

Press release of 29 May 2024

Groupe Mutuel 2023 annual results: commercial success for the second year running

Martigny, 29 May 2024. With the acquisition of 63,000 new insured persons in 2023, Groupe Mutuel has strengthened its position as Switzerland's third largest health insurer. Our Corporate Sector also continued to grow, now recording 29,500 corporate customers (+1,500), which consolidates our position as the fifth largest insurer in Switzerland in this sector. The same applies to life insurance. A new feature this year is the publication of our first comprehensive sustainability report.

Groupe Mutuel is proud of its commercial success in 2023. *“With the acquisition of 63,000 new insured persons in 2023 for basic health insurance (AOS/OKP), our commercial results are very satisfactory for the second year running”*, said Karin Perraudin, President of the Board of Groupe Mutuel.

Groupe Mutuel has recorded strong growth in the number of insured persons for the second year running, with 1,070,500 customers for the Group's different basic health insurance providers (1,007,500 insured persons in 2022). The number of private customers in all areas of activity has risen to 1.420 million in 2023, which is a significant increase (1.340 million in 2022).

“In terms of sales, turnover and increased diversification, I'm delighted to see that we are on the right track in all areas of the business. I would like to congratulate all Groupe Mutuel teams who contributed to this new achievement”, said Thomas Boyer, CEO of Groupe Mutuel. This success is all the more important given that the context for our industry, and for the economy as a whole, remains very tense. Health costs are set to rise sharply, by around 3.7% in 2023, and this will result in a significant rise in premiums.

Major achievements in life and corporate insurance, and positive investment results

In life insurance, net new assets reached almost CHF 250 million, that is up more than 40% on the previous year.

The Corporate sector continued to grow, with 29,500 corporate customers (+1,500), which confirms our position as the fifth largest corporate health insurer in Switzerland. Groupe Mutuel Prévoyance-GMP also performed very well, and now has 2,882 affiliated companies, including over 30,000 insured employees. The total LPP/BVG balance sheet is CHF 2.78 billion for a coverage ratio of 109%. The remuneration of LPP/BVG assets is 2% in 2024, which is one of the best rates in the market. Another significant advantage is that, over the last 10 years, Groupe Mutuel Prévoyance-GMP insureds have received an average of 2.68 % additional interest per year, compared with the statutory rate of 1%.

Growth in all areas of activity has confirmed Groupe Mutuel's diversification strategy. But while commercial performance is excellent, it is a little more contrasted in terms of financial results. The financial loss for 2023 of CHF 111.5 million requires us to be more cautious, and to be careful and disciplined in our budgeting. A loss of CHF 209.9 million is attributed to the basic insurance sector, where premiums do not cover health benefits. The other sectors generated a profit of CHF 98.4 million.

Turnover in the Health sector is increasing and amounts to CHF 5.854 billion (CHF 5.326 billion in 2022), including a volume of gross premiums under LAMal/KVG of CHF 4.49 billion (CHF 4.14 billion in 2022). On the other hand, insurance benefits have increased significantly to CHF 4.469 billion (CHF 4.113 billion

in 2022). The insurance underwriting result is therefore CHF -278 million in 2023 (CHF -163 million in 2022). Underwriting losses are high because the premiums collected are not sufficient to cover the claims to be paid. This is a global problem since, for the entire industry, the shortfall is estimated by the umbrella association “santésuisse” at several billion Swiss francs.

This negative underwriting result was partly offset by the financial markets, which generated a better performance from capital investments in 2023, thereby producing a positive consolidated result of around CHF 242 million, which is satisfactory. The gains recorded were 5.4% for compulsory insurance, 4.9% for supplemental insurance, accident insurance and loss of earnings insurance and 7.8% for life insurance (at market value).

Taking action on health costs before it's too late

Action is therefore urgently needed to prevent further increases in health costs. The Swiss health system is robust, but its funding is not sustainable. “*All stakeholders must therefore take action together*”, said Thomas Boyer, CEO of Groupe Mutuel.

Decisions can be taken immediately on the price of medicines, on encouraging the use of more generics, on false incentives and unnecessary medical procedures, and on the general requirement to have an electronic patient file. “*I am convinced that we must do this, and insurers obviously also have their share of responsibility for finding the best solutions that are acceptable to as many people as possible*”, said Thomas Boyer.

Publication of our first comprehensive sustainability report

This year, for the first time, Groupe Mutuel is publishing a sustainability report with the aim of giving visibility to our social responsibility and ensuring transparency in terms of staff, social and environmental issues, respect for human rights and good governance practices. For several years now, we have been committed to a number of these sustainability issues and this is an opportunity to highlight our commitments.

For example, with the introduction of our ESG Charter, we have been working since 2020 to integrate sustainability into our investment activities. As a result, we are now well positioned in terms of responsible investment. The ESG quality of Groupe Mutuel's securities portfolios received an overall “A” rating in the 2023 audit by Conser - ESG verifier SA. This is an excellent result that is higher than the benchmark index rated “B+”.

As a responsible company, Groupe Mutuel is also committed to its employees. In 2022, we obtained the “We Pay Fair” label, which shows that we apply equal pay principles. In November 2023, Groupe Mutuel was awarded the “Friendly Work Space” certification, a label awarded by Promotion Santé Suisse in recognition of systematic and sustainable health management in the workplace.

As Karin Perraudin, President of the Board, pointed out, “Integrating sustainability into our corporate strategy means giving substance to our value of responsibility, both to our employees and to society at large”.

The Activity and Financial reports for 2023, as well as our first Sustainability Report, are available on our website by clicking on the following link: report.groupemutuel.ch/en.



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About Groupe Mutuel

With over 2,800 employees across Switzerland, Groupe Mutuel is at the service of more than 1.4 million private customers and over 29,500 companies.

As the only comprehensive insurer in Switzerland, Groupe Mutuel is the reference partner in the field of health and retirement benefits for private and corporate customers. Its turnover exceeds CHF 5.8 billion. Thanks to tailored solutions, whether in basic insurance (LAMal/KVG) or supplemental insurance (LCA/VVG), it is the third largest health insurer in Switzerland. Groupe Mutuel also offers an extensive range of products in individual pension benefits and patrimony insurance. Based in Martigny, the insurer provides companies of all sizes with solutions for loss of earnings in the event of illness, accident insurance (LAA/UVG) and occupational pension plans (LPP/BVG). In the field of corporate health insurance, Groupe Mutuel is ranked fifth nationwide.