

# OVERVIEW OF COFACE

## UNIVERSAL REGISTRATION DOCUMENT 2021

INCLUDING THE ANNUAL FINANCIAL REPORT



This Document is a reproduction of the official version of the Universal Registration Document including the 2021 Annual Financial Report prepared in accordance with the European Single Electronic Format (ESEF) and filed with the AMF, available on the websites of the Company and the AMF.

The Universal Registration Document was filed with the AMF on 6 April 2022. AMF is the competent authority in respect of Regulation (EU) 2017/1129, and the Document was filed without prior approval, in accordance with Article 9 of said regulation. The Universal Registration Document may be used for a public offer of securities or for the admission of securities to trading on a regulated market if it is supplemented by an offer notice and if applicable, a summary and all amendments made to the Universal Registration Document. The ensuing set of documents is approved by the AMF in accordance with (EU) 2017/1129.

This document has been prepared by the issuer and engages the liability of its signatories. It may be viewed on and downloaded from: <https://www.coface.com/Investors/financial-results-and-reports>



## Message from

# Xavier Durand

CEO of COFACE

**“Throughout the Covid crisis, we have shown our resilience and our agility in responding to the unexpected. We are pursuing our strategic plan in line with our announced objectives.”**

### Our ambition:

**further strengthen Coface’s resilience while delivering profitable growth, and become the reference in credit insurance.**

**At Coface, we believe in trade as a positive force for the world.**

### Our mission:

**accompanying companies in their commercial exchanges, a factor of both social and economic stability**

#### How did Coface perform in 2021?

In 2021, for the second year running, we operated in a complex and uncertain environment. The COVID 19 health crisis persisted in most countries around the world, along with successive lockdowns and the widespread shift to remote working. Government support measures were extended in many countries, including France, and this partially mitigated the impact of the crisis while also allowing for an economic rebound in some countries and sectors. As such, the number of corporate insolvencies remained very low throughout the year, leading to a record low loss experience.

In this atypical economic and health situation, and with intense competition in our markets, we have supported our clients through the gradual and mixed economic recovery. As a result, we achieved a very good operational and commercial performance. Our results reflect our careful risk management, combined with an active commercial underwriting policy and the rebound in our clients’ activity that we have observed since the start of the year.

#### Now that Coface is halfway through its Build to Lead strategic plan, what is the current road map?

Looking ahead to 2023, our ambitions remain intact, and our determination has enabled us to maintain the goals set in our Build to Lead plan. Our strategy of establishing profitable, resilient growth over the long term is based on two pillars:

- positioning Coface as one of the market leader in trade credit insurance;
- developing our adjacent speciality services such as information services, factoring, bonding, debt collection and Single Risk insurance.

With the aim of consolidating our credit insurance leadership, we have stepped up our efforts to support the recovery of our clients’ activity: our credit insurance exposure has returned to pre crisis levels. We have continued to invest while

keeping costs under tight control. We have prioritised our strategic investments according to three key criteria: growth, digitalisation, and regulatory compliance. In addition, improving our clients’ experience, and aiming for excellence in terms of operational efficiency and service quality, remains our priority.

With this in mind, we have set up a Group Operations Department, tasked with improving service quality via the digitalisation, industrialisation, and simplification of our operations. We intend to further reduce our response times, optimise productivity, and better meet the needs of all our clients, regardless of their size or sector of activity. This is a major part of our strategy, and is key to making Coface stand out amid our competitors.



## Message from Bernardo Sanchez Incera, Chairman of the Board of Directors of Coface

The year I took office was not like any other year for Coface.

Since 2020, the company has had to adjust to a new environment and face the health, economic and social challenges arising from the Covid-19 pandemic.

In 2021, Coface confirmed its agility in all areas. We continued to protect our employees around the world by making remote working more widespread. We have also done our utmost to support our clients during the economic recovery, which was very strong in some places. For those still suffering in more exposed sectors, we continued to offer government credit insurance support programmes to help them cope with the unprecedented situation.

I would like to thank Coface's management and all of its teams for their exceptional flexibility and commitment in rising to these multiple challenges throughout the year. They continued to implement the strategic plan aimed at making Coface the benchmark in the credit insurance market, in difficult circumstances. The company developed new and innovative services, building on its long-standing expertise, and it delivered outstanding results in 2021.

The growth of information services, which enable Coface to create value from its extensive, high-quality databases, reflects our commitment to constantly improving the service we provide to our clients.

Our corporate purpose is to facilitate the growth of trade, and as such our primary responsibility is an economic

one. But this economic responsibility is inseparable from our role in fostering environmental and social progress. We have taken significant steps in CSR, which is now an integral part of our strategy. We have already incorporated CSR considerations in our investment choices and must continue to include them in our risk underwriting activity. We must assume our position as a leader in credit insurance and promote a fair transition.

2021 was a year of transition for Coface with the departure of its long-time shareholder and the establishment of a Board of Directors with a majority of independent members. I am extremely confident in the company's ability to successfully write the next chapter in its history.

Also with the aim of improving client service, we have further strengthened our tools. Notable examples include the rollout of a new, more powerful, single debt collection solution in more than 45 countries, and the launch of a project to install shared client relationship management software covering all client segments across the group.

We rounded out our credit insurance offer with the launch of GlobaLiner. This new service facilitates multinational companies' growth with faster contract issuance and enhanced verifications of local insurance policies. GlobaLiner incorporates a global library of contractual clauses covering around one hundred languages and regulatory environments.

In our fast-growing adjacent speciality services, we implemented new solutions for our clients, such as ICON - our platform focused on the marketing and digitalisation of our information services -and application programming interfaces (APIs) that provide unique access to our information services around the world. We also launched new activities in countries with strong growth potential, such as bonding in Romania, and we also relaunched our factoring business in Germany.

Quarter after quarter, we are consistently reaching new milestones and moving closer to the goals of our Build to Lead strategic plan, confirming the relevance of our strategy, our resilience, and our agility when responding to the unexpected.

### **Coface SA's governance structure changed in 2021 - how is it organised now?**

Our highlights of the year include the arrival of a new shareholder in February. Arch Capital acquired 29.5% of Coface's share capital from Natixis, and is now represented on our Board with four directors. Arch Capital is a renowned insurance and risk management company, and has expressed its full support for our management team and our strategic plan.

For the first time in its history, Coface SA's Board of Directors now has a majority of independent directors, who account for six out of the ten members of the Board, which is chaired by Bernardo Sanchez Incera.

### **Coface has also stepped up its CSR initiatives: What convictions are behind your commitments?**

As a responsible company and economic actor, our role goes beyond our contribution to the economy and extends to a number of areas in which we are expected to make a positive impact. Our corporate social responsibility (CSR) policy is central to our strategic plan.

This policy is built on four pillars - our roles as an economic actor, an employer, a stakeholder in terms of global environmental issues, and an organisation. Throughout the year, we stepped up our efforts to make Coface more responsible as a company, as a participant in global trade, and as an employer.

We improved the rating of our investment policy, while extending the scope of rated investments. Our country risk assessment methodology now incorporates environmental risk. We have built a tool to make a preliminary measurement of the environmental impact of our credit insurance exposure.

We increased our workplace diversity and inclusion initiatives. And because value creation stems from our teams' engagement, we implemented pulse surveys that allows us to better assess employee engagement and well-being. The results of these surveys will help us implement better-targeted, faster actions in our current environment, in which remote working has become the norm.

We also measure our carbon footprint, in particular Scope 3 emissions produced by our suppliers and clients. This will enable us to build a realistic roadmap to reduce our carbon footprint, in line with the aims of the Paris Agreement.

## 2021 key figures

# Our ambition: to further strengthen Coface's resilience while delivering profitable growth.

## FINANCIAL PERFORMANCE



### RATING AGENCY

MOODY'S  
INVESTORS SERVICE

**A2** stable outlook

FitchRatings

**AA-** stable outlook



**A** stable outlook

## NON-FINANCIAL PERFORMANCE<sup>(3)</sup>



(1) Return on average tangible equity.

(2) This estimated solvency ratio constitutes a preliminary calculation made according to Coface's interpretation of Solvency II regulations and using the Partial Internal Model. The result of the definitive calculation may differ from the preliminary calculation. The estimated solvency ratio is not audited.

(3) For further information, please refer to chapter 6 "Non-financial performance report".

# Shareholders' Corner <sup>(1)</sup>

## SHARE FACT SHEET

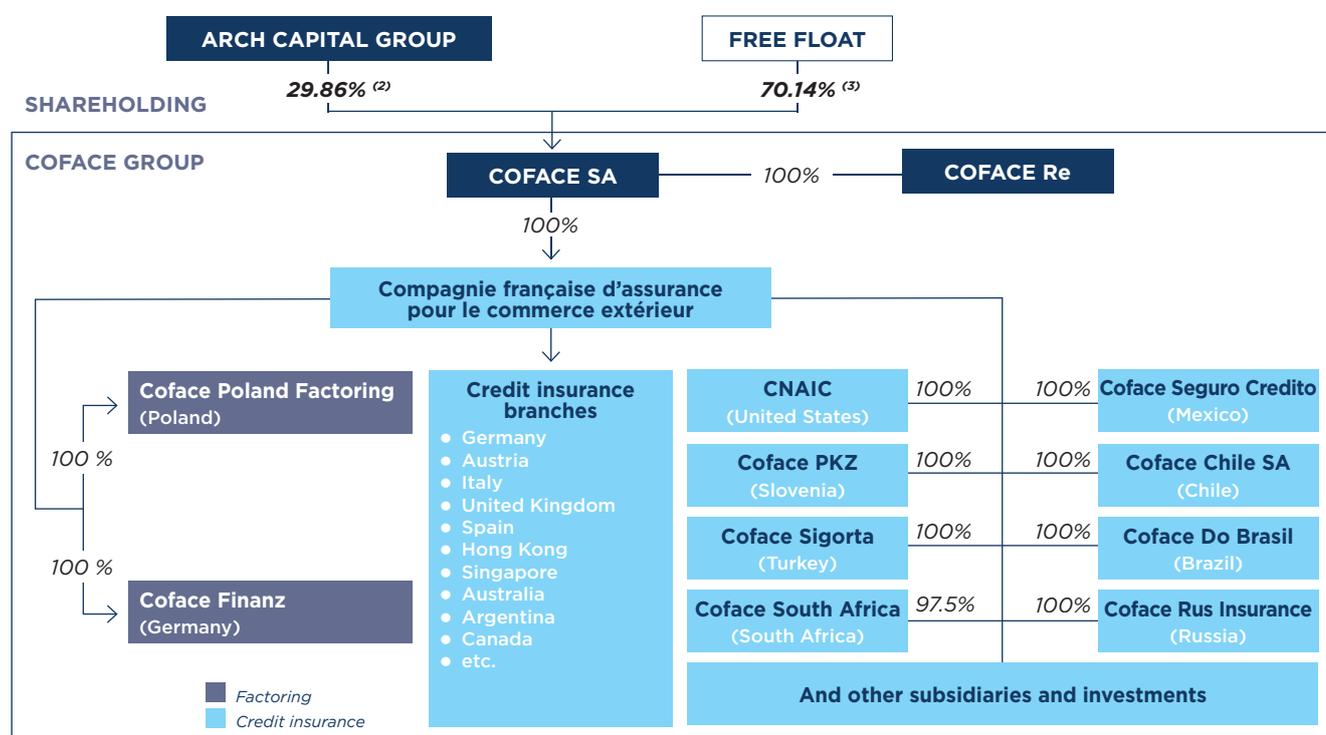
TRADING	Euronext Paris (Compartment A), eligible for deferred settlement service (SRD)
ISIN CODE	FR0010667147
REUTERS CODE	COFA.PA
BLOOMBERG CODE	COFA FP
STOCK MARKET INDICES	SBF 120, CAC All Shares, CAC All-Tradable, CAC Financials, CAC Mid & Small, CAC MID 60, Next 150
NUMBER OF SHARES	150,179,792
MARKET CAPITALISATION	€1,881,752,794 *

\* share price at 31 December 2021: €12.53

## FINANCIAL CALENDAR

<b>15 February 2022</b>	after market close	FY-2021 results
<b>28 April 2022</b>	after market close	Q1- 2022 Results
<b>17 May 2022</b>		2021 Annual General Shareholders' Meeting
<b>20 May 2022</b>		Ex-dividend date
<b>24 May 2022</b>		Payment of dividend
<b>28 July 2022</b>	after market close	H1-2022 results
<b>27 October 2022</b>	after market close	9M-2022 results

## SIMPLIFIED ORGANISATION CHART



(1) All regulated information is available on the website: <https://www.coface.com/Investors>

(2) See paragraph 1.1 "History of the Group".

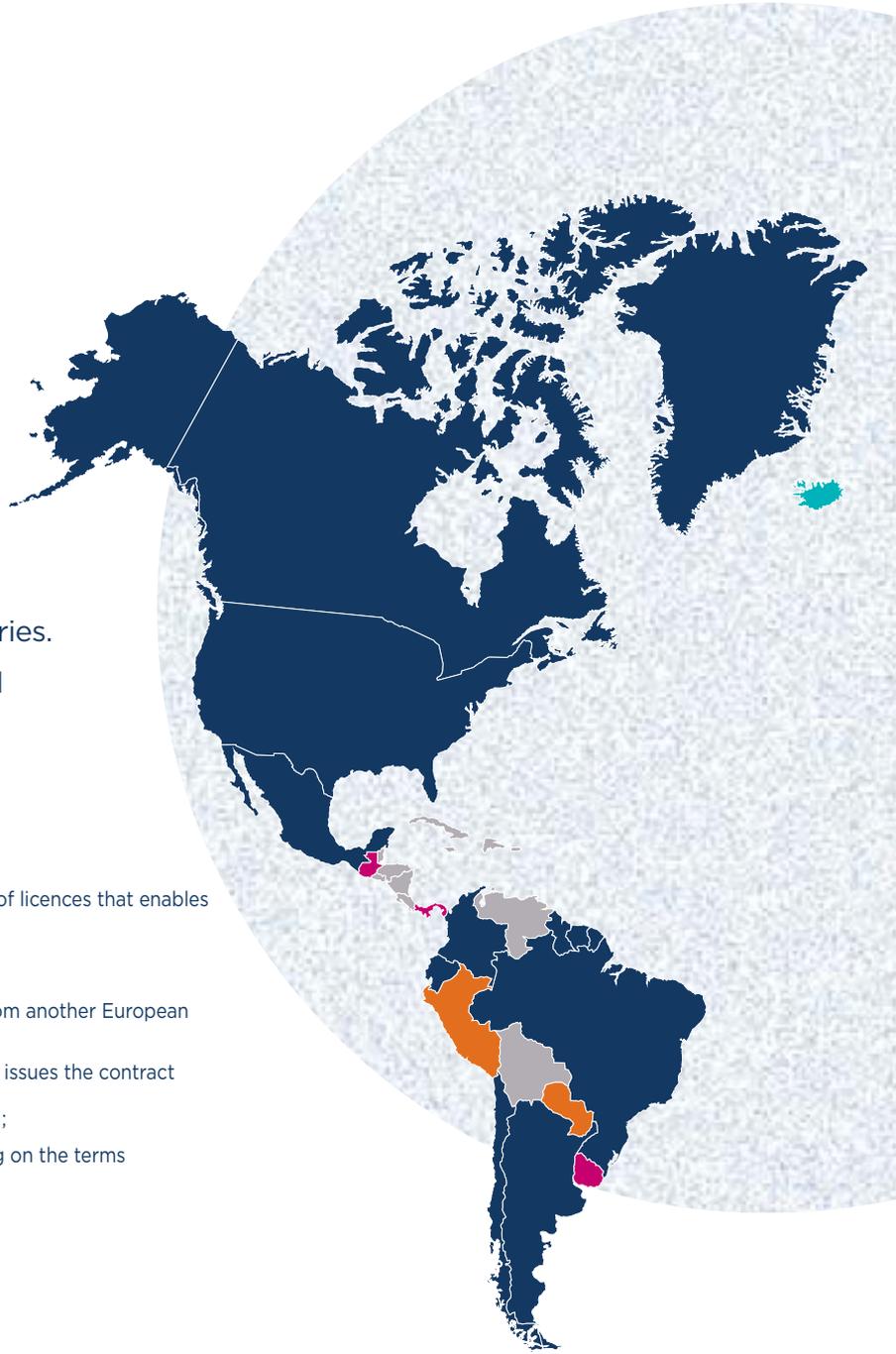
(3) See paragraph 7.1.3 "Own shares and the acquisition of treasury shares by the Company".

## Locations

# Global reach, local proximity

**Coface** is present either **directly**, or indirectly through its **partners**, in **100 countries**, providing support for customers in more than **200** countries.

The Group uses its **own international network**, which is complemented by the “**Coface Partner**” network.



### DIRECTLY:

- In most of its largest markets, the Group has a portfolio of licences that enables it to directly issue insurance contracts.

### INDIRECTLY, THE GROUP USES:

- **freedom of services** within Europe, to issue contracts from another European country where it has the licence;
- an insurer with a licence in the country concerned, which issues the contract and retrocedes all or part of the risks to the Group, according to the principle of fronting - **Coface Partner** ;
- the occasional issue of contracts from abroad, depending on the terms of the country concerned - **offshore**.

## A LEADING INTERNATIONAL NETWORK

### NORTH AMERICA

- Canada
- U.S.A.

### LATINE AMERICA

- Argentina
- Brazil
- Chile
- Colombia
- Ecuador
- Guatemala
- Mexico
- Panama
- Paraguay
- Peru
- Uruguay

### WESTERN EUROPE

- Belgium
- France
- Iceland
- Ireland
- Liechtenstein
- Luxembourg
- Switzerland
- UK

### NORTHERN EUROPE

- Denmark
- Finland
- Germany
- Netherlands(The)
- Norway
- Sweden

### CENTRAL EUROPE

- Austria
- Bosnie
- Bulgaria
- Croatia
- Czech Rep.
- Estonia
- Hungary
- Kazakhstan
- Latvia
- Lithuania
- Macedonia
- Montenegro
- Poland
- Romania
- Russia
- Serbia
- Slovakia
- Slovenia

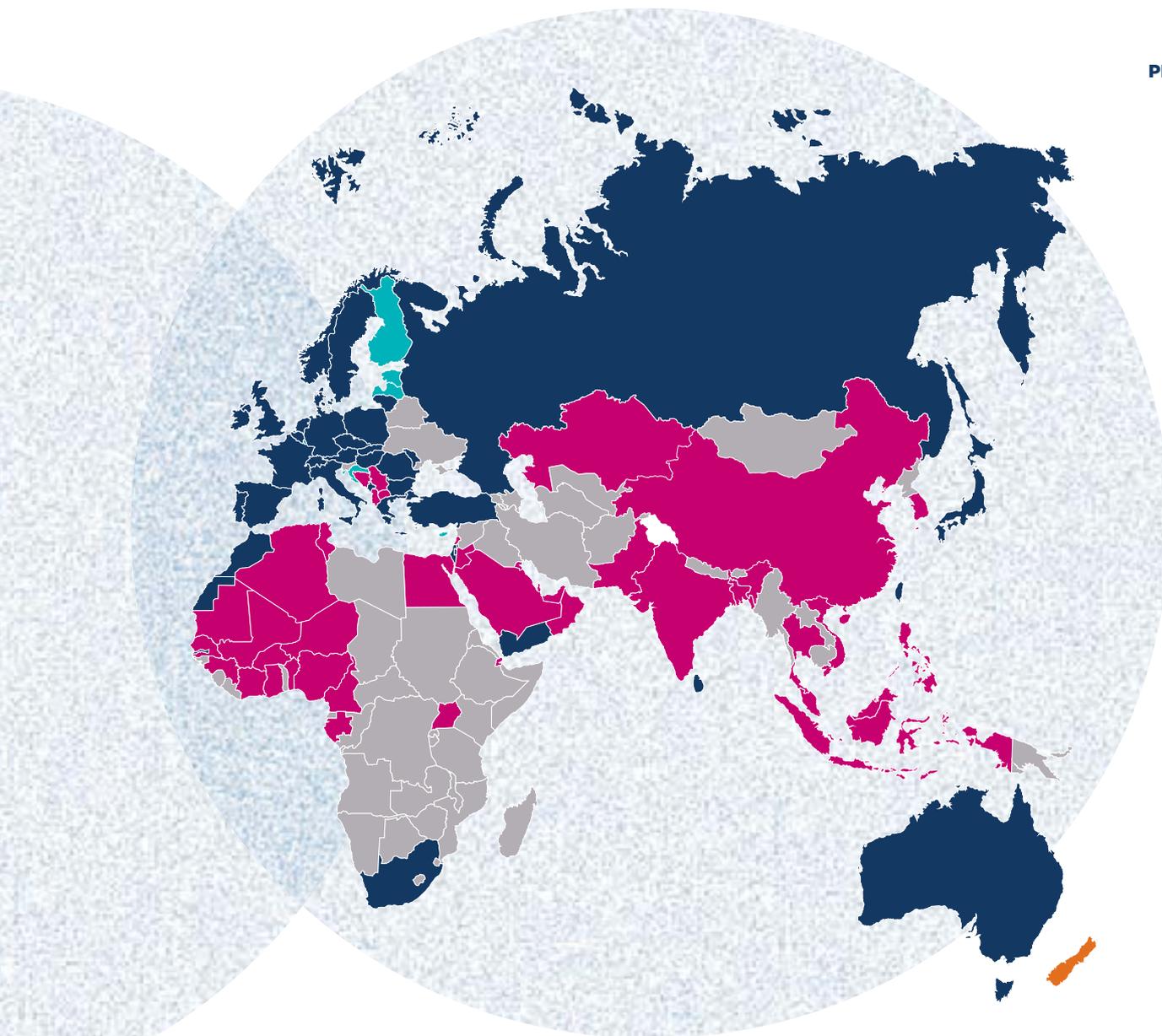
### MEDITERRANEAN & AFRICA

- Albania
- Algeria
- Bahrain
- Benin
- Burkina Faso
- Cameroun
- Cyprus
- Djibouti
- Egypt
- Gabon
- Gambia
- Ghana
- Greece
- Guinea
- Israël
- Italy
- Ivory Coast
- Jordan
- Kuwait
- Lebanon
- Mali
- Malta

- Mauritania
- Mauritius
- Morocco
- Niger
- Nigeria
- Oman
- Portugal
- Qatar
- Saudi Arabia
- Senegal
- South Africa
- Spain
- Tunisia
- Turkey
- U.A.E.
- Uganda

### ASIA-PACIFIC

- Australia
- Bangladesh
- Brunei
- China
- Hong Kong
- India
- Indonesia
- Japan
- Malaysia
- New-Zeland
- Pakistan
- Philippines
- Singapore
- South Korea
- Taiwan
- Thailand
- Vietnam



**NORTH AMERICA**



**€137.5M**

i.e. 9% of total turnover\*

**202** employees

**LATIN AMERICA**



**€73.3M**

i.e. 5% of total turnover\*

**443** employees

**NORTHERN EUROPE**



**€331.5M**

i.e. 21% of total turnover\*

**676** employees

**CENTRAL EUROPE**



**€156.3M**

i.e. 10% of total turnover\*

**947** employees

**WESTERN EUROPE**



**€316.7M**

i.e. 20% of total turnover\*

**979** employees\*\*

**MEDITERRANEAN & AFRICA**



**€429.4M**

i.e. 27% of total turnover\*

**844** employees

**ASIA-PACIFIC**



**€123,2M**

i.e. 8% of total turnover\*

**447** employees

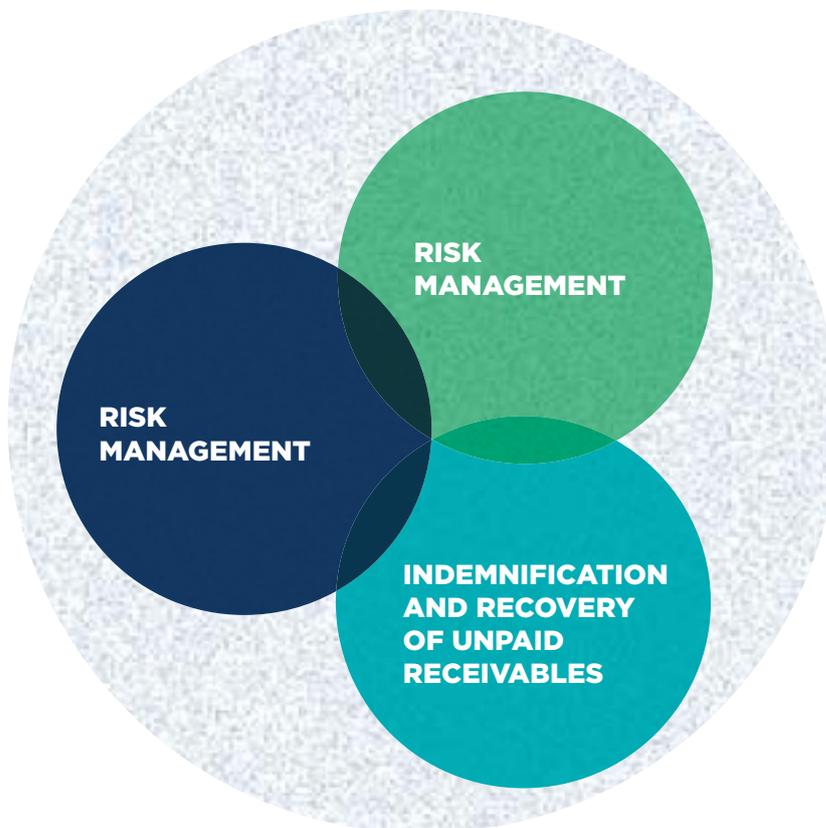
\* Year ended December 31, 2021.

# One mission: to support companies in their commercial exchanges

## MULTIPLE EXPERTISES, ONE PURPOSE: FOR TRADE

Whatever our clients' sector of activity, Coface assists them in managing their portfolio risks and achieving their strategic objectives. We consider our clients as true partners with whom we facilitate trade and global commerce.

Coface's employees bring a high degree of expertise in risk prevention and coverage, indemnification and recovery.



**340**  
UNDERWRITERS  
LOCATED IN 44  
COUNTRIES

**10,000**  
DAILY RISK  
DECISIONS

**226**  
STAFF SPECIALISED  
IN DEBT  
COLLECTION

**185**  
STAFF IN CHARGE  
OF YOUR  
INDEMNIFICATION

**+200**  
COUNTRIES  
COVERED

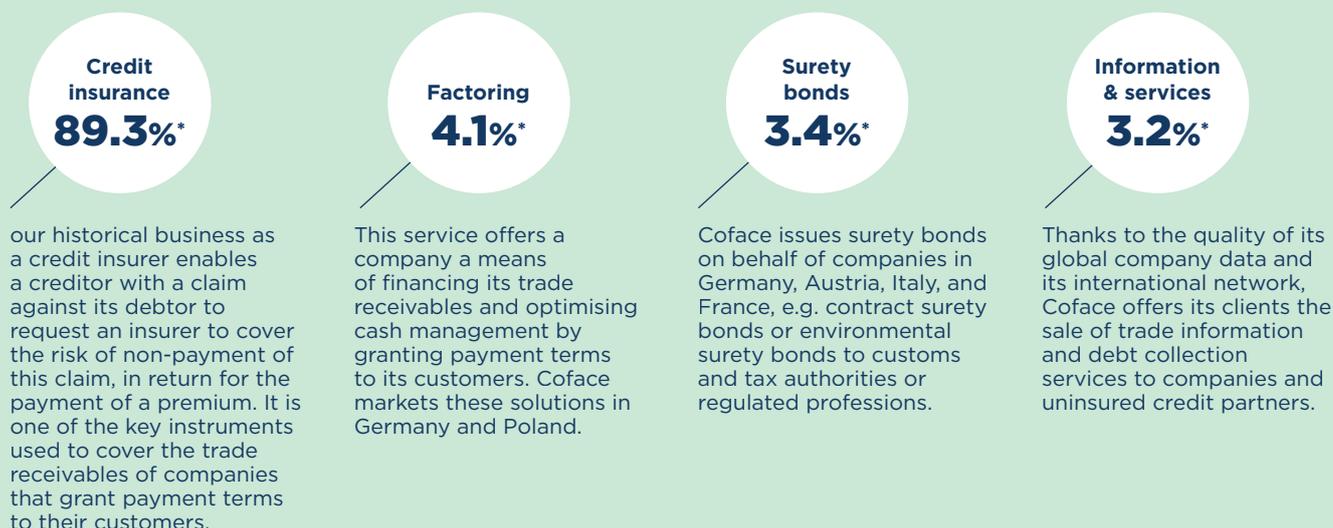
To manage risks, you first need to prevent them. With Coface, you hold all the cards for selecting reliable and solvent prospects, customers, and suppliers effectively. You can then develop your business in a sustainable way.

Coface has a comprehensive credit insurance solution to protect you from any unpaid customer receivables.

Debt recovery is an essential part of the risk control that Coface offers its clients.

## ... THROUGH CREDIT INSURANCE AND ITS ADJACENT SPECIALISED ACTIVITIES ...

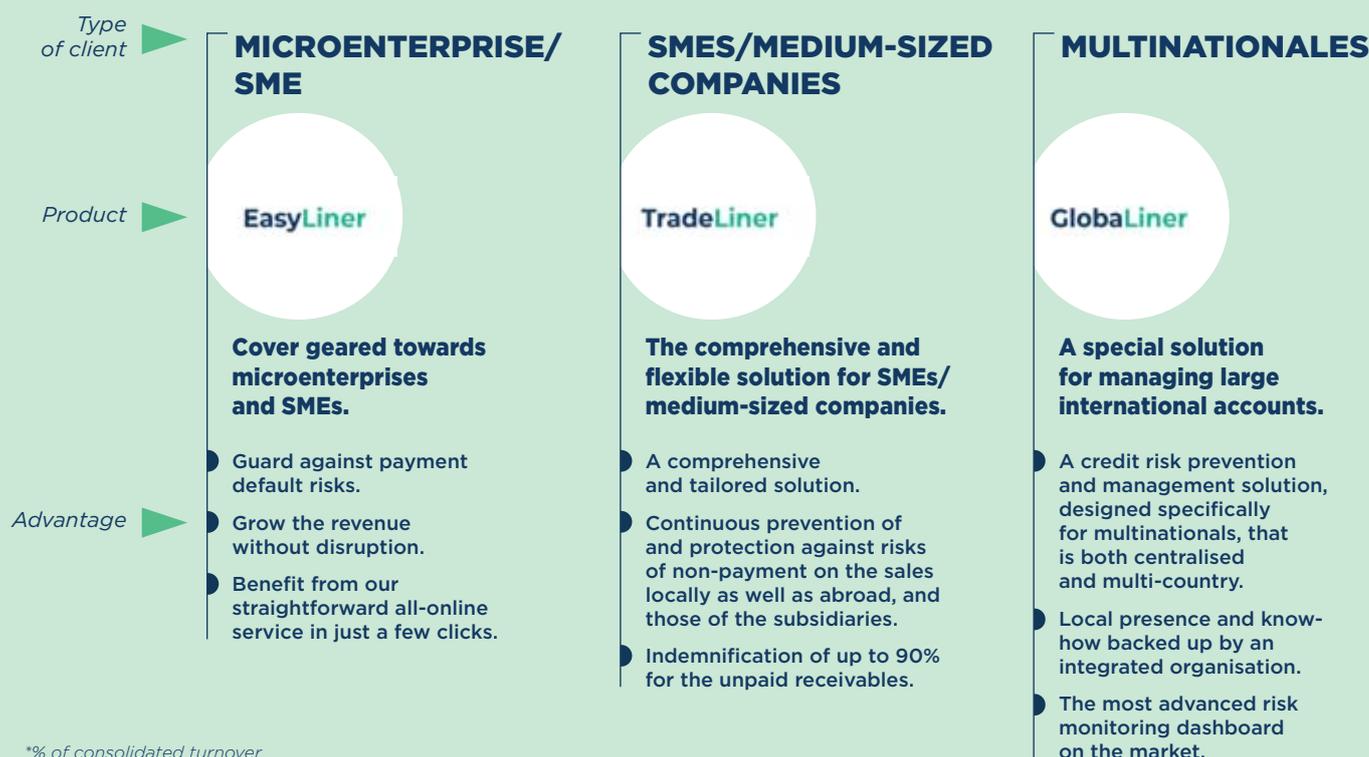
Coface offers its clients solutions tailored to their needs:



## ... AT THE CLOSEST TO OUR CLIENTS.

### 3 types of clients

Coface is organised to respond as closely as possible to the specific needs of its clients and has developed solutions adapted to each of their situations.



\*% of consolidated turnover

# Our purpose

## Coface *For Trade* : a deep commitment to trade



Coface's purpose and culture are based on **3 pillars**:



**TAGLINE - COFACE FOR TRADE - THAT EXPRESSES OUR CULTURAL TRANSFORMATION AND OUR DEEP COMMITMENT TO TRADE**

### A COMPANY DRIVEN BY 4 ESSENTIAL VALUES:



**Client Focus**

- **Client satisfaction** first. Offers, service levels & flexibility
- **Connected to the market** macro-eco, competition moves
- **Strong, durable relationships** with brokers & partners



**Expertise**

- **FUNCTIONAL** Underwriting, risk, sales, systems, process
- **INDUSTRY** Geographies, industry sectors
- **LEADERSHIP** People management



**Collaboration**

- **Cross-functional**
- **Cross-markets**
- **Transparency**



**Courage & accountability**

- **Bottom line accountability** requiring to balance growth versus risk
- **Transparent delegation** and reporting
- **Empowered local teams**, participative strategy & budget processes

Launched in 2020, the **BUILD TO LEAD** strategic plan aims to strengthen and extend the cultural and business transformation undertaken by Coface with the ambition of being recognized as a reference in credit insurance. This 2020-2023 plan is based on 2 pillars and 6 initiatives.

# BUILD TO LEAD

## Be more profitable and resilient over the long-term

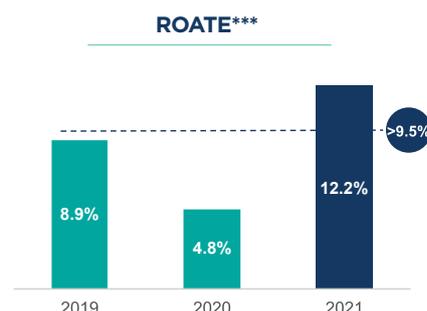
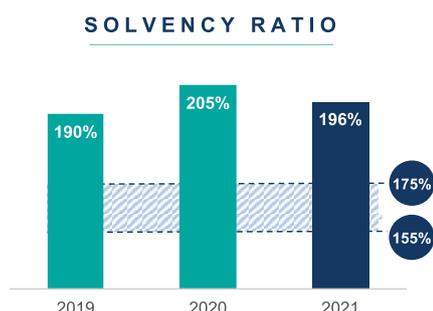
### 01 BUILD TRADE CREDIT INSURANCE LEADERSHIP

- SIMPLIFY AND DIGITIZE OPERATING MODE
- DIFFERENTIATE THROUGH OUR INFORMATION AND RISK CAPABILITIES
- CREATE VALUE THROUGH GROWTH

### 02 GROW SELECT SPECIALTIES

- FACTORING
- SINGLE RISK AND BONDING
- INFORMATION AND SERVICES

## FINANCIAL OBJECTIVES THROUGH THE CYCLE UPDATE AS OF DECEMBER 31, 2021



\* In view of the scale of the health crisis and following the vote at the Combined General Shareholders' Meeting of May 14, 2020, it was decided not to pay a dividend for the fiscal year ended December 31, 2019.

\*\* The proposed distribution is subject to approval by the general shareholders meeting on 17 May 2022.

\*\*\*RoATE = Average return on equity

# CSR: embedding strategy and



## ACTIONS TAKEN

- Improved ESG rating of investment portfolio from C- to C
- Built and tested internal tool to assess environmental impact of debtor portfolio
- Integrated 3 ESG indicators into Risk Appetite Statement

- Diversity & Inclusion:
  - ✓ 84/100 in the Group Gender Index (+3 pts vs 2020)
  - ✓ Signed "Autre cercle" charter
- Increased employee engagement (+24 pts)
- Drove employee development (mentoring, mobility, ...)

## NEXT STEPS

- Further improve investment portfolio ESG rating
- Integrate environmental impact into commercial policy
- Upgrade procurement policy

- Formalise D&I policy and launch thematic Employee Resource Groups
- Digitize on boarding program and strengthen functional Academies
- Promote equal opportunities in the regions

## TARGET



20% reduction of investment portfolio emissions by 2025



40% women in top 200 manager by 2030

# setting targets



## RESPONSIBLE ENTERPRISE

- Launched full carbon footprint assessment (direct and indirect emissions)
- Reduced Coface carbon footprint:
  - ✓ Introduction of hybrid and electric cars in the car fleet
  - ✓ Travel policy
  - ✓ Flex office, etc.



## DRIVING THE CULTURE

- Appointed Senior group CSR Manager
- Drove engagement through internal communication
- Supported grass root employee-driven initiative Green to Lead

- Develop reduction plan to achieve Net Zero
- Define responsible IT ambition and roadmap

- Full CSR governance revamping in progress
- Joining public initiative (e.g. Principles for Responsible Insurance)



3g reduction in average CO<sub>2</sub>e for the French car fleet in 2022



All employees trained in 2022

# Our value creation model\*

## OUR RESOURCES AND ASSETS

### SOCIAL, ENVIRONMENT AND GOVERNANCE

- 📍 **4,538** employees
  - 👥 **74** represented in the group
  - ♀️ **54%** of women across the Group
  - 🌱 A CSR strategy integrated into the Build to Lead strategic plan including 3 pillars
    - A responsible insurer
    - A responsible employer
    - A responsible enterprise (environment)
- And based on a pillar called "Driving the culture"



### ORGANISATION

- 🕒 **+75** years of experience in a niche, concentrated (top 3 = 61% market share) and global market
- 🌍 **57** countries of direct presence (100 countries via partners)
- 🏢 **50,000** clients companies
- 📄 A database of 130 million companies
- 📡 Direct and multi-channel distribution through multiple partners and distributors



### FINANCIAL RESOURCES

- 📊 Ratings: **AA-** with Fitch; **A2** with Moody's et **A** with AM Best - stable outlook
- 💰 **€2,141.5m** of equity
- 🏦 A solid and robust financial structure
- 🔄 More than 20 reinsurers with an average rating of A+ to AA-



## OUR DNA AND PERFORMANCE DRIVERS

### OUR PURPOSE

**Coface For Trade:**  
a deep commitment to trade

- 🎯 **OUR VISION AND AMBITION:** helping build stronger businesses, we contribute to the smooth-running of the economy. We believe in business as a force for good in the world,
- 🎯 **OUR MISSION:** to protect companies against unpaid bills / contribute to the smooth running and development of businesses all over the world

### OUR STRATEGY



a strategic plan based on 2 pillars:

- 📈 Build trade credit insurance leadership
- 📈 Grow select speciality businesses

### Financial objectives through the cycle

- 📊 Combined ratio at 80%,
- 📊 RoATE at 9.5%,
- 📊 Pay-out ratio at least 80%,
- 📊 Solvency ratio 155%/175% target range.

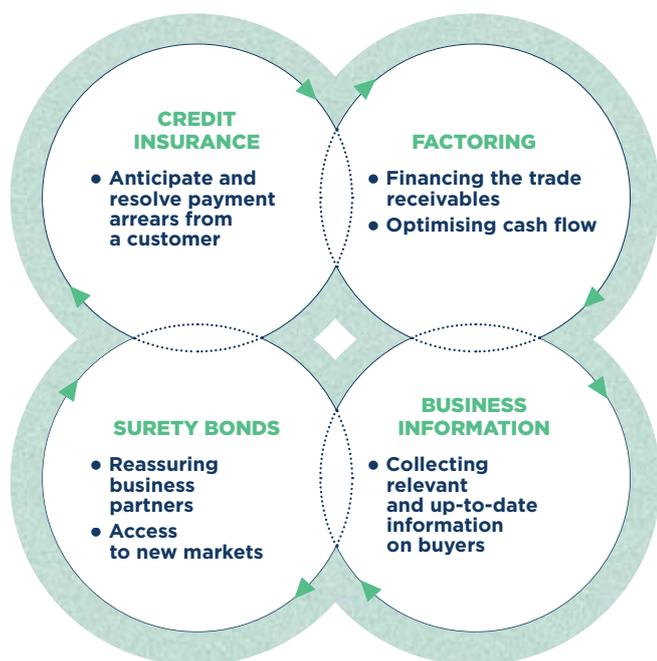
## OUR VALUE



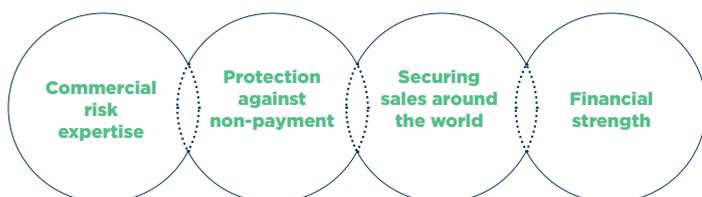
\* The scope of the data presented in the value creation model is at Group level.

\*\* The distribution proposal will be submitted to the Annual General Shareholders' Meeting to be held on 17 May 2022

**OUR OFFER** Coface operates at the heart of the global economy and offers a complete range of credit insurance to protect companies from possible non-payment by their customers, who may be located in nearly 200 countries.



**OUR KNOW-HOW IS BASED ON 4 PILLARS**



**OUR CREATION OF SHARED VALUE**



**FOR OUR EMPLOYEES**

- 41% of women in the manager population
- A target of 40% of women in Senior Management by 2030
- Gender equality index at Group level: 84/100 (vs. 81/100 in 2020)



**FOR OUR CLIENTS**

- Appointment of a Chief Operating Officer to pursue and accelerate Coface's transformation in terms of service quality and operational efficiency
- €588bn of TCI exposure on 2.5 million companies (+21% vs 2020)



**FOR OUR SHAREHOLDERS**

- €1,568m in turnover
- €223.8m net income (group share)
- €1.50 dividend\*\* per share (100% pay-out ratio)
- 196%\*\*\* Solvency ratio



**FOR THE ENVIRONMENT AND SOCIETY**

- Carbon footprint assessment including scope 3 in progress
- Progressive introduction of gasoline, hybrid or 100% electric vehicles in the car fleet
- Investment portfolio
  - Reduction of the portfolio's carbon footprint by 20% by 2025 (based on the year 2020),
  - Limit the weight of F-rated assets to less than 3%.

\*\*\*This estimated solvency ratio is a preliminary calculation made according to Coface's interpretation of Solvency II regulations and using the Partial Internal Model. The final calculation may differ from this preliminary calculation. The estimated solvency ratio is not audited.

# Solid governance for an agile group

## COMPOSITION OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2021



**Bernardo Sanchez Incera**  
Chairman of the Board of Directors  
Independent



### Independent directors



**Éric Hémar**



**Isabelle Laforge**



**Nathalie Lomon**



**Sharon MacBeath**



**Olivier Zarrouati**

### Directors representing Arch



**Janice Englesbe**



**Chris Hovey**



**David Gansberg**



**Nicolas Papadopoulou**



Audit and Accounts Committee



Risk Committee



Nominations and Compensation Committee

Chairman

### Board committees in 2021



#### Audit and Accounts Committee

**2**  
independent members out of 3, including the Chairman

**5**  
Meetings

**87%**  
attendance rate



#### Risk Committee

**2**  
independent member out of 3, including the Chairman

**5**  
Meetings

**100%**  
attendance rate



#### Nominations and Compensation Committee

**3**  
independent members out of 4, including the Chairman

**2**  
Meetings

**100%**  
attendance rate

**COMPOSITION OF THE GROUP MANAGEMENT BOARD (GMB) <sup>(1)</sup>  
AS OF JANUARY 1, 2022**

**Xavier Durand**  
Chief Executive Officer



**GENERAL MANAGEMENT**

The Company is organised around the Group Management Board (GMB). This is Coface's decision-making body. It generally meets every week to review and validate the Company's main strategic orientations and to steer its management, in particular with regard to strategy and budget, major investments and projects, defining the organisation and human resources, monitoring operational performance and results, as well as controlling and ensuring the compliance of activities.

**OTHER COMMITTEES CHAIRED BY GENERAL MANAGEMENT**

In addition to the Group Management Board, Xavier DURAND chairs two other committees: **the Executive Committee** and **the HQ Leaders Committee**.

- The Executive Committee** is composed of the CEO and the regional directors <sup>(1)</sup>. It has no formal decision-making powers. It contributes to the development of the Group's strategy and the study of key operational issues or strategic initiatives.
- The HQ Leaders Committee** brings together once a month the Chief Executive Officer and the main managers of the various head office functions. It is devoted to informing and discussing the main areas for reflection and action.

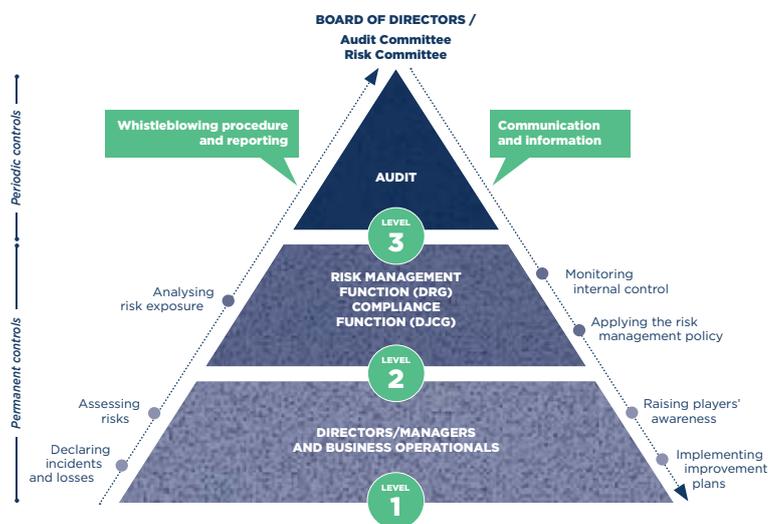
<sup>(1)</sup> With regard to the functions of the members of the Group Management Board, reference is made to Chapter 1 in the paragraph "1.6 Organisation of the Group".

# Our risk management

## AN ORGANISATION FOR EFFECTIVE RISK MANAGEMENT

Risk governance is based on the internal control system and is articulated along **three lines of risk control**:

- first line: risk assessment and incident management;
- second line: independent control by the risk management and compliance functions;
- third line: the audit function.



## SUMMARIES OF THE MAIN RISKS

The risk mapping covers **the 5 main categories of risks** to which Coface is exposed and covers all internal and external risk factors, integrating financial and extra-financial issues. It has been established on the basis of the annual review of these risks by Coface's management and the Board of Directors. It is based on a qualitative risk analysis that aims to evaluate, for each risk factor, its probability of occurrence and its potential impact. Only the major risk factors are listed in the table below.

RISK CATEGORIES	MAIN RISK FACTORS	PROBABILITY OF OCCURRENCE	IMPACT	CHANGE IN THESE RISKS BETWEEN 2020 AND 2021
<b>Credit risk</b>	Risk related to the management of the Group's exposure in its insurance business	High		➔
	Risk of debtor insolvency	High		➔
	Risk related to technical provisions	High		➔
<b>Financial risk</b>	Interest rate risk	High		⬆
	Equity risk	Medium		➔
	Real estate risk	Medium		➔
	Liquidity risk	Medium		⬇
	Foreign exchange risk	Medium		➔
<b>Strategic risk</b>	Risks related to market conditions	High		➔
	Risks related to changes in the regulations governing the Group's activities	Medium		⬇
	Risk of deviating from the strategic plan	Medium		⬇
	Reputational risk	Medium		➔
<b>Reinsurance risk</b>	Residual reinsurance risk	Medium		➔
<b>Operational and compliance risk</b>	Risks related to information systems and cybersecurity	High		➔
	Model risk	Medium		➔
	Compliance risk	High		➔

Low Medium High

