

2023 BUSINESS REPORT

SMA BTP

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SMABTP continues to deliver on its Ambitions

Bruno Cavagné was elected Chairman of SMAvie BTP by the Board of Directors on 26 September 2023, and took over the role from Patrick Bernasconi on 1 October. He co-chairs the SMABTP group alongside Jacques Chanut, who has been Chairman of SMABTP since 2020.

You are now Co-Chairman of the SMABTP group. What are your first impressions?

Bruno Cavagné : I've known the SMABTP group for many years through my company, and have always had a very high opinion of it, essentially because I've found its advisers to be highly competent and attentive to the needs of clients. I was also a director of SMAvie BTP for several years. Since my appointment to this new role, I've spent a lot of time learning every aspect of the business and meeting its people. In that time, I've met some highly motivated and energetic teams, and been able to build a clear view of the group's existing strengths and challenges. I've also met many members at a number of Regional Consultative Committee meetings, and have to say that the discussions I've witnessed have been very positive and illuminating in terms of member concerns and needs.

“The fact of uniting around the SMABTP brand sends a very clear message about our identity and history”.

Bruno Cavagné, Chairman of SMAvie BTP



Jacques Chanut,
Chairman of SMABTP

What do you take away from 2023?

Jacques Chanut : I think it will definitely be remembered as a very different year, both for the construction and public contracting sector and for SMABTP. For our group, it was a year of stepping up the pace on projects launched in previous years - especially those focused on international development and set out in our Ambitions 2024 plan - and launching new products. So 2023 was an exciting and pivotal year for SMABTP, while for the construction and public contracting sector as a whole it was a year of turnaround in property and transition in construction, which would suggest that 2024 will prove a complex and challenging one for the sector.



Bruno Cavagné,
Chairman of SMAvie BTP

“2023 will certainly be remembered as a crucial year in terms of preparing our group for the years ahead”.

Jacques Chanut, Chairman of SMABTP

How do you see the future of the group?

Jacques Chanut : I see 2023 as a crucial year in terms of preparing our group for the years ahead. Our acquisition of a majority stake in CCR Re is a strategic move into the reinsurance market for SMABTP. It also gives us the opportunity to leverage our equity to diversify our sources of income without diluting our core business of providing insurance cover to construction and property professionals. The cycles of the reinsurance market don't align with those of construction and public contracting, so it should help us to stabilise the group's income and contribute to its growth, at the same time as boosting its economic and political credibility and reinforcing its financial stability. Following this acquisition, Fitch Ratings and Standard & Poors Global Ratings renewed the group's A+ stable outlook rating. ■

Jacques Chanut

Jacques Chanut heads up his family construction firm Chanut Bâtiment SAS. In parallel with his career as an entrepreneurial construction industry professional, he also works closely with trade unions and industry bodies. In this respect, Jacques held a number of positions and offices, including on the regional and national bodies of the FFB (French Building Federation), before his appointment as its Chairman from June 2014 to June 2020.

Bruno Cavagné

Bruno Cavagné runs the Giesper public contracting, construction and property development group. He chaired the contracts committee of the Haute-Garonne Chamber of Commerce and Industry between 1997 and 2009, and in 2008 was elected Chairman of the Midi-Pyrénées Regional Public Contracting Federation. Having served as a director of the Canalisateurs de France (federation of pipeline contractors), and the FNTP (National Federation of Public Contractors), Bruno was appointed as the FNTP Vice-Chairman, subsequently serving as its chairman between 2013 and 2023.

The group adopted a new visual identity in 2023. How has that been received?

Bruno Cavagné : It's clearly been adopted by everyone. The fact of uniting around the SMABTP brand sends a very clear message about our identity and history, giving us the solid foundation on which we're now building our future development. We've gained market share in construction insurance, and generated higher levels of new business in P&C and life insurance. Both mutual insurers were able to report further increases in annual revenue. So our fundamentals are absolutely sound, and the projects launched to deliver our strategic plan goals will continue to drive our growth going forward.



A year of growth and diversification

We've now completed the second year of our Ambitions 2024 strategic plan, and we can all be proud of the excellent work done so far. The majority of our 31 flagship projects have already been completed, and the remainder are progressing well. So we're on track with our roadmap and ended 2023 having delivered an impressive performance, both commercially and financially. We continue to meet the expectations of construction industry professionals, and have launched new services that address environmental challenges and prepare clients for compliance with the regulations that will inevitably follow. This will help us to maintain our market leadership and even consolidate our status as the leading insurer in our core business sector! Our share of the market has increased by 20% in just 5 years. At the same time, we've diversified into transport insurance and the bonding market. In cyber insurance, we expanded our offer in 2023, and in personal insurance, we completed the process of rationalising our range of savings products during the year. All these projects have been carried out at the same time as pressing ahead with twin priorities I see as essential: a local presence close to our members and the quality of service we provide them

with. Two indicators point to our success in both cases. In responding to our latest survey of clients, 73% of our members said they were very satisfied with the service they receive from our group. And SMA Courtage took first place in the local broker category of the 2023 Golder & Partners barometer survey awards.

The year was also marked by a number of strategic acquisitions. Internationally, we acquired a majority stake in DUPI, a leading transport and construction insurance underwriting firm in the Netherlands. This acquisition will enable us to expand our presence in Northern Europe, beginning with the opening of a new subsidiary in Germany during the summer. We also acquired a 50% stake in Woningborg, the Dutch insurer that provides warranty cover for builders and buyers of new homes in the Netherlands. In terms of diversification, we took a major step forward with our acquisition of a majority holding in reinsurance specialist CCR Re. Over the coming years, this acquisition will help drive our growth in a sector that complements our existing core business. So SMABTP ended the year stronger in a number of ways and with major ratings agency recognition of its stability and sound fundamentals. ■

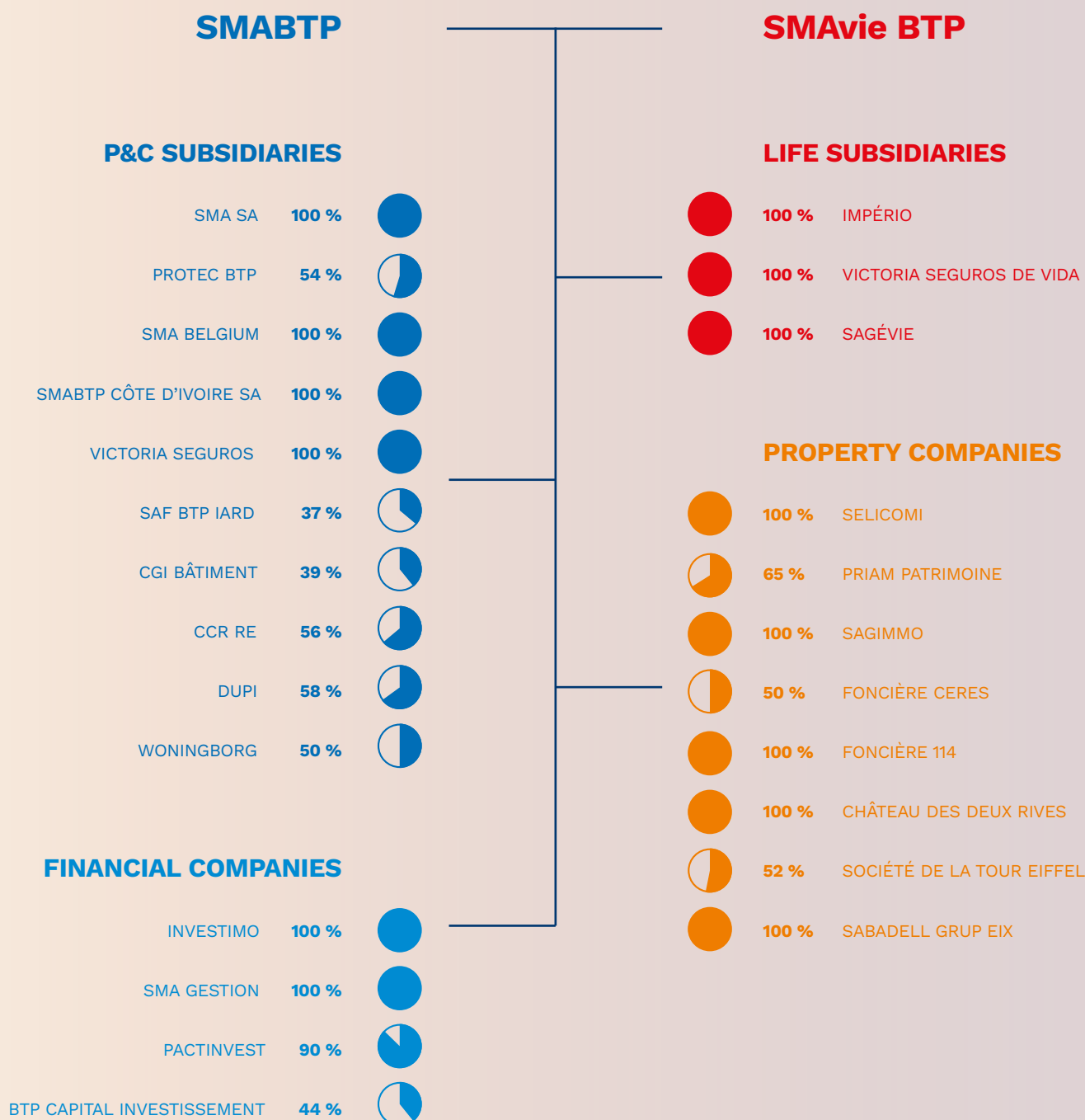
“The SMABTP group has emerged from 2023 stronger, more diversified and more confident in its ability to combine growth with financial strength and quality of service”.

Pierre Esparbes, Chief Executive Officer of the SMABTP group

Organisational Structure

The group is structured around two pivotal mutual companies
- SMABTP and SMAvie BTP - together with their subsidiaries and main shareholdings*.

At 31 December 2023



* Percentages refer to the holdings of SMABTP, SMAvie BTP and their subsidiaries.

Our Ambitions

to set the benchmark for insurance in France's construction and property industries, and repeat that process internationally

A long-established mutual insurer

More than **160 years** of experience

A leading insurer in its sector

The specialist construction industry insurer

Global expertise

Insurance policies covering **professional and personal risks**

Products and services tailored specifically for the construction and public contracting sector and property professionals

Local support

Customer-focused staff help our clients to put their plans into action in France and internationally

Financial strength

One of the highest **solvency margins** of any French insurer

The group in 2023



€3.984bn

in annual revenue
from insurance



€240m

in net income



€9bn

in equity
(S2 eligible)



254%

Solvency ratio



€31bn

in assets under
management



A+ Outlook stable

Rating by Fitch Ratings and
Standard & Poors Global



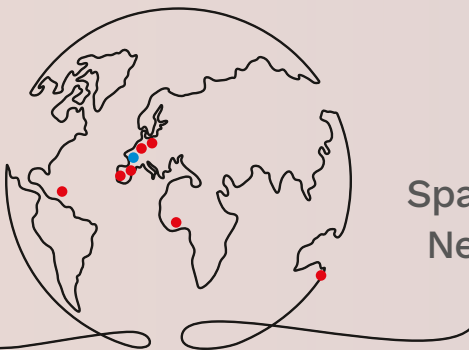
180 000

Clients



4,400

Employees



International operating locations

Spain, Portugal, Côte d'Ivoire, Belgium,
Netherlands, Denmark and Germany

A strong brand

incorporating Property & Casualty
and Life insurance

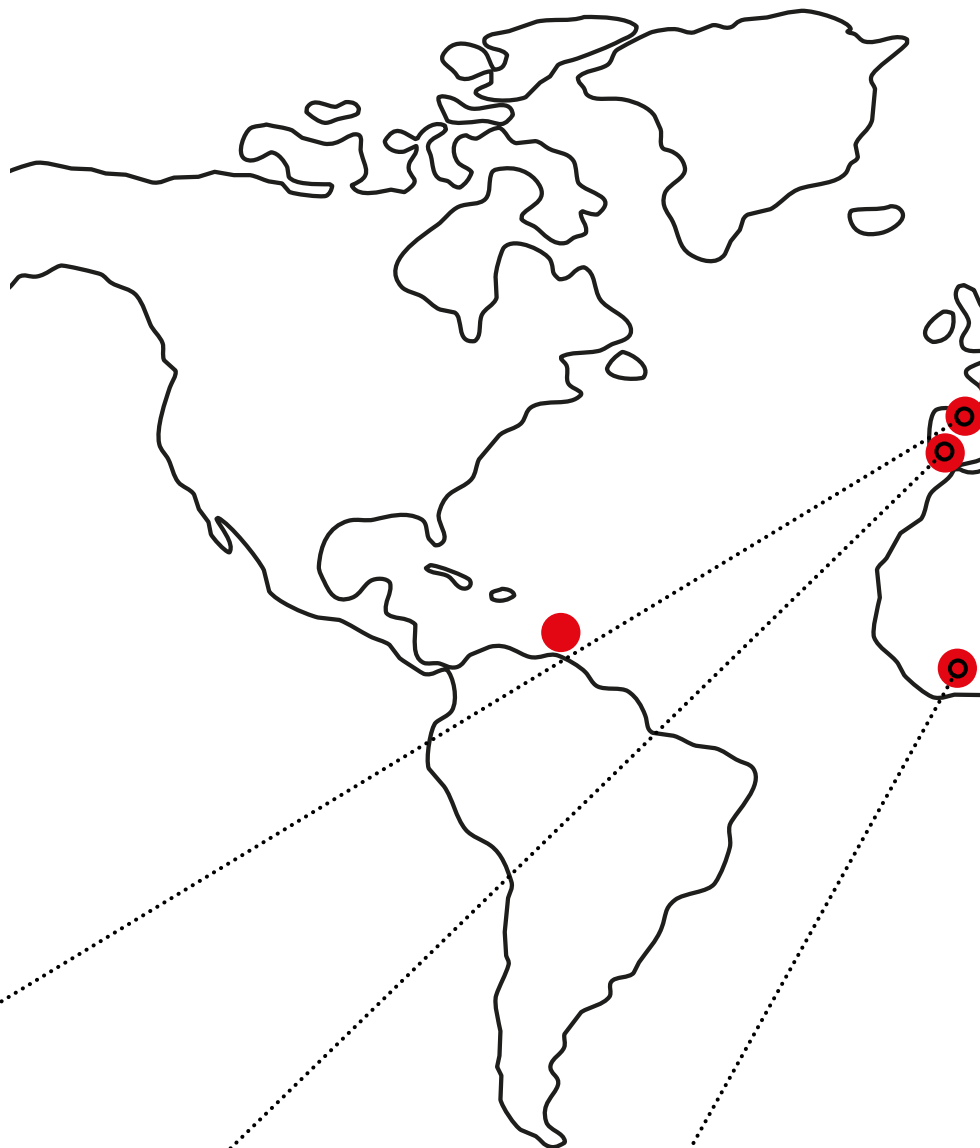
Diversified business lines

in reinsurance and property



The group extends its international reach

Consistent with the roadmap set out in its Ambitions 2024 strategic plan, SMABTP made new international acquisitions during the year to establish a presence in Northern Europe. The other four subsidiaries outside France also continued on their growth trajectories.



SPAIN **ASEFA**

Head office: Madrid
A subsidiary since 1989

A key provider of construction industry insurance in Spain since 1972, Asefa supports developers and contractors with construction insurance, civil liability cover and bonding market solutions. Asefa was the first insurance company anywhere on the Iberian Peninsula to offer a ten-year warranty.



PORTUGAL **VICTORIA**

Head office: Lisbon
A subsidiary since 2011

VICTORIA has served the Portuguese insurance market for more than 90 years, and is widely recognised for its expertise in life, health, construction, transport and civil liability insurance. The company insures professional and private clients, and boasts extensive nationwide coverage.



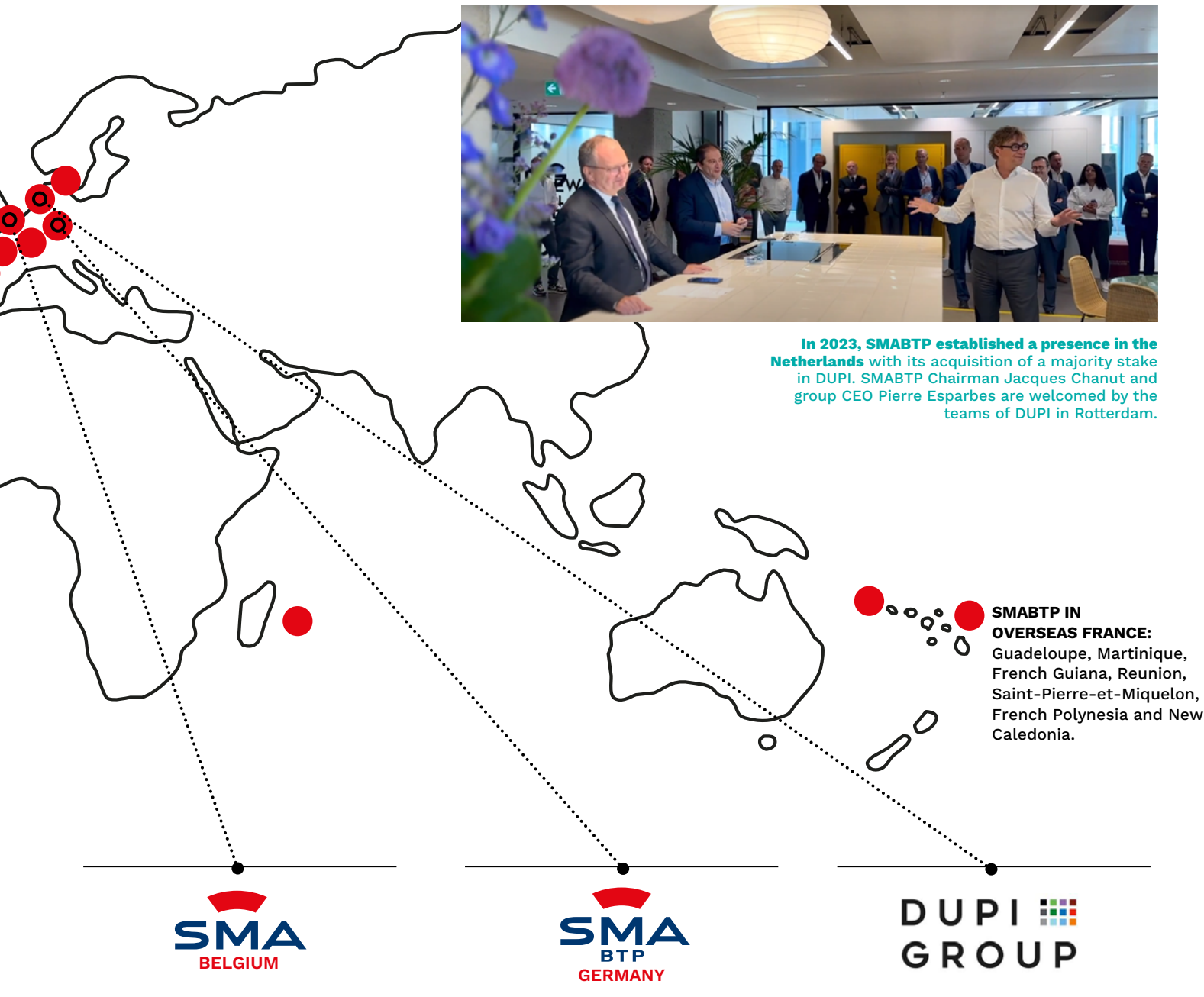
CÔTE D'IVOIRE **SMABTP CÔTE D'IVOIRE SA**

Head office: Abidjan
A subsidiary created in 2017

SMABTP Côte d'Ivoire SA offers its technical expertise to local and French construction, transport and public contracting companies keen to do more business in Côte d'Ivoire. The company provides cover for all business-related risks, from construction to motor, health, damage to property and civil liability.



In 2023, SMABTP established a presence in the Netherlands with its acquisition of a majority stake in DUPI. SMABTP Chairman Jacques Chanut and group CEO Pierre Esparbes are welcomed by the teams of DUPI in Rotterdam.



BELGIUM & LUXEMBOURG
SMA BELGIUM

Head office: Brussels
A subsidiary created in 2017

SMA Belgium provides bespoke insurance solutions for construction industry professionals across the Benelux countries. SMABTP's Belgian subsidiary markets all-risk construction site, civil liability and ten-year liability insurance policies to project owners, contractors, architects and engineering design offices in Belgium and Luxembourg.



GERMANY
SMABTP GERMANY

Head office: Cologne
A subsidiary created in 2023

This new underwriting agency draws on the combined expertise of SMABTP and DUPI to offer insurance solutions that meet the specific needs of the German construction insurance market. Its ambition is to work towards gradual expansion in the transport, marine and energy insurance markets.



NETHERLANDS & DENMARK
DUPI

Head office: Rotterdam & Copenhagen
A subsidiary since 2023

With an operational presence in the Netherlands since 1988, DUPI is a major underwriting agency for Marine, P&I, Construction & Engineering, Civil Liability and Property cover. With expert teams based in Rotterdam, Amsterdam and Copenhagen, DUPI supports contractors across Europe.



SMA Belgium is providing Site All-Risks cover for one part of phase 2 of the Cité de la Sécurité Sociale construction project in Luxembourg, where work began in autumn 2023.



The group accelerated the pace of its international expansion in 2023. It established a new presence in the Netherlands with the acquisition of a 58% equity stake in DUPI, one of the country's leading insurance underwriters. Based in Rotterdam, DUPI is a leader in the market for marine, transport and construction insurance. The company also has an office in Denmark, and in summer 2023 established a presence on the other side of the Rhine with the opening of a German subsidiary. Also during the year, SMABTP acquired a 50% stake in Woninborg, the leading Dutch provider of new home warranties. These two investments significantly enhance the presence of the group in Northern Europe.

Spain

In 2023, Asefa sold its health portfolio to refocus on its core business of construction insurance. The company became a branch of SMA SA on 1 January 2023. This transformation will enable the company to further extend its leadership in the market for ten-year new home warranties in Spain.

In 2023, for the eighth year in succession, its abilities and service were recognised with the top ADECOSE barometer rating for Technical Risks cover, as voted for by brokers.

In 2023, Asefa reported annual premium income (excluding health cover) of just over €43.6 million; a 20% year-on-year increase on the 2022 figure.

Portugal

VICTORIA continues to pursue its strategy as a general insurer with niche specialities in health, transport and construction. Over the years, VICTORIA has consolidated its position as the fifth-largest local provider of health cover, and remains a leader in the Portuguese transport insurance market.

In 2023, VICTORIA income from Property & Casualty premiums rose by 6.2% to €104.05 million.

Life insurance premium totalled approximately €42.1 million, up by just under 1% year on year.

Belgium

The Belgian subsidiary of SMABTP is an insurance intermediary with tied agency status. In September 2023, this Brussels-based company opened a new office in Antwerp, and offers a broad range of business insurance products tailored to the needs of the Belgian and Luxembourg construction sectors. Its policies are marketed through brokers, which constitute the main distribution

“Our offices outside France are there to ensure that SMABTP can effectively support its members internationally, regardless of whether they have their own local entities or are working on project worksites in other countries”.

Hervé Leblanc, Deputy CEO, Key Accounts and International.

An expert insurer

channel for insurance in Belgium. In the five years since its inception, SMA BELGIUM has established itself as a recognised force in property and construction insurance.

This subsidiary continues to expand selectively, at the same time as strengthening its organisation and structuring its management processes.

Its premium income for 2023 was up 3% on 2022 at €8.7 million.

Côte d'Ivoire

SMABTP CÔTE D'IVOIRE SA has built a strong reputation in the construction ecosystem of this West African country. It is regularly invited to contribute to discussions hosted by the GIBTP Côte d'Ivoire construction industry association and the Abidjan Ville Durable sustainable cities initiative. This recognition has helped the company to win major contracts, including the insurance contract for the Abidjan metro system, where SMABTP CI is providing the main site all-risks and ten-year construction warranty cover.

In 2023, SMABTP CÔTE D'IVOIRE SA was able to report annual premium income of more than €10 million for the first time in its history; a figure that represents a year-on-year increase of nearly 50% on the 2022 figure.

Netherlands

DUPI began as a Rotterdam-based niche P&I specialist in 1988, and has since developed

into a more broad-based provider of insurance solutions. DUPI is now a leading underwriter for marine and construction insurance in the Netherlands, and in recent years has also expanded into property and casualty insurance. This company acts on behalf of a broad range of insurers, managing premiums valued at around €253 million in 2023, €200 million of which was underwritten in the Netherlands alone.

DUPI is the second-largest engineering and marine insurer in the Netherlands.

Under the terms of the strategic partnership signed with Woningborg in December 2023, SMABTP is now working alongside the Dutch construction industry bodies that founded the company. Woningborg is the leading provider of new home warranties in the Netherlands, and reported annual revenue of €22 million for 2023.

Denmark

SMABTP now has a presence in the Scandinavian countries of Denmark, Norway, Sweden and Finland via the Copenhagen office of DUPI, which reported around €35 million in premium income from a range of insurers in 2023.

Germany

In July 2023, SMABTP opened a new German office in Cologne. Structured as a subsidiary of DUPI, SMABTP Germany intends to build its business volumes by focusing initially on construction risk cover. ■



Florence Cesmat, CEO of Asefa, receives the prestigious 2023 Premi Sol Award presented by the Girona Association of Insurance Intermediaries in recognition of the commitment shown by SMABTP's Spanish subsidiary to the world of insurance.



Hervé Leblanc, Deputy CEO, Key Accounts and International, visits the project worksite of the future Abidjan metro site with the teams of SMABTP Côte d'Ivoire.



30
people

2,500
policies

€40m
in contributions for 2023

SMABTP IN OVERSEAS FRANCE

The group's presence outside France also includes offices in Overseas France. For almost 25 years now, these have been working with construction and public contracting professionals in the French overseas departments of Guadeloupe, Martinique, French Guiana and Réunion, and with the local authorities of Saint-Pierre-et-Miquelon, French Polynesia and New Caledonia.

Our success stories of 2023 include: SMABTP has been chosen to insure the highly publicised judges' tower in French Polynesia, which has been built for the 2024 Olympic surfing events at Teahupo'o, renowned as one of the best surfing waves in the world.



In November, Bruno Cavagné, Co-Chairman of the SMABTP group, and Frédéric Hauville from the Key Accounts and International Department travelled to meet contractors in French Polynesia and New Caledonia. Their week-long visit involved meetings and discussions with local contractors, the President of French Polynesia Moetai Brotherson, and Vaimu'a Muliava, the member of the New Caledonian government responsible for construction.



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