-			-			-
<b>Technical provisions calculated as a sum of best estimate and risk margin</b>									
<b>Best estimate</b>									
Gross best estimate	R0030	5,548,171		9,170,584	-		-	-	-
Total recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	1,184,877		-	-		-	-	-
Best estimate minus recoverables from reinsurance/SPV and Finite Re	R0090	4,363,293		9,170,584	-		-	-	-
<b>Risk margin</b>	R0100	42,217	41,496			-			-
Technical provisions – Total	R0200	5,590,388	9,212,081			-			-

S.12.01.02 Life and health SLT technical provisions

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		Reinsurance accepted	Total (life other than health, including unit-linked)	Health insurance (direct business)		Annuities stemming from non-life insurance contracts and relating to health insurance commitments	Health reinsurance (reinsurance accepted)	Total (health similar to life)	
				Contracts without options or guarantees	Contracts with options or guarantees				
<i>In thousands of euros</i>		C0100	C0150	C0160	C0170	C0180	C0190	C0200	C0210
Technical provisions calculated as a whole	R0010	-	-	-			-	-	-
Total recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated with technical provisions calculated as a whole	R0020	-	-	-			-	-	-
<b>Technical provisions calculated as a sum of best estimate and risk margin</b>									
<b>Best estimate</b>									
Gross best estimate	R0030	-	14,718,755		-	-	-	-	-
Total recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	-	1,184,877		-	-	-	-	-
Best estimate minus recoverables from reinsurance/SPV and Finite Re	R0090		13,533,878		-	-	-	-	-
<b>Risk margin</b>	R0100	-	83,713	-			-	-	-
Technical provisions – Total	R0200	-	14,802,469	-			-	-	-

S.22.01.21 Impact of long-term guarantees and transitional measures

		Amount with long-term guarantee measures and transitional measures	Impact of transitional measure on technical provisions	Impact of transitional measure on interest rates	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
<i>In thousands of euros</i>		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	14,802,469	-	-	13,362	-
Core capital	R0020	352,850	-	-	(149,924)	-
Eligible capital to meet SCR	R0050	352,850	-	-	(2,430)	-
SCR	R0090	239,076	-	-	2,592	-
Eligible capital to meet MCR	R0100	264,001	-	-	(2,197)	-
Minimum capital requirement	R0110	107,584	-	-	1,166	-

		Total	Tier 1 – unrestricted	Tier 1 – restricted	Level 2	Level 3
		C0010	C0020	C0030	C0040	C0050
<i>In thousands of euros</i>						
<b>Core capital before deduction for investments in other financial sectors</b>						
Ordinary share capital (gross of own shares)	R0010	107,311	107,311		-	
Share premium account related to ordinary share capital	R0030	-	-		-	
Initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings	R0040	-	-		-	
Subordinated mutual member accounts	R0050	-		-	-	-
Surplus funds	R0070	-	-			
Preference shares	R0090	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Reconciliation reserve	R0130	98,045	98,045			
Subordinated liabilities	R0140	147,494		37,128	110,366	-
Amount equal to the value of net deferred tax assets	R0160	-				-
Other items approved by supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
<b>Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds</b>						
Capital from the financial statements that should not be represented by the reconciliation reserve and does not meet the criteria to be classified as capital under Solvency II	R0220	-				
<b>Deductions</b>						
Deductions for equity interests in credit institutions and other financial undertakings	R0230	-	-	-	-	-
<b>Total basic own funds after deductions</b>	<b>R0290</b>	<b>352,850</b>	<b>205,356</b>	<b>37,128</b>	<b>110,366</b>	<b>-</b>

<b>Ancillary capital</b>					
Unpaid and uncalled ordinary share capital callable on demand	R0300	-		-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings, callable on demand	R0310	-		-	
Unpaid and uncalled preference shares callable on demand	R0320	-		-	-
Legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-		-	-
Letters of credit and guarantees under Article 96 (2) of the Directive 2009/138/EC	R0340	-		-	
Letters of credit and guarantees other than under Article 96 (2) of the Directive 2009/138/EC	R0350	-		-	-
Supplementary members calls under first subparagraph of Article 96 (3) of the Directive 2009/138/EC	R0360	-		-	
Supplementary members calls other than under first subparagraph of Article 96 (3) of the Directive	R0370	-		-	-
Other ancillary own funds	R0390	-		-	-
<b>Total ancillary own funds</b>	<b>R0400</b>	<b>-</b>		<b>-</b>	<b>-</b>

		Total	Tier 1 – unrestricted	Tier 1 – restricted	Level 2	Level 3
<i>In thousands of euros</i>		C0010	C0020	C0030	C0040	C0050
<b>Available and eligible capital</b>						
Total available capital to meet the solvency capital requirement	R0500	352,850	205,356	37,128	110,366	-
Total available own funds to meet the minimum capital requirement	R0510	352,850	205,356	37,128	110,366	-
Total eligible own funds to meet the solvency capital requirement	R0540	352,850	205,356	37,128	110,366	-
Total eligible own funds to meet the minimum capital requirement	R0550	264,001	205,356	37,128	21,517	-
<b>Solvency capital requirement</b>	<b>R0580</b>	<b>239,076</b>				
<b>Minimum capital requirement</b>	<b>R0600</b>	<b>107,584</b>				
<b>Ratio of eligible capital to SCR</b>	<b>R0620</b>	<b>148%</b>				
<b>Ratio of eligible capital to MCR</b>	<b>R0640</b>	<b>245%</b>				

<i>In thousands of euros</i>		C0060
<b>Reconciliation reserve</b>		
Excess of assets over liabilities	R0700	205,356
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and expenses	R0720	-
Other core capital items	R0730	107,311
Adjustment for restricted capital items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
<b>Reconciliation reserve</b>	<b>R0760</b>	<b>98,045</b>
<b>Expected profits</b>		
Expected profits included in future premiums (EPIFP) – life business	R0770	-
Expected profits included in future premiums (EPIFP) – non-life business	R0780	-
<b>Total Expected profits included in future premiums (EPIFP)</b>	<b>R0790</b>	<b>-</b>

		Gross solvency capital requirement	Simplifications
<i>In thousands of euros</i>		C0110	C0120
Market risk	R0010	723,060	-
Counterparty default risk	R0020	4,531	-
Life underwriting risk	R0030	459,843	-
Health underwriting risk	R0040	-	-
Non-life underwriting risk	R0050	-	-
Diversification	R0060	(237,056)	-
Intangible asset risk	R0070	-	-
<b>Basic solvency capital requirement</b>	<b>R0100</b>	<b>950,378</b>	

<b>Calculation of solvency capital requirement</b>		C0100
Operational risk	R0130	46,816
Loss-absorbing capacity of technical provisions	R0140	(725,224)
Loss-absorbing capacity of deferred taxes	R0150	(32,894)
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	-
Solvency capital requirement excluding capital add-on	R0200	239,076
Capital add-ons already set	R0210	-
<b>Solvency capital requirement</b>	<b>R0220</b>	<b>239,076</b>

<b>Other information on SCR</b>		
Capital requirement for duration-based equity risk sub-module	R0400	-
Total amount of notional solvency capital requirement for remaining part	R0410	-
Total amount of notional solvency capital requirement for ring fenced funds	R0420	-
Total amount of notional solvency capital requirement for matching adjustment portfolios	R0430	-
Diversification effects due to RFF nSCR aggregation for article 304	R0440	-

<b>Solvency capital requirement - Tax Rate Approach</b>		C0109
Approach based on average tax rate	R0590	-

<b>Solvency capital requirement - Calculation of loss-absorbing capacity of deferred taxes</b>		C0130
Loss-absorbing capacity of deferred taxes	R0640	(32,894)
Loss-absorbing capacity justified by IDP reversal	R0650	-

Loss-absorbing capacity by deferred taxes justified by probable future taxable earnings	R0660	(32,894)
Loss-absorbing capacity by deferred taxes justified by carry-over, current year	R0670	-
Loss-absorbing capacity by deferred taxes justified by carry-over, future years	R0680	-
Maximum loss-absorbing capacity by deferred taxes	R0690	-

**Linear formula component for non-life insurance and reinsurance commitments**

		C0010		
MCRL result	R0010	0	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
<i>In thousands of euros</i>			C0020	C0030
Medical expense insurance and proportional reinsurance	R0020		-	-
Income protection insurance and proportional reinsurance	R0030		-	-
Workers' compensation insurance and proportional reinsurance	R0040		-	-
Motor vehicle liability insurance and proportional reinsurance	R0050		-	-
Other motor insurance and proportional reinsurance	R0060		-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070		-	-
Fire and other damage to property insurance and proportional reinsurance	R0080		-	-
General liability insurance and proportional reinsurance	R0090		-	-
Credit and bonding insurance and proportional reinsurance	R0100		-	-
Legal expenses insurance and proportional reinsurance	R0110		-	-
Assistance and proportional reinsurance	R0120		-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130		-	-
Non-proportional health reinsurance	R0140		-	-
Non-proportional casualty reinsurance	R0150		-	-
Non-proportional marine, aviation and transport reinsurance	R0160		-	-
Non-proportional property reinsurance	R0170		-	-

**Linear formula component for life insurance and reinsurance commitments**

		C0040
MCRL result	R0200	159,459

Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
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*In thousands of euros*

		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	3,619,460	
Obligations with profit participation - future discretionary benefits	R0220	743,834	
Index-linked and unit-linked insurance obligations	R0230	9,170,584	
Other life (re)insurance and health (re)insurance obligations	R0240	-	
<b>Total capital at risk for all life (re)insurance obligations</b>	<b>R0250</b>		<b>34,635</b>

**Overall MCR calculation**

*In thousands of euros*

		C0070
Linear MCR	R0300	159,459
Solvency capital requirement	R0310	239,076
MCR cap	R0320	107,584
MCR floor	R0330	59,769
Combined MCR	R0340	107,584
Absolute floor of the MCR	R0350	4,000
<b>Minimum capital requirement</b>	<b>R0400</b>	<b>107,584</b>