UNIVERSAL REGISTRATION DOCUMENT

2020

INCLUDING
THE ANNUAL
FINANCIAL REPORT

The Art & Science of Risk

SUMMARY

2020

SCOR
The Art & Science of Risk

UNIVERSAL REGISTRATION DOCUMENT

Including the annual financial report

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The Universal Registration Document was filed on March 2, 2021 with the French financial markets authority (Autorité des marchés financiers – AMF), as competent authority under Regulation (EU) 2017/1129 without prior approval pursuant to Article 9 of the said regulation.

The Universal Registration Document may be used for the purpose of an offer to the public of securities or admission of securities to trading in a regulated market if supplemented by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

A European Company with share capital
of EUR 1,470,867,636.23

Registered office :
5 avenue Kléber
75116 Paris

Trade and Company register
(RCS) Paris No. 562 033 357

Pursuant to Article 19 of Regulation (UE) 2017/1129 of June 14, 2017 of the European Parliament and Council, the following information is included by reference in this Universal Registration Document (the "Universal Registration Document"):

- SCOR SE's corporate and consolidated financial statements for the financial year ended December 31, 2019 and the report of the Statutory Auditors regarding said financial statements as presented in SCOR SE's Universal Registration Document filed with the AMF on March 13, 2020 under number D.20-0127;
- SCOR SE's corporate and consolidated financial statements for the financial year ended December 31, 2018 and the report of the Statutory Auditors regarding said financial statements as presented in SCOR SE's registration document filed with the AMF on March 4, 2019 under number D.19-0092.

Parts of these documents which are not expressly included herein are of no concern to the investor.

This is a translation into English of the Universal Registration Document of the Company issued in French and it is available on the website of the Issuer.

The annual financial report included in this Universal Registration Document is a translation into English of the annual financial report included in SCOR's Universal Registration Document issued in French.

01

SCOR GROUP

A tier 1 reinsurer global position

WHAT IS REINSURANCE

Reinsurance is at the heart of risk management: it enables insurers to cover their risks by ceding part of them, in order to mutualize them worldwide. SCOR covers major Non-Life risks including large catastrophe risks (both natural and man-made catastrophes: hurricanes, floods, volcanic eruptions, explosions, fires, plane crashes, etc.), and Life biometric risks (mortality, longevity and lines, both long term and short term). The challenge for reinsurance professionals consists of identifying, selecting, assessing and pricing risks, in order to be able to absorb them.

16.4

billion euros of premium income in 2020

3,123

employees of 64 nationalities accross 29 countries, equally distributed (47% women / 53% men)

+ 4,400

clients throughout the world

4th

largest reinsurer in the world

Rating Agency

S&P Global
AA- Stable outlook

A.M. BEST
A+ Stable outlook

FitchRatings
AA- Stable outlook

Moody's
Aa3 Negative outlook

36

Offices worldwide

1.1. KEY FIGURES AND STRATEGIC PLAN

1.1.1. GROUP KEY FIGURES

SCOR SE ("the Company") and its consolidated subsidiaries (referred collectively as "SCOR" or the "Group"), form the world's 4th largest reinsurer [1] serving more than 4,400 clients. The Group is organized in three business units, SCOR Global P&C, SCOR Global Life and SCOR Global Investments, and three regional management platforms (the "Hubs"): the EMEA Hub, the Americas Hub and the Asia-Pacific Hub.

In the face of the Covid-19 pandemic [2], SCOR has once again demonstrated the strength and resilience of its business model as well as its ability to absorb major shocks. The Group consistently continues to execute its strategic plan "Quantum Leap" combining growth, profitability and solvency, with no change in risk appetite, capital shield policy or capital management policy.

In EUR millions	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
Consolidated SCOR Group			
Gross written premiums	16,368	16,341	15,258
Net earned premiums	14,517	14,058	13,611
Operating result	479	713	658
Consolidated net income – Group share	234	422	322
Consolidated net income – Group share – before U.S. tax reform (1)	234	422	390
Net investment income (2)	665	671	615
Group cost ratio (3)	4.5%	4.7%	5.0%
Return on invested assets (3)	2.8%	3.0%	2.8%
Return on equity (3)	3.8%	7.0%	5.5%
Return on equity – before U.S. tax reform (1)	3.8%	7.0%	6.6%
Basic earnings per share *(in EUR)* (4)	1.26	2.27	1.72
Book value per share *(in EUR)* (3)	33.01	34.06	31.53
Share price *(in EUR)* (5)	26.42	37.42	39.40
Operating cash flow	988	841	891
Total shareholders' equity	6,177	6,374	5,828
SCOR Global P&C			
Gross written premiums	7,160	7,147	6,175
Net combined ratio (3)	100.2%	99.0%	99.4%
SCOR Global Life			
Gross written premiums	9,208	9,194	9,083
Life technical margin (3)	5.8%	7.5%	7.0%

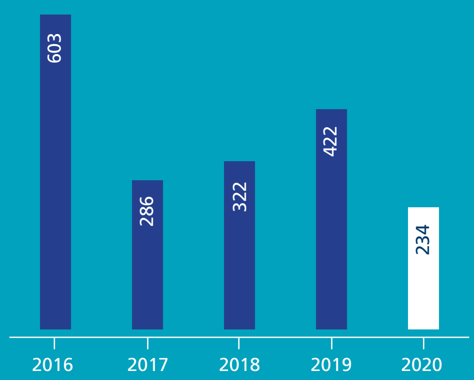
(1) Refer to the 2018 Registration Documentation Section 1.3.3 – Significant event of the year 2018 on the US tax reform (Tax Cuts and Jobs Act, the "TCJA").
(2) See Section 1.3.5.5 – Net investment income and investment income on invested assets.
(3) See Section 1.3.9 – Calculation of financial ratios, for detailed calculation.
(4) Earnings per share are calculated as net income divided by the number of ordinary shares, which includes the average number of shares over the reporting period, shares issued during the period and time-weighted treasury shares. See Section 4.6.22 – Earnings per share for detailed calculation.
(5) Closing stock price on December 31, 2020 (December 31, 2019 and December 31, 2018).

(1) By net reinsurance premiums written, source: "AM Best Special Report Global Reinsurance 2020".
(2) Refer to Section 1.3.3 – Significant events of the year.

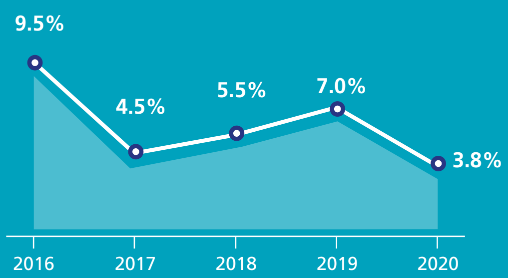
1.1.2. OVERVIEW

Gross written premium
In EUR millions

Consolidated net income– Group share
In EUR millions

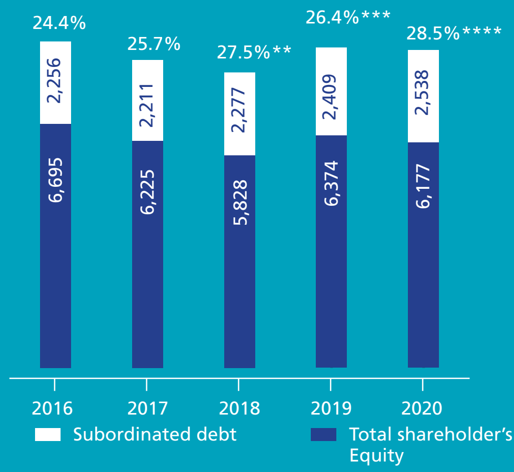


Return on equity*
In %



* *Return on equity is based on the Group's share of net income divided by average shareholders' equity (calculated as shareholders' equity at the beginning of the period adjusted for the effect of all movements during the period using a prorata temporis method).*

Shareholders' equity, debt and leverage ratio * *(in %)*
In EUR millions



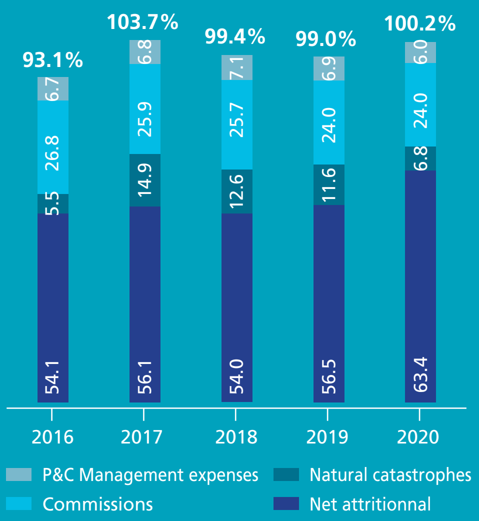
* *The leverage ratio is calculated by dividing the subordinated debt by the sum of shareholders' equity and subordinated debt. The calculation excludes accrued interest and includes the impact of swaps related to subordinated debt issuances. This ratio is expressed as a percentage. It is used to determine how much lenders are financing the Group's activities over shareholders.*

** *In March 2018, SCOR placed a perpetual note in the amount of USD 625 million. In June and November 2018, SCOR redeemed the CHF 315 million and CHF 250 million undated subordinated notes line, using the proceeds of the new instrument.*

*** *In December 2019, SCOR issued a perpetual note in the amount of USD 125 million. These new notes are assimilated and form a single series with the existing USD 625 million perpetual deepy subordinated notes issued on March 2018. The new notes issue bear the same terms and conditions as the original notes.*

**** *In September, 2020, SCOR issued fixed-term subordinated bonds for an amount of EUR 300 million. In October, 2020, SCOR proceeded to the early redemption of the CHF 125 million perpetual subordinated debt, already refinanced from the proceeds of the USD 125 million notes issued in 2019.*

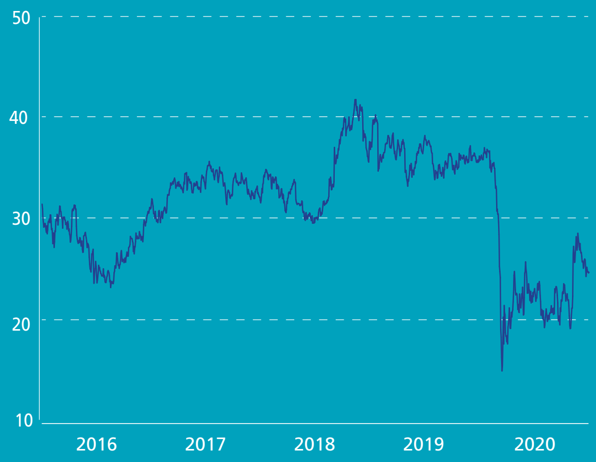
Net combined ratio *
In %



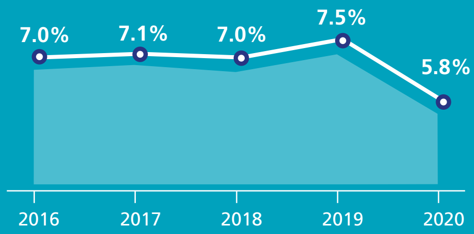
* *The net combined ratio is calculated by taking the sum of Non-Life claims (including natural catastrophes), commissions and management expenses net of retrocession, divided by earned premiums net of retrocession.*

The net combined ratio calculation has been refined in 2017 to exclude some immaterial non-technical items that were previously included. Considering their potential growth, these items have been excluded to ensure they do not distort the net combined ratio in the future. The impact on the previously reported ratio is +0.26%pt as at December 31, 2016.

Share price
In EUR



Life technical margin*
In %



* *The Life technical margin is calculated as the percentage of net technical result plus income from funds held by ceding companies and the net of gross and ceded earned premiums. The net technical result represents the result of the net reinsurance operations of SCOR Global Life business unit including income and expenses either implied in the reinsurance and retrocession arrangements or fully related to these arrangements.*

1.1.3. DIVIDEND DISTRIBUTION POLICY

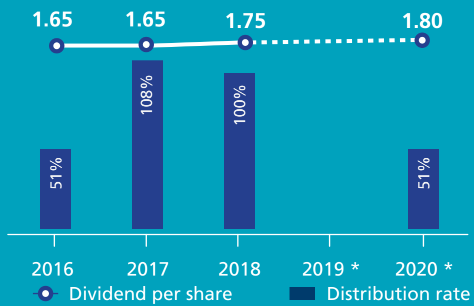
A resolution will be presented at the Annual Shareholders' Meeting held during the first half of 2021, to approve the financial statements for the 2020 financial year, proposing the distribution of a dividend of EUR 1.80 per share for the financial year 2020.

The Board of Directors of SCOR SE, at its meeting of February 26, 2020, had decided to propose to SCOR's Shareholders' Meeting scheduled to be held on April 17, 2020, that a gross dividend of EUR 1.80 per share be distributed for the 2019 fiscal year.

In the context of Covid-19, the Annual Shareholders' Meeting, postponed to June 16, 2020, approved the subsequent proposal of the Board of Directors of SCOR SE, which had met on May 25, 2020, that no dividend will be distributed for the 2019 fiscal year, in accordance with the Autorité de Contrôle Prudentiel et de Résolution's (ACPR) position. The entire net income for 2019 was allocated to distributable earnings. For further information, refer to Section 1.3.3 – Significant events of the year.

The statute of limitations for dividends is five years. Unclaimed dividends will be paid over to the French Treasury. See also Section 4.6 – Notes to the consolidated financial statements, Note 22 – Earnings per share.

Dividend per share and distribution rate *(in EUR)*



* *In the context of Covid-19, no dividends have been distributed for 2019 fiscal year. The payout ratio amounts to 51% on the cumulative 2019 and 2020 earnings.*

1.1.4. CURRENT STRATEGIC PLAN

In September 2019, SCOR launched its strategic plan, "Quantum Leap". This plan covers the period from mid-2019 to the end of 2021. It respects SCOR's four strategic cornerstones, which are:

- a strong franchise, achieved by deepening its presence in the local Non-Life and Life reinsurance markets in which SCOR operates with recognized expertise and strengthening proactive client relationships through best-in-class services and product innovation;
- a high degree of diversification of Non-Life and Life business and geographical presence, providing more stable results and robust capital diversification benefits with the use of financial market instruments;
- a controlled risk appetite on both sides of the balance sheet; and
- a robust capital shield policy (see Section 3.3.3 – Retrocession and other risk mitigation techniques).

This plan aims to create the reinsurance company of tomorrow. To this end, SCOR is transforming profoundly, accelerating its use of new technologies – such as artificial intelligence, robots, big data, multi-cloud and e-business – to innovate, expand its product and services offering and increase its efficiency for the benefit of its clients throughout the world.

With "Quantum Leap", SCOR sets equally weighted profitability and solvency targets that are ambitious in the current financial and economic environment:

- a return on equity above 800 basis points above the five-year rolling average of five-year risk-free rates over the cycle; and
- an optimal solvency ratio in the 185-220% range (percentage of SCR, according to the internal model) (1).

Across this strategic plan, SCOR also sets the following underlying assumptions:

- SCOR Group: Gross written premium annual growth rate of ~4% to 7%, financial leverage of ~25%, Value of New Business (2) (VNB) annual growth rate of ~6% to 9%, cost ratio of ~5.0% and tax rate between ~20% to 24%;
- SCOR Global P&C: Gross written premiums annual growth rate of ~4% to 8%, net combined ratio of ~95% to 96% and Value of New Business (2) (VNB) annual growth rate of ~6% to 9%;
- SCOR Global Life: Gross written premiums annual growth rate of ~3% to 6%, net technical margin of ~7.2% to 7.4% and Value of New Business (2) (VNB) annual growth rate of ~6% to 9%;
- SCOR Global Investments: Average annualized return on invested assets in the range of ~2.4% to 2.9% (3).

"Quantum Leap" aims to increase the Group's efficiency and unlock value while transitioning SCOR towards IFRS 17, a more economic-based accounting framework for (re)insurance contracts than IFRS 4.

The use of new technologies will accelerate SCOR's proven cornerstones, and ideally position the Group to create even greater value for all its stakeholders.

It also affirms the Group's consistent shareholder compensation policy set by SCOR's Board of Directors. SCOR aims to remunerate shareholders through cash dividends, and if relevant, does not exclude special dividends or share buy-backs.

The Board of Directors' proposal to SCOR SE shareholders' Annual General Meeting will aim for a sustainable dividend per share from year to year by following the below steps:

- Step 1: Ensure the projected solvency position is in the optimal range;
- Step 2: Estimate and allocate capital to support future accretive growth;
- Step 3: Define the amount of a sustainable regular dividend accordingly;
- Step 4: Evaluate any excess capital for shareholder repatriation or future use.

In September 2020, SCOR announced that the Covid-19 pandemic was contributing to create the conditions for stronger growth with positive pricing dynamics. The exacerbation by Covid-19 of the increase in risk aversion *lato sensu* will drive higher demand for risk covers globally and therefore stronger growth for the reinsurance industry, on both the Life side and the P&C side. Furthermore, Covid-19 and the persisting low yield environment are expected to be acting as additional catalysts to an already hardening market on the P&C side.

(1) Ratio between the Eligible Own Funds (EOF) and the Solvency Capital Requirement (SCR).
(2) After risk margin and taxes.
(3) Annualized RoIA on average over "Quantum Leap" under Summer 2019 economic and financial environment.

1.2. INFORMATION ABOUT THE SCOR GROUP

1.2.1. INTRODUCTION

Listing

As at the date of this Universal Registration Document, SCOR SE's shares are listed on the Eurolist of Euronext Paris SA and on the SIX Swiss Exchange (formerly SWX Swiss Exchange) in Zurich, where they were admitted for trading on August 8, 2007.

Refer to Section 5.1.2 – Listing.

1.2.2. HISTORY AND DEVELOPMENT OF SCOR

SCOR became a reinsurance company in 1970, at the initiative of the French government and with the participation of insurers on the Paris market, to create a reinsurance company of international stature under the name of Société Commerciale de Réassurance. SCOR group rapidly developed in various world markets, building up a substantial international portfolio.

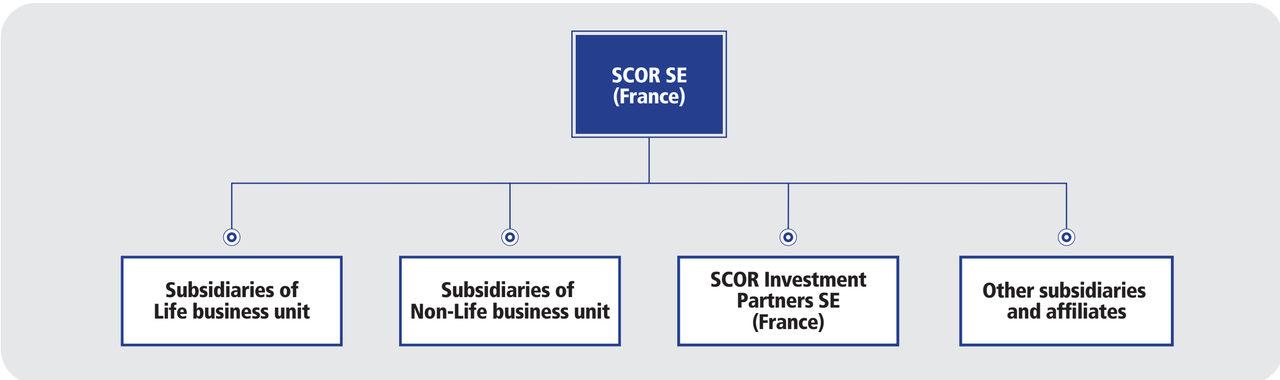
At the beginning of the 1980s, the French government's stake in the Company's share capital, held through the Caisse Centrale de Réassurance, was progressively reduced in favor of insurance companies that were active on the French market.

Since then, SCOR has mainly carried out the following operations:

- On November 21, 2006, SCOR completed the acquisition of Revios Rückversicherung AG, enabling it to become a leading worldwide Life reinsurer. Based in Cologne (Germany), Revios was the former Life reinsurance unit of Gerling Global Re Group and had developed on a stand-alone basis from 2002 onward to become one of the leading European reinsurers specializing in Life reinsurance, with operations in 17 countries.
- In August 2007, SCOR acquired Converium (which became SCOR Holding Switzerland AG). SCOR's shares were also admitted to trading in Swiss Francs on the SWX Swiss Exchange (which later became the SIX Swiss Exchange) in Zurich.
- Following the acquisition of Revios and Converium, SCOR restructured its operations around several regional management platforms, or "Hubs", which were phased in gradually.
- On December 4, 2009, SCOR Global Life US Reinsurance Company, a wholly-owned subsidiary of the Group, acquired XL Re Life America Inc., a subsidiary of XL Capital Ltd, for an amount of EUR 31 million. The acquisition strengthened SCOR Global Life's services in the mortality protection field and reinforced its position in the US Life reinsurance market.
- On August 9, 2011, SCOR acquired the mortality portfolio of Transamerica Re, a division of AEGON N.V., for USD 919 million. The transaction also included the acquisition of an Irish entity, which underwrote certain Transamerica Re's business risks.
- On October 1, 2013, SCOR acquired Generali's life reinsurance operations in the US (Generali U.S. Holdings, Inc.) for total consideration of USD 774 million.

1.2.3. ORGANIZATIONAL STRUCTURE OF SCOR

The main operational entities of the Group are presented in the chart below:



1.2.3.1. BRIEF DESCRIPTION OF THE GROUP AND OF THE POSITION OF THE ISSUER

Group operating companies

SCOR SE is the Group parent company and is listed on the Euronext Paris regulated market.

The Group is a three-engine group driven by SCOR Global Life, SCOR Global P&C and SCOR Global Investments. The Group's organizational choices were guided by the principles of mobilization of skills and expertise, operating efficiency, structural simplicity, clear reporting lines and balance between teams from the Group's different entities.

SCOR Global P&C, the Group's Non-Life business unit , operates worldwide through the reinsurance subsidiaries and branches of SCOR SE in the EMEA region, including Spain, Italy, Switzerland, the UK, Germany, South Africa, Russia, the Americas region and the Asia-Pacific region, including Australia, China, India, South Korea, Hong Kong and Singapore.

SCOR Global Life, the Group's Life business unit , operates worldwide through the insurance and reinsurance subsidiaries and branches of SCOR SE in the EMEA region including Germany, the UK, Ireland, Italy, Spain, Switzerland, the Netherlands, Sweden, Belgium, South Africa, in the Americas region including Canada, the US, Latin America, and the Asia-Pacific region including Australia, New Zealand, China, Hong Kong, Japan, Singapore, Malaysia, South Korea and India.

SCOR Global Investments, the third business unit of the Group, operates the asset management activities of the Group. It is responsible for defining, implementing and controlling the asset allocation of the Group's legal entities investment portfolios in a centralized manner. It is organized around two areas: the Group's functions and a portfolio management company regulated by the AMF, SCOR Investment Partners SE, which manages directly the assets of many SCOR Group subsidiaries and manages also investment vehicles on behalf of the Group and third- party clients.

The Group's subsidiaries, branches and offices are connected through a central network of applications and data exchange platforms, which allow local access to centralized risk analysis, underwriting or pricing databases and also gives access to information on local market conditions, to be shared among the Group's subsidiaries, branches and offices. In addition, by regularly rotating personnel between the various locations of the Group, SCOR encourages its underwriters, actuaries, modelers, claims experts and risk controllers to share and exchange experience across its various geographic markets and business lines.

SCOR SE wholly owns its operating subsidiaries.

SCOR SE also makes loans to its subsidiaries and issues them guarantees so that they can underwrite under favorable conditions, particularly by benefiting from its credit ratings. SCOR SE provides actuarial, accounting, legal, administrative, IT, internal audit, investment, and human resources support to Group subsidiaries. Finally, SCOR SE acts, as needed, as reinsurer/retrocessionaire for its operational subsidiaries through annually renewed proportional and non-proportional treaties which constitute the Group's internal steering instrument through the annual allocation of capital to the operating subsidiaries based on the profitability expected from their underwriting activity. The contracts that formalize the relationships between SCOR SE and its subsidiaries are presented in Appendix B – 5.2.9 – Transactions with subsidiaries, affiliates and others.

The Group's restructuring

SCOR launched and completed several major restructuring projects, notably between 2005 and 2010, in order to simplify the legal structure of the Group and clearly differentiate between the operations of Life reinsurance subsidiaries and Non-Life reinsurance subsidiaries, with a view to optimize the annual allocation of capital between operations under the Solvency I regime.

In the context of Solvency II, the SE reinsurance legal entities (SCOR Global Life SE and SCOR Global P&C SE) merged into SCOR SE on March 31, 2019. This reorganization enables SCOR to optimize its operational and legal structure and level of regulatory capital, thereby creating additional value for its shareholders, customers and partners.

The SCOR Global Life business unit is centered around nine macro markets. This structure enables the local teams to leverage global know-how while remaining well connected to the clients, in order to meet the diverse needs of their consumers.

The Hub structure

SCOR has structured its operations around three regional management platforms, or Hubs: the EMEA Hub, the Americas Hub and the Asia-Pacific Hub.

Each Hub has local, regional [(1)] and Group responsibilities, with the heads of each Hub reporting to the Group Chief Operating Officer. Each Hub typically includes the following functions: Legal and Compliance, Information technology support, Finance, Human Resources and General Services. This organization enables:

- SCOR's operational structures and support functions to be optimized by creating service platforms in charge of managing pooled resources, including information technology, human resources, legal/compliance and others in the Group's main locations;
- several Group functions to be carried out and managed in geographical locations other than Paris in order to benefit fully from the competencies within different Hubs; and
- the Group to develop a global culture while keeping local specificities.

The Hubs are not responsible for generating revenues or for underwriting or claims management. The local underwriting and claims management teams have direct reporting lines within the respective P&C and Life business unit. Hub-shared service costs are then allocated to the business unit.

Management reviews the operating results of the Non-Life and Life operating segments individually to assess the operational performance of the business and to allocate resources. For more information on SCOR's operating segments, see Section 4.6 Note 5 – Segment information.

This structure is designed to facilitate access to local markets through a network of local subsidiaries, branches and representative offices, to better identify profit centers in each major reinsurance market, obtain a deeper understanding of the specific features of local risks and develop local management and underwriting expertise, and thereby improve customer service and maintain proximity relationships with ceding companies.

(1) EMEA Hub: European countries including Russia, Middle East and Africa; Asia-Pacific Hub: Asia and Australia; Americas Hub: North America and Latin America.

1.2.3.2. LIST OF ISSUER'S SIGNIFICANT SUBSIDIARIES AND BRANCHES

See:

- Section 1.2.3 – Organizational structure of SCOR;
- Section 1.2.3.1 – Brief description of the Group and of the position of the issuer (regarding the role of SCOR towards its subsidiaries);
- Section 2.1.3 – Board of Directors (regarding the duties carried out in the subsidiaries by the managers of the Company);
- Section 2.1.6 – Executive Committee (regarding the duties carried out in the subsidiaries by the managers of the Company);
- Section 4.6 Note 3.1 – Significant subsidiaries, investments in associates and joint ventures;
- Section 4.6 Note 4 – Acquisitions and disposals;
- Section 4.6 Note 23 – Related party transactions;
- Section 4.7 – Information on holdings; and
- Appendix B – 5.2.1 – Investments.

1.2.4. RATINGS INFORMATION

The Company and some of its insurance subsidiaries are rated by recognized rating agencies.

At December 31, 2020, the relevant ratings for the Company were as follows [(1)]:

	Financial Strength	Senior Debt	Subordinated Debt
AM BEST	A+ stable outlook	aa-	a
FitchRatings	AA- stable outlook	A+	A-
Moody's	Aa3 negative outlook	N/A	A2 (hyb)
S&P Global	AA- stable outlook	AA-	A

On September 25, 2020, AM Best affirmed SCOR's Financial Strength Rating at "A+ (Superior)" and its Long-Term Issuer Credit Ratings of "aa-".

On September 15, 2020, SCOR has been informed of Fitch's decision to affirm the Group's Financial Strength Rating of "AA-" (Very Strong) and Long-Term Issuer Default Rating (IDR) at "A+". Fitch has also affirmed the ratings of SCOR's core operating subsidiaries. The outlooks are stable.

On June 18, 2020, SCOR has been informed of Standard & Poor's (S&P) decision to affirm the financial strength rating for the Group and its main subsidiaries at "AA-", with a "stable outlook".

On May 7, 2020, Moody's affirmed SCOR's "Aa3" insurance financial strength rating as well as its debt ratings and the ratings of its subsidiaries. The outlook has been changed to negative from stable.

For more information on risks arising from credit ratings, please see Section 3.1.1.5 – Downgrade risk.

1.2.5. BUSINESS OVERVIEW

Since 2002, SCOR has defined its strategy and principle orientations through the creation of seven successive plans: "Back on Track" (2002-2004), "Moving Forward" (2004-2007), "Dynamic Lift" (2007-2010), "Strong Momentum" (2010-2013), "Optimal Dynamics" (2013-2016), "Vision in Action" (2016-2019), and "Quantum Leap" (2019-2021). The success of its various plans, along with the Group's acquisitions of Revios (in 2006), Converium (in 2007), Transamerica Re (in 2011) and Generali US (in 2013), has contributed to the diversification strategy by balancing the proportion of the consolidated premiums written between its Non-Life and Life segments and has enabled the Group to preserve both its solvency and its profitability.

See Section 1.1.4 – Current strategic plan for a description of the "Quantum Leap" plan (2019-2021).

(1) *Sources: www.standardandpoors.com; www.ambest.com; www.moodys.com and www.fitchratings.com.*

SCOR's risk appetite framework

SCOR's risk appetite framework is an integral part of the Group's strategic plan. It is approved by the Board of Directors upon the review of a new strategic plan, and continuously thereafter, based on recommendations from the Group's Executive Committee and the Risk Committee of the Board of Directors. The Board of Directors may vary the amount and the composition of risk that the Group is prepared to take.

SCOR's risk appetite framework is an integral part of each strategic plan. SCOR has not changed its risk appetite framework with the Covid-19 crisis, respecting an upper mid-level risk appetite.

SCOR's risk appetite framework encompasses four concepts: risk appetite, risk preferences, risk tolerances, and footprint scenarios:

Risk appetite

Risk appetite defines the quantity of risk that SCOR is willing to accept to achieve a desired level of profitability. This determines where the Group wishes to position itself on the assumed risk-expected return spectrum, between extremely risk averse (low risk-low return) and extreme risk taker (high risk-high return). SCOR uses a target solvency ratio as well as a target expected profitability. These two components provide a comprehensive definition of its risk appetite. The Group actual solvency ratio and profitability profile are regularly reported to the Board of Directors *via* the Risk Committee.

Risk preferences

Risk preferences are qualitative descriptions of the risks which SCOR is willing to accept. The Group aims to cover a wide range of reinsurance risks and geographical areas. On the other hand, it has no desire to take operational, legal, regulatory, tax or reputational risks. This does not mean that the Group is immune to these risks. These risk preferences determine the risks to be included in the Group's underwriting guidelines.

Risk tolerances

Risk tolerances are the limits required by SCOR's stakeholders (*e.g.* clients, shareholders, regulators, etc.). The Board of Directors defines and approves risk tolerance limits for the Group in terms of solvency by risk driver, and extreme scenario in order to ensure that the Group's risk profile remains aligned with its risk appetite framework. SCOR uses various risk assessment measures to verify that its exposures remain within these limits. These measures can take several forms depending on the technical constraints or the level of information available and are based on either internal model outputs, scenarios or expert opinions.

Footprint scenarios

Footprint scenarios are an innovative and complementary risk management tool. Whereas risk drivers and extreme scenarios are probability-based, the footprint approach consists of carrying out an impact assessment on the Group under a deterministic scenario. This approach is complementary to a probability-based view.

Taking into account SCOR's current exposure and all risk mitigation instruments, footprint scenarios provide impact assessments of past events on the Group's actual solvency ratio, liquidity, and current operations. SCOR regularly produces and evaluates footprint scenarios, providing comfort that the impact of such events on the Group's current solvency would be limited.

1.2.5.1. THE REINSURANCE BUSINESS

Principles

Reinsurance is a contract under which a company, the reinsurer, agrees to indemnify an insurance company, the ceding company, against all or part of the insurance risks underwritten by the ceding company under one or more insurance contracts. Reinsurance differs from insurance, primarily because of its higher level of mutualization by geography and by line of business.

Functions

Reinsurance has four essential functions:

- it offers the direct insurer greater security for its capital and solvency, as well as protection against the potentially high volatility of results when abnormally high frequency or severity of losses or events occur, by covering the direct insurer above certain contractually set amounts per event or in the aggregate;
- it allows insurers to increase the maximum amount they can insure for a given loss or series of losses by enabling them to underwrite a greater number of risks, or larger risks, without excessively raising their need to cover their solvency margin and, therefore, to increase their capital base;
- it gives insurers access to substantial available liquidity in the event of major loss events; and
- it provides insurers with efficient alternative capital solutions.

Reinsurance, however, does not discharge the ceding company from its liability to policyholders. Reinsurers themselves may feel the need to transfer some of the risks underwritten and/or some of the accumulated exposures derived from such risks to other reinsurers (known as retrocessionaires).

In addition, reinsurers may also provide advisory services to ceding companies by:

- helping them define their reinsurance needs and devise the most effective reinsurance program to better plan their capital needs and solvency margin;
- supplying a wide panel of support services, particularly in terms of knowledge sharing, best practices and risk assessment, modeling and management tools;
- providing expertise in certain highly specialized areas such as complex risk analysis and pricing; and
- enabling ceding companies to build up their business, particularly when launching new products requiring significant upfront investment or financing or when investing in new markets by starting their own operations or acquiring portfolios or companies.

Reinsurers, including SCOR, are usually compensated for the provision of such advisory services through the cedents' reinsurance premiums, rather than through commissions or fee-based compensation.

Types of reinsurance

Treaty and facultative

The two basic types of reinsurance arrangements are treaty and facultative reinsurance.

In treaty reinsurance, the ceding company is contractually bound to cede, and the reinsurer is bound to assume a specified, contractually defined portion of a type or category of risks insured by the ceding company. Treaty reinsurers, including SCOR, do not separately evaluate each of the individual risks assumed under their treaties and, consequently, after a review of the ceding company's underwriting practices, they are dependent on the original underwriting decisions made by the ceding company's primary policy writers.

In facultative reinsurance, the ceding company cedes, and the reinsurer assumes all or part of the risks covered by a particular specified insurance policy or by insurance policies covering a specific ultimate group insured as part of the same program. Facultative reinsurance is negotiated separately for each insurance policy that is reinsured. Facultative reinsurance is normally purchased by ceding companies for individual risks not covered by their reinsurance treaties, for amounts in excess of the monetary limits of their reinsurance treaties or for unusual risks. Underwriting expenses and, in particular, personnel costs, are higher relative to premiums written on facultative business because each risk is individually underwritten and administered. The ability to separately evaluate each risk reinsured, however, increases the probability that the underwriter can price the contract more accurately to reflect the risks involved.

Proportional and non-proportional reinsurance

Both treaty and facultative reinsurance can be written on (i) a proportional (or quota share) basis and/or (ii) a non-proportional (or excess of loss or stop loss) basis.

With respect to proportional (or quota share) reinsurance, the reinsurer, in return for a predetermined portion or share of the insurance premium charged by the ceding company, indemnifies the ceding company against the same portion of the losses under the covered insurance contract(s). In the case of reinsurance written on a non-proportional basis, through an excess of loss or a stop loss contract basis, the reinsurer indemnifies the ceding company against all or a specified portion of the loss sustained, on a claim by claim basis or for amounts incurred, in excess of a specified amount, known as the ceding company's retention or reinsurer's attachment point, and up to a negotiated reinsurance contract limit.

Although the frequency of losses under a quota share reinsurance contract is usually greater than on an excess of loss contract, it is generally simpler to predict the losses on a quota share basis and the terms and conditions of a quota share contract can be structured to limit the indemnity offered under the contract. A quota share reinsurance contract therefore does not necessarily imply that a reinsurance company assumes greater risk exposure than on an excess of loss contract.

Excess of loss reinsurance is often written in layers. One or a group of reinsurers accepts a tranche or layer of risk above the ceding company's retention up to a specified amount, at which point another reinsurer, or a group of reinsurers accepts the next layer of liability. The stacked layers protecting the same underlying portfolio are called a program, and after protection from the upper layer is exhausted liability reverts to the ceding company. The reinsurer taking on the risk immediately above the ceding company's retention layer is said to write primary or working layer or low layer excess of loss reinsurance. A loss just above the ceding company's retention will create a loss for the lower layer reinsurer, but not for the reinsurers on the higher layers. Loss activity in lower layer reinsurance tends to be more predictable than in higher layers due to greater historical frequency, and therefore, like quota share reinsurance, underwriters and actuaries have more data to price the underlying risks with greater confidence.

Premiums payable by the ceding company to a reinsurer for excess of loss reinsurance are not directly proportional to the premiums that the ceding company receives because the reinsurer does not assume a direct proportion of the risk. In contrast, premiums that the ceding company pays to the reinsurer for quota share reinsurance are proportional to the premiums that the ceding company receives, consistent with the proportional sharing of risk. In addition, in quota share reinsurance, the reinsurer generally pays the ceding company a ceding commission. The ceding commission is usually based on the ceding company's cost of acquiring the business being reinsured, including commissions, premium taxes, assessments and miscellaneous administrative expenses, and also may include a partial repayment of profit for producing the business.

Breakdown of the Group's business

The Group is organized into three business units (SCOR Global P&C, SCOR Global Life and SCOR Global Investments), of which there are two reportable operating segments, and one corporate cost center referred to as "Group Functions". The reportable operating segments are: the SCOR Global P&C business, which has responsibility for property and casualty insurance and reinsurance (also referred to in this Universal Registration Document as "Non-Life"); and the SCOR Global Life business, with responsibility for Life reinsurance (also referred to in this Universal Registration Document as "Life"). These two businesses represent SCOR's two "operating segments" for the purposes of IFRS 8 – Operating segments, and are presented as such in its consolidated financial statements, included in Section 4 – Consolidated financial statements. Each operating segment underwrites different types of risks and offers different products and services, which are marketed *via* separate channels; responsibilities and reporting within the Group are established on the basis of this structure. SCOR Global Investments is the asset management business unit of the Group. Its role is complementary to the two operating segments as it manages SCOR Global P&C's and SCOR Global Life's investment assets associated with the contract liabilities. SCOR Global Investments also manages assets on behalf of third parties although these activities are currently not considered material. Therefore, SCOR Global Investments is not considered as a separate reportable operating segment for purposes of IFRS 8 – Operating segments.

The Group organizes its operations around three regional management platforms, or "Hubs" named EMEA Hub, Asia-Pacific Hub and Americas Hub. Each main location of the Hubs has local, regional and Group responsibilities, with the managing directors of each Hub reporting to the Group Chief Operating Officer. Each Hub includes the following functions: Legal and Compliance, Information Technology support, Finance, Human Resources and General Services. Hub shared service costs are allocated to the segments based on allocation keys. For a description of the Hub structure, see Section 1.2.3 – Organizational structure of SCOR.

The SCOR Global P&C segment carries out its global operations through the subsidiaries and branches of its main global reinsurance entity SCOR SE that merged with SCOR Global P&C SE and SCOR Global Life SE in 2019. In November 2018, SCOR Global P&C announced the creation of SCOR Europe SE, a Paris-based P&C specialty insurance company to ensure the continuity of services provided to clients after the effective date of the Brexit. Its business purpose is mainly direct insurance of major industrial risks across Europe. This subsidiary started its activities on January 1, 2019.

SCOR Global P&C is represented in three business regions, EMEA, the Americas and Asia-Pacific and operates in three business areas: Specialties Insurance (large corporate accounts underwritten through facultative insurance contracts, direct insurance, SCOR Channel, for which SCOR is the sole capital provider and MGA business, a specialized type of insurance agent/broker vested with underwriting authority from an insurer), Reinsurance (including Property, Casualty, Motor, Credit and Surety, Decennial Insurance, Aviation, Marine, Engineering, and Agricultural risks) and P&C Partners (including Cyber and Alternative Solutions). For a description of products and services, see Section 1.2.5.2 – Non-Life reinsurance.

The SCOR Global Life segment operates worldwide through the subsidiaries and branches of SCOR SE. Via this network SCOR Global Life is represented in three business regions, EMEA, the Americas and Asia-Pacific, reinsuring Life and Health insurance risks along the three product lines Protection, Longevity and Financial Solutions with a strong focus on biometric risks. In order to achieve this, SCOR Global Life manages and optimizes the in-force book, deepens the franchise and aims at having the best team, organization and tools. The franchise strategy is composed of three elements, which are the expansion of the footprint in protection to defend and strengthen market presence around the world, the diversification of the risk profile by growing health and longevity, and growth of consumer demand by supporting clients with unique distribution solutions. SCOR Global Life aims to achieve diversification, both from a geographical and a product lines perspective. For a description of products and services, see Section 1.2.5.3 – Life reinsurance.

SCOR's cost center is referred to in this Universal Registration Document as "Group Functions". Group Functions is not an operating segment and does not generate revenues. The costs in Group Functions are Group-related and are not directly attributable to either the P&C or Life segment, but those costs that are indirectly attributable are allocated to the operating segments based on suitable allocation keys. Group Functions includes the cost of departments fulfilling duties for the benefit of the whole Group, such as Group Internal Audit, Group Finance departments (Tax, Accounting, Consolidation and Reporting, Financial Communication, Treasury and Capital Management, Financial Planning and Analysis), Group Chief Operating Officer departments (Legal and Compliance, Communication, Human Resources, Information Technology, Cost Controlling and Budgeting) and Group Chief Risk Officer departments (Group Actuarial, Risk Coverage, Risk Governance, Prudential and Regulatory Affairs, Risk Modeling).

Both business units P&C and Life, through the legal entity SCOR SE and its subsidiaries and branches, are leading global reinsurers, executing an underwriting policy focused on profitability, developing value-added services and adhering to a cautious financial policy. During the year ended December 31, 2020, the Group served more than 4,400 clients throughout the world. SCOR's strategy of offering both P&C and Life products provides it with the benefits of balanced diversification (in terms of risks, geography and markets), which is a cornerstone of its strategy.

1.2.5.2. NON-LIFE REINSURANCE

SCOR's Non-Life segment is divided into three business areas:

- Reinsurance;
- Specialties Insurance; and
- P&C Partners.

Reinsurance

SCOR's P&C Reinsurance business area provides proportional and non-proportional reinsurance in many forms across:

- Property: covering damage to underlying assets and direct or contingent business interruption losses caused by fire or other perils, including natural catastrophes.
- Motor: covering original risks of motor property damage and bodily injury.
- Casualty treaties: covering general liability, product liability and professional indemnity.

The teams underwrite on the basis of sophisticated risk evaluation, seeking flexibility and innovative approaches for their clients, working closely with the following global business line experts.

Credit and Surety

SCOR has been a global leader reinsuring Credit, Surety and Political risks for more than 40 years, providing underwriting capacity for:

- Domestic and Export Credit Insurance;
- various surety lines, like market surety and professional surety; and
- Political Risks: Confiscation Expropriation Nationalization Deprivation (CEND), embargo and no currency transfer.

SCOR draws its expertise from a local presence in North Americas (Miami, New York), Europe (Paris, Zurich) and Asia (Singapore, Hong Kong).

Decennial Insurance

Committed to a consistent underwriting approach over the past 40 years, SCOR's leading global position enables the team to be involved in most IDI (Inherent Defect Insurance) initiatives launched by insurers, governments, professional organizations and financial bodies across the world, and to keep up to date with and reinsure almost all new IDI schemes.

SCOR provides customized products and solutions tailored to local situations:

- basic cover of construction damage caused by inherent defects in structural works;
- tailored cover, including material damage caused by inherent defects in waterproofing works and/or in other specific parts of construction; and
- additional extensions to IDI policies such as waiver of subrogation against builders and consequential third-party liability.

SCOR offers to its clients a global market vision on both established and emerging markets, from small residential to large industrial, as well as commercial buildings and public constructions such as hospitals, bridges, viaducts and tunnels.

Aviation

SCOR provides reinsurance and insurance solutions in all sectors of the Aviation market: airlines, aerospace and general aviation.

Marine and Energy

SCOR's dedicated Transport & Energy team combines local knowledge with global insights, in a line of business that requires constant monitoring of a rapidly changing global environment. SCOR offers flexible adequate solutions to its clients for all the segments of this sector, like hull and cargo as well as marine liability and energy.

SCOR's broad range of lines provides significant and stable capacity to cover standalone, specialized Marine risks and risks forming part of broader composite covers.

Engineering

With a consistent underwriting approach and substantial capacity, SCOR's engineering team offers a broad range of reinsurance and insurance cover: Construction All Risks (CAR) and Erection All Risks (EAR) insurance, as well as advance loss of profits or delay in start-up following a CAR or EAR loss, contractors' plant and machinery, electronic equipment, machinery, machinery loss of profits and combined machinery/electronic equipment and property.

Agricultural Risks

With a consistent, long-term approach to underwriting and pricing, SCOR's dedicated Agriculture team offers a broad and flexible range of reinsurance cover, underpinned by a strong natural catastrophe modeling and analytics infrastructure. SCOR P&C provides customized risk transfer solutions and innovative approaches in the field of crop/crop hail, aquaculture, forestry, greenhouse and livestock/bloodstock insurance.

Property Catastrophes

SCOR's Property Cat team has provides reinsurance solutions to cover natural catastrophes events and property risks.

Specialties Insurance

Since 2018, the Specialties insurance division is composed by SCOR Business Solutions, SCOR Channel (SCOR's Lloyd's syndicate) and MGAs.

SCOR Business Solutions (SBS)

It is SCOR's large corporate risk insurance and facultative reinsurance unit. Taking a consistent and long-term approach, SBS combines risk management expertise and advanced technology with creativity and flexibility to support the strategies and needs of its clients, particularly in Energy, Construction, Property, Liability and Financial lines.

SCOR Channel

SCOR Channel is SCOR's Lloyd's syndicate, offering a full suite of insurance products, from core lines of business to specialist lines such as Political and Credit risks, Cyber and Environmental Impairment Liability.

SCOR is the sole capital provider of the SCOR Channel syndicate.

Managing General Agencies (MGA)

MGAs are a specialized type of insurance agent/broker vested with underwriting authority from an insurer. Accordingly, MGAs perform certain functions ordinarily handled only by insurers, such as underwriting, pricing and settling claims. MGAs are mainly involved with specialty lines of business in which specialized expertise is required.

SCOR has a very targeted approach, focused on North America, the London Market and Brazil (through Essor).

P&C Partners

To address the evolving needs of its clients and to reinforce its Tier 1 position in a rapidly changing risk ecosystem, P&C Partners, a global technical and expertise center, facilitates business development as well as synergies between underwriting teams.

Its dedicated decision-making committees provide rapid responses and promote consistency of the P&C underwriting approach:

- Alternative Solutions focuses on the development of customized, non-traditional, and new products/solutions;
- Cyber Solutions helps corporate and insurance clients to develop Cyber insurance coverage;
- Alternative Capital explores innovative retrocession facilities;
- P&C Ventures and Strategic Partnership focuses on InsurTech investments, technical partnerships and expertise sharing.

1.2.5.3. LIFE REINSURANCE

SCOR's Global Life segment underwrites Life reinsurance business in the following product lines:

- Protection;
- Financial Solutions; and
- Longevity.

Protection

Protection encompasses traditional Life reinsurance business on living and death benefits. The main risks undertaken are mortality, morbidity and behavioral risks for individuals and groups of individuals. Protection is predominantly underwritten in the form of proportional treaties (quota share, surplus basis or a combination of both). Quota share treaties include structures whereby SCOR Global Life's exposure is identical to those of its clients, and risk-based premium structures whereby treaty conditions differ from those of the underlying policies. A minority of the portfolio is underwritten in the form of non-proportional contracts: excess of loss per person, catastrophe excess of loss or stop loss.

The Protection reinsurance market, as well as SCOR Global Life's Protection portfolio, is characterized by the dominance of long-term contractual relationships. SCOR Global Life also writes short-term Protection business, in markets and product lines in which this is common practice.

Protection covers the following products and risks in reinsurance arrangements:

Mortality

Mortality protection represents 58% of the SCOR Global Life portfolio based on gross written premiums for the year ended December 31, 2020. SCOR Global Life actively underwrites mortality risk in all the geographical markets in which it operates.

Disability

Disability insurance mitigates the loss of income when the insured is totally or partially unable to continue his or her professional occupation or any occupation for which he or she is suited due to sickness or accident.

Long-Term Care

Long-Term Care (LTC) insurance covers the inability of the insured to perform predefined activities of daily living, resulting in the insured needing constant assistance from another person.

Critical Illness

Critical Illness (CI) insurance typically pays a lump sum benefit, to be used at the policyholder's discretion, if the insured suffers from a serious condition and survives a defined period.

Medical

Medical insurance covers medical and surgical expenses incurred by the insured person.

Personal Accident

Personal Accident insurance pays a lump sum benefit, if the insured person dies or is seriously injured as a result of an accident.

Financial Solutions

Financial Solutions combine traditional Life reinsurance with financial components providing liquidity, balance sheet, solvency and/or income improvements to the client. This type of reinsurance treaty is typically used by cedents to fund growth, stabilize earnings or optimize their solvency position (capital relief).

Longevity

Longevity products cover the risk of negative deviation from expected results due to the insured or annuitant living longer than assumed in the pricing of the cover provided by insurers or pension funds.

1.2.5.4. UNDERWRITING, DISTRIBUTION, CATASTROPHE RISK, CLAIMS AND RESERVES

For information on underwriting, catastrophe risk, claims and reserves, see Section 3.3.2.1 – Management of underwriting risks related to the P&C business and Section 3.3.2.2 – Management of underwriting risks related to the Life reinsurance business.

Distribution by production source

Reinsurance can be written through professional reinsurance brokers or directly from ceding companies. The involvement of a broker in the placement of a reinsurance contract is a decision belonging to the ceding insurance company, which depends on local market practices, the cedent's worldwide reinsurance market knowledge, the complexity of the risks the cedent intends to transfer and the corresponding available reinsurance capacity in the market, as well as the cedent's capability and resources to structure market submission data, place risks and manage the placements. In most of the cases, reinsurance programs are syndicated to several reinsurers, which follow a leader, and in some instances a co-leader.

The proportion of brokered and direct business written by the Group's subsidiaries varies according to market and cedent practices. For the year ended December 31, 2020, the Non-Life business unit wrote approximately 69% of gross written premiums through brokers and 31% through direct business, while the Life business unit wrote approximately 6% through brokers and approximately 94% through direct business.

For the year ended December 31, 2020, SCOR's largest brokers for the Non-Life business unit were MMC with approximately 23% of the Group's Non-Life gross written premiums, Aon Group with approximately 21% and Willis Group with approximately 14%. SCOR's largest brokers for the Life *business unit* were Aon Group with approximately 1% of the Group's Life gross written premiums and Willis Group with less than 1%.

The direct reinsurance market remains an important distribution channel for reinsurance business written by the Group. Direct placement of reinsurance enables SCOR to access clients who prefer to place their reinsurance partly or in totality directly with reinsurers based upon the reinsurer's in-depth understanding of the ceding company's needs.

1.2.5.5. CAPITAL SHIELD STRATEGY

Once the Board has defined risk tolerances in line with the Group's Strategic Plan, the Capital Shield Strategy sets mitigating mechanisms to ensure the protection of the Group's capital in line with its risk appetite. The Capital Shield Strategy is a key part of SCOR's ERM (Enterprise Risk Management) framework, forming one of the four cornerstones of SCOR Group's strategy and one of the pillars protecting the solvency of the Group.

The Capital Shield has the following objectives:

- ensuring protection of the Group's capital and solvency in line with SCOR's Risk Appetite Framework; and
- balancing the portfolio and improving its diversification, hence using available capital more efficiently. It also contributes to avoiding undesired earnings volatility and providing liquidity in times of stress.

The Capital Shield Strategy builds on the following four concepts: traditional retrocession, capital market solutions, the solvency buffer and the contingent capital facility.

For more information on the capital, refer to Section 1.3.6.1 – Capital. For more information on the Capital Shield Strategy, refer to Section 3.2.3 – Retrocession and other risk mitigation techniques. For information on the Group's solvency scale, refer to Section 1.3.7 – Solvency and Section 4.6 – Notes to the consolidated financial statements, Note 13 – Information on share capital, capital management, regulatory framework and consolidated reserves. For information on structured entities used in the Capital Shield Strategy, refer to Section 4.6 – Notes to the consolidated financial statements, Note 3 – Scope of consolidation.

1.2.5.6. INVESTMENTS

Investment philosophy and process

In 2008, SCOR decided to internalize the management of its insurance business investment portfolio, in order to implement its investment strategy centrally and globally, with strict monitoring of the risk appetite and a dynamic positioning according to an enhanced asset liability management (ALM) process, integrating economic and market expectations.

The investment portfolio is positioned dynamically in order to optimize the financial contribution from the investment portfolio to the Group's results and capital allocation. SCOR follows a capital-driven investment process, ensuring through a very strict ALM process that the tactical asset allocation is aligned with the Group's risk appetite. Meanwhile, the Group has set very stringent risk limits (value at risk "VaR", investment guidelines) that enable permanent monitoring of limits to protect the Group from extreme market events and severe loss scenarios.

SCOR has set up a rigorous governance process and an ERM-focused organizational structure:

- the Board of Directors approves risk appetite, risk limits and as a consequence, the capital allocated to insurance business investments on the basis of the Risk Committee's recommendations;
- the Executive Committee approves the overall investment strategy and the macro-positioning of the investment portfolio on the basis of the Group Investment Committee's recommendation.

The Group's asset management mandate, assigned to SCOR Global Investments, consists of:

- proposing the macro-positioning of the invested assets portfolio in line with the approved risk appetite and risk limits, respecting a strict ALM process, economic and market expectations, accounting rules and a strict foreign exchange congruency matching between assets and liabilities;
- implementing the investment strategy;
- optimizing the absolute return on invested assets and focusing on the recurrence of yields while controlling their volatility. This objective is achieved through active and dynamic management of the portfolio, the identification of cycles and market opportunities and strict qualitative and quantitative risk management.

Group Investment Committee

The Group Investment Committee is chaired by the Group's Chairman and Chief Executive Officer and is composed of the Group Chief Financial Officer, the Group Chief Risk Officer, the Chief Economist, the Chief Executive Officer of SCOR Global P&C, the Chief Executive Officer of SCOR Global Life, the Chief Executive Officer of SCOR Investment Partners and other representatives of SCOR Global Investments. The Group Investment Committee meets at least each quarter and defines the strategic and tactical asset allocation as well as the risk appetite of the Group.

SCOR Global Investments

SCOR Global Investments is the SCOR Group's asset management business unit and consists of two entities: (i) the Group Investment Office and (ii) a regulated asset management company, SCOR Investment Partners.

Group Investment Office

The Group Investment Office manages the interaction between the SCOR Group and SCOR Investment Partners in managing the risk appetite, monitoring investment risks and setting investment guidelines. It is also responsible for portfolio monitoring and reporting, development of the Group's strategic and operating plans, financial forecasts, performance analysis of SCOR's investments, and for defining policies, governance and reporting on Environmental, Social and Governance matters within the investment portfolio.

SCOR Investment Partners

SCOR Investment Partners centralizes the management of all investment assets of the Group entities, however in some jurisdictions, such management is delegated to external asset managers. The SCOR Investment Partners investment team is organized around six asset management desks:

- aggregate, focusing on rates, covered bonds and investment grade credit;
- credit, focusing on high yield debt and on leveraged loans;
- equities and convertible bonds;
- infrastructure loans;
- Insurance-Linked Securities (ILS); and
- direct real estate investments and real estate loans.

Based on the expertise initially developed for the management of the SCOR Group's invested assets, SCOR Investment Partners decided in 2012 to open some of its investment strategies to third-party investors. Third-party assets under management of SCOR Investment Partners and its subsidiaries stood at EUR 5.1 billion as at December 31, 2020 (including undrawn commitments).

SCOR Investment Partners benefits from third-party asset management through receipt of management fees on the assets under management. SCOR Investment Partners has seven investment strategies which are open to third parties with funds in key products such as High Yield, Private Debt (corporate, infrastructure and real estate loans) and ILS.

1.2.5.7. DEPENDENCY OF THE ISSUER WITH RESPECT TO PATENTS OR LICENSES, INDUSTRIAL, COMMERCIAL OR FINANCIAL CONTRACTS AND NEW MANUFACTURING PROCESSES

See Sections 3 – Risk factors and risk management mechanisms and 1.2.6 – Research and development, patents and licenses.

1.2.6. RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

Research and development activities

In order to keep abreast of biometric trends and scientific developments, SCOR Global Life relies on five communities of expertise called chapters. In February 2019, the eight Research & Development (R&D) centers, which were designed to assess the key risks within mortality, longevity, morbidity and policyholder behavior, were replaced by chapters whose missions are aligned with those of the previous centers with a continuing focus on biometric risks such as mortality, longevity, disability and long-term care, which are at the heart of Life reinsurance, but more deliberately drawing on the full expertise of SCOR Global Life's employees while facilitating the dissemination of knowledge. These 5 chapters are:

- a chapter on biometric risk modeling, which is at the heart of the calculation of "best estimates" for pricing, reserve calculation and risk modeling. This is the key expertise needed by a Life reinsurer. It provides the best knowledge (methods, tools, etc.) for current and future biometric risk assessments;
- a chapter on medical expertise that is necessary to understand biometric risks and crucial for medical underwriting or claims assessment;
- a chapter on Data Science that is critical to extracting information and knowledge from experience;
- a chapter on Behavioral Science to better track policyholder behavior that is critical to achieving our goals of improving health status, simplifying underwriting and assisting in claims management, given that interactions with policyholders are growing exponentially (connected objects, applications, etc.);
- an Agility chapter with coaches who are needed to help members of previous chapters achieve their goals by providing them with a toolbox of organizational approaches to carry out their projects.

Supporting research and teaching is a core feature of the Group’s corporate responsibility policy. SCOR has for many years developed relationships with different kinds of institutions (foundations, associations, schools and universities, research centers), in various forms (corporate sponsorship, scientific research partnerships) and in a number of fields linked to risk, uncertainty, and reinsurance, both in France and abroad.

SCOR has entered into many scientific partnerships over the years, the active ones being with the ADERA (*Association pour le développement de l’enseignement et des recherches auprès des universités, des centres de recherche et des entreprises d’Aquitaine* – INSERM) on LTC (EUR 100,000 annually) and the Pierre et Marie Curie University at the Pitié-Salpêtrière Hospital on HIV and Immunotherapy developments (EUR 50,000 annually). SCOR has also funded the Department of Demography at the University of California, Berkeley on the Human Mortality Database project (USD 20,000 per year), which serves the academic and actuarial community, to build predictive models of life expectancy for many countries.

The analyses and risk projections produced with the support of chapters are used by SCOR Global Life’s teams to advise their clients on the implementation and monitoring of their life and health insurance products.

The chapters provide input at the product development stage, giving advice on definitions, underwriting standards, pricing and reserving. They contribute to the monitoring of biometric risks by carrying out experience studies on portfolio data and by undertaking prospective risk modeling.

The chapters are led by the Knowledge Department of SCOR Global Life. Their employees are based in Paris, Cologne, Dublin, Charlotte, Kansas City and Singapore and are active worldwide, responding to requests from the local teams in charge of business development and client relationships.

At the forefront of risk modeling, particularly extreme risks in Life and Non-Life businesses, the Group devotes considerable resources to fundamental research and the promotion of scientific risk management techniques in various disciplines. As well as internal research projects, conducted with the assistance of students from renowned schools and universities, the Group works to develop scientific research in the field of risk *via* corporate philanthropy operations supported by its corporate foundation (see Section 6.1.2 – Research and risk management), which has signed partnership agreements with the following institutions:

- a Research Chair on Risk, in cooperation with the Risk Foundation and Toulouse School of Economics of Toulouse University is dedicated to the risk market and to value creation, with a research program specially focused on Long-Term Care. For SCOR, this implies costs of EUR 0.9 million spread over three years;
- a Research Chair in Finance and Insurance, in cooperation with the Toulouse School of Economics of Toulouse University, focuses on risk management, long-term investment, corporate governance and the links between insurance and financial markets. For SCOR, the related cost is EUR 1.5 million spread over five years; and
- a Research Chair on Macroeconomic Risk in cooperation with the Paris School of Economics (PSE), is dedicated to the macroeconomic modeling of tail events, the consequences of uncertainty on the macroeconomic equilibrium and the contagion of extreme macroeconomic risks and crises. For SCOR, the related cost is EUR 900,000 spread over three years.

SCOR Foundation for Science also supports research in key areas of risk analysis: climate risks and their insurability, the effect of climate risks on non-life insurers resilience, coastal flood forecasting, natural risks to crops, modeling risks in general, Alzheimer's disease, research on Covid-19 and pandemics, emerging infectious diseases, genetic treatment of tuberculosis, prevention of chickenpox, modeling of life expectancy and mortality, the risks of meteorites, car insurance, pension funds, best practices in risk management, predictability of earthquakes and the corresponding human behaviors following the event, biodiversity, mathematics of extreme events, building of economic and financial expectations, international financial imbalances. The Foundation also participates in the development of actuarial practice in Tunisia and within the CIMA (*Conférence interafricaine des marchés d’assurance*) zone. Finally, every year, it awards three prestigious prizes in Paris: the best young researcher in finance and insurance, the best young actuary and the best PhD in actuarial science.

SCOR and the SCOR Foundation for Science also organize Actuarial Awards in Europe (Germany, France, Italy, Spain and Portugal, Sweden, Switzerland and the United Kingdom), and in Asia (Singapore). The Group places great importance on the development of actuarial science and each year awards prizes for the best academic papers in the field of actuarial science. These prizes are designed to promote actuarial science, develop and encourage research in this field and contribute to the improvement of risk knowledge and management. The SCOR Actuarial Awards are recognized as a mark of excellence in the insurance and reinsurance industries. The winning papers are selected on the basis of criteria including an excellent command of actuarial concepts, the use of high-quality analysis instruments, and subjects that could have a practical application in the world of risk management.

Since 2015, SCOR has also been organizing, with the partnership of the French Institute of Actuaries, an actuarial symposium in Paris. In November 2015, the theme was centered around "Actuarial and Data Science", followed by "Scientific laws and mathematical models: from physics to actuarial science" in December 2016, "Will Artificial Intelligence revolutionize actuarial science?" in December 2017, "Macroeconomic and Financial instabilities" in December 2018, "Actuarial Science and Game Theory" in December 2019 and most recently "Scenarios and Prospective" in December 2020.

In addition to the above, scientific risk management techniques are promoted, and knowledge shared, *via* the involvement in collective studies through the Geneva Association and the teaching of insurance and scientific risk management techniques in schools and universities (*e.g.* the graduations, the masters and the Executive MBA supplied by the *École nationale d'assurance* (ENASS) of the Paris *Conservatoire national des arts et métiers* (CNAM).

Information technologies

The investment in information technology is one of the key priorities of the "Quantum Leap" strategic plan. In this area, SCOR relies both on the strength and the consistency of its global information system, which is continuously enhanced through the development of an ambitious portfolio of projects, and on the transformation opportunities, enabled by the introduction of new technologies and especially the artificial intelligence, the big data, the multi-cloud, the development of e-business and Blockchain and the robotic process automation (RPA).

In accounting, consolidation and financial reporting area and through all entities of the Group, SCOR runs a global solution, SAP-based, embedding a unique chart of accounts, standard processes, and real-time analytical capabilities. This platform is regularly enriched through the development of new modules, such as, Trace, a global treasury solution deployed in 2019, or Cost Vision, managing expenses at a much granular level, deployed early 2021. In this financial area, the introduction of RPA has also provided opportunities to optimize several manual processes, this approach being now extended to other areas of the information system.

The Group's Life and Non-Life reinsurance global back-office runs on a custom software package known as "Omega". Omega was designed to manage the reinsurance contracts, including premiums and claims, analyze the technical profitability of contracts, and perform quarterly closings based on the latest estimated results. The unique Omega database reflects the reinsurance risk of SCOR Global P&C and SCOR Global Life's portfolios worldwide. Fully modernized in 2016, OMEGA has since been enriched every year, especially by the addition of a global analytical solution "Reinsurance Analytics" and the integration with a cloud client management solution, Salesforce. OMEGA is currently being enhanced to comply with the new global accounting standard, IFRS 17. The preparation to IFRS 17 is a large effort impacting the entire information system, not only OMEGA but also upstream and downstream systems such as pricing, cash-flow modeling, general ledger, consolidation, reporting.

Since 2019, the first year of Quantum Leap, a focus was again put on strengthening SCOR's front office applications to improve risk selection, anticipation and reactivity in markets and products. Several projects have been launched to develop Business Unit specific solutions fully integrated with the rest of the Information System.

Among these projects, to start with the P&C business unit, the ForePlan tool provides capability to build the underwriting plan and follow its execution. Non-Life pricing is closely managed using xAct, the global in-house standard P&C treaty pricing tool, which uses standardized models, and profitability analysis, to provide full visibility of proportional and non-proportional business. The underwriting and pricing process of large industrial or specialty risks is now supported by an in-house solution ForeWriter and specialized modules in different expertise fields such as space, agriculture, cybersecurity. Control of exposure to natural catastrophes and pricing is under improvement through the development of the SCOR Cat Platform which monitors all the liabilities and accumulations through use and calibration, or the model combination deemed as most efficient. The new platform to monitor the MGA book of business through automatic underwriting controls continued to be deployed in other regions in 2020 after its initial rollout to the US portfolio. Norma, the P&C internal model, combines the risk assessment produced by these front-office tools to provide an overall P&C risk measure.

The Life business unit has developed an IT roadmap which aims at preparing SCOR Global Life for the future by increasing its competitiveness, providing high level of service to clients, complying with all regulatory requirements (ie. IFRS 17, GDPR) and increasing the understanding of Life business. Other front-office solutions have been developed for SCOR Global Life to harmonize and further enhance the underwriting of substandard risks and develop tele-underwriting in different countries. The introduction of Artificial Intelligence completes these solutions. Underwriting solutions like Velogica are proposed to SCOR's Life clients, notably in the US market. The integration of Life Individual policy management systems is now completed in the US through an in-house system, Everest and is now being progressively extended to the rest of the world by the development of a new platform, named hElios, which will provide an even more accurate knowledge of the risks. These individual data are the basis for enhanced actuarial modeling, in which SCOR Global Life is also investing, through the development of a pricing and reserving technical platform and through the roll-out of a new experience analysis solution.

At the Group level, and in the frame of an integrated architecture, the various risk modeling tools are feeding the enterprise internal model which has been key in the Solvency II compliance process. This model now benefits from the scalability of the public cloud, providing enhanced analytical capabilities.

In all areas, the modeling and analysis methods are getting gradually richer in Machine Learning & Artificial intelligence innovative technologies that actuaries can test through a Data Science platform called DASP. This new cloud-based platform has been deployed in 2020 to data scientists and actuaries working on innovative algorithms offering enhanced technological capabilities to cope with the increasing volume of data. This infrastructure reinforces the capacity to develop and industrialize the new services, shortening the innovation cycle.

In the asset management area, SCOR Investment Partners is now equipped with a global front-office solution, Bloomberg AIM, reinforcing the real-time monitoring of all investments. The record keeping of the portfolio managed by SCOR Global Investment and the investment accounting are managed through an integrated platform. All this asset management information is now available in real time through global analytical platforms. The asset management landscape is currently evolving to comply with the new accounting standard, IFRS 9, starting Jan 1st, 2022.

The Group is promoting a paperless environment. Internally, global document management and sharing processes have been set up for the Life and Non-Life business units. With its clients, SCOR can automatically process claims, reinsurance and financial accounts received electronically in the standard formats defined by ACORD, an association created for the development of e-processing in insurance and reinsurance, without having to re-enter them. SCOR is also actively participating to the B3i initiative which aims at exploiting the power of the Blockchain technology to ease exchanges between actors of the insurance value chain.

The SCOR technical environment is based on a secured international network, a private cloud-based global data center with a fully replicated dual site, providing a strong disaster recovery capability. During 2020, since the very beginning of the Covid-19 crisis, it has been fully available to all SCOR employees and external partners who could all work and access all technical resources without disruption or security risks. This homogeneous technical environment is also a solid ground to prepare for a global move to the public cloud, which has started in 2020 and aims at providing even more flexibility and scalability to SCOR IT operations. SCOR is also investing continuously in cybersecurity and data protection, reinforcing the physical and logical access controls, the network security through introduction of artificial intelligence monitoring, the data leakage prevention and the employee awareness through cybersecurity training programs.

SCOR's IT Department is playing a key role in implementing the Group's "Green SCOR" policy, and drives several elements of this multi-year plan, including data center consolidation, server virtualization, the purchase of new low-energy desktops and laptops, and reductions in printing. Mobility is still being enhanced through ongoing developments in line with technological progress and business needs that require a more permanent connection with the company, while complying with security standards.

1.2.7. INVESTMENTS

Principal investments made over the past three financial years

See Section 3.3.4 – Management of market risks, for a description of risk management connected with SCOR investments in debt instruments and equity securities as well as with investments it owns.

See Section 1.2.2 – History and development of SCOR, and Section 4.6 Note 4 – Acquisitions and disposals.

See Section 1.2.5.6 – Investments.

See Section 4.6.8.4 – Real estate investments.

See Section 4.6.10 – Miscellaneous assets.

Principal investments in progress

None.

1.3. MARKET AND FINANCIAL REVIEW

1.3.1. REINSURANCE MARKET DEVELOPMENTS

The global reinsurance industry comprises Life and Non-Life reinsurance.

Life reinsurance is a concentrated industry with significant regulatory and operational barriers to entry. Most global Life reinsurers are based in established markets with rigorous regulatory frameworks suitable for long-term business. Global Life reinsurers have developed strong underwriting, pricing, actuarial, claims management and product development capabilities, as well as long-term relationships with their clients. Because of the long-term nature of some Life risks, the Life reinsurance market historically has been less cyclical than Non-Life.

Non-Life reinsurance is a cyclical market estimated by various analysts at USD 190 to 230 billion of premium globally, covering property, casualty, financial, and specialty lines. The sector is exposed to volatility in the form of development of past reserves and large natural and man-made losses.

2020 was impacted by several large losses, including natural disasters (August U.S.Midwest Derecho, an active Atlantic hurricane season with no less than 30 named storms), man-made events, most notably the catastrophic explosion which devastated the port of Beirut, as well as the losses triggered by the Covid-19 pandemic. Demand for non-life reinsurance has remained strong, and market conditions have continued to firm throughout the year. Both pricing and terms and conditions have improved, reflecting an uptick in risk aversion, stable capacity, and an increased focus on technical profitability from insurers and reinsurers given the current low interest rate environment.

The Covid-19 pandemic had numerous impacts on the non-life reinsurance market, combining elevated insured losses, uncertainty stemming from policy wording interpretation, and operational disruptions. These challenges have however acted as a catalyst for a reinforcement of the market hardening, with price increases which are expected to be significant and long-lasting, and have also demonstrated the resilience of SCOR's operating model.

On the life side, Covid-19 has had a limited impact on traditional business premiums volumes, some large transactions executions have been delayed due to Covid-19. The impact of Covid-19 claims is overall manageable for the reinsurance market, the insured individuals being less affected than the general populations. The pandemic has also accelerated industry-wide trends such as a greater digitalization in the distribution processes, a rising health consciousness of the population which better values Life insurance, and the need to reinvent medical underwriting which has been disrupted during the Covid-19 outbreak.

1.3.2. FINANCIAL MARKET DEVELOPMENTS

2020 has been a unique year in more ways than one. The spread of the Covid-19 pandemic around the globe led to drastic lockdown measures in most of the developed world. The impact on economic activity has been severe with an unprecedent shock on trade and double-digit impact on GDPs. A major economic crisis would have spread with skyrocketing corporate default rates and banking system failure. It has not been the case, thanks to governments and monetary authorities having followed a nearly unlimited monetary creation policy in compensating revenue decrease for household and any liquidity needs. As a result, budget deficits and central banks' balance sheets have materially increased, with record amounts of asset purchase programs. With all developed countries adopting this strategy no material disequilibrium has been created.

In Europe the divorce between the United Kingdom and the European Union has been enacted by a very late stage agreement, avoiding a cliff-edge shock. Stronger restrictions on trade and movement of people and goods are expected in 2021.

In the United States, Joe Biden's election has been reinforced by a Democrat majority in both the Senate and the House of Representatives. A Biden administration would be expected to have an accommodative budgetary policy but without the capacity to use aggressive tax increases for the financing.

The support to economies and financial markets has driven positive performance of financial assets, disconnected from the underlying economic situation.

Following asset purchase programs, interest rates continued to decrease. In the United States, the 10-year rates decreased from 1.9% on December 31, 2019 to 0.9% on December 31, 2020. Due to rates being already in negative territory the magnitude of the move was less important in Europe where the 10-year German Bund reached -0.6% on December 31, 2020 *versus* -0.2% a year before. The Bank of England, whose key rate is at 0.1% on December 31, 2020, has disclosed openly that negative rate policy was to be considered as a potential tool of its monetary policy. In contrast, the US Federal Reserve has reiterated its skepticism due to the negative collateral damage it could imply on the banking system.

Debts issued by most leveraged companies have suffered from high volatility linked to the high uncertainty surrounding future default rates. The different indices representing this sector are ending the year in positive territory with, for example, the US high yield market posting a 7% total return for the year.

Equity performance has been even more surprising with a strong overperformances of tech stocks. Hence, US equity indices have beaten record after record with the Nasdaq posting a 45% total return for the year. Indices with higher exposure to cyclical sectors or financials have suffered, with for example the CAC 40 ending in negative territory with a negative total return of 4% in 2020.

1.3.3. SIGNIFICANT EVENTS OF THE YEAR

Covid-19 pandemic

On March 11, 2020, the World Health Organization declared the Covid-19 outbreak a global pandemic. During 2020, SCOR has been successfully managing and absorbing the impact of the Covid-19 pandemic both operationally and financially.

Refer to Section 1.3.5.1 – Covid-19 and Section 4.6 – Notes to the consolidated financial statements, Note 2 – Significant events of the year and Covid-19 for further information on the financial impact.

A specific description of risks related to Covid-19 is included in Section 3.1 – Main risks.

Refer to Section 6 – Non-financial performance statement for further information on non-financial impacts.

2019 dividend proposal in the context of Covid-19 pandemic

The Board of Directors of SCOR SE, at its meeting of February 26, 2020, had decided to propose to SCOR's Shareholders' Meeting scheduled to be held on April 17, 2020, that a gross dividend of EUR 1.80 per share be distributed for the 2019 fiscal year.

Given the difficulties of holding Shareholders' Meetings in the context of the Covid-19 pandemic, the Board of Directors of SCOR SE, at its meeting of March 27, 2020, decided to postpone its Annual Shareholders' Meeting, which was held on June 16, 2020.

Since March 27, 2020, the European Insurance and Occupational Pensions Authority ("EIOPA") and the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR) have issued statements, on April 2, 2020, and on April 3 and 21, 2020, respectively, regarding dividend distributions in respect of the 2019 fiscal year. In its press release of April 3, the ACPR says that "insurance companies must […] refrain from proposing the distribution of dividends".

In view of these factors, the Board of Directors of SCOR SE, in its meeting on May 25, 2020, has decided to propose to the Shareholders' Meeting of June 16, 2020, that no dividend be distributed for the 2019 fiscal year and that the entire net income for that year be allocated to distributable earnings. All of the resolutions proposed by the Board of Directors were adopted by the Annual Shareholders' Meeting.

The ACPR's position calling for no dividend distribution covers the period from April until January 1, 2021.

AgroBrasil Acquisition

On February 13, 2020, SCOR acquired control of AgroBrasil Administração e Participações Ltda ("AgroBrasil"), Brazil's family-owned leading Managing General Agent distributing fruit and grain loss of crop quality and yield insurance protection to Brazilian farmers.

This transaction marks an important milestone in SCOR's Specialty Insurance strategy.

The AgroBrasil acquisition secures access to a growing and profitable market for SCOR's P&C reinsurance and specialty insurance activities.

SCOR has been a longstanding player in the Brazilian agriculture market, which is one of the world's most advanced and sophisticated markets. AgroBrasil is a recognized expert with an unrivalled access to growers, backed by a unique network of expert agronomists and a proprietary digital platform.

SCOR has partnered with AgroBrasil for 15 years: initially as a reinsurer, and since 2013 as an insurer through its Brazilian insurance company, ESSOR Seguros, fully owned by SCOR since 2018.

New cat bond ATLAS Capital Reinsurance 2020 DAC

SCOR has successfully sponsored a new catastrophe bond ("cat bond"), Atlas Capital Reinsurance 2020 DAC, which provides the Group with multi-year risk transfer capacity of USD 200 million to protect itself against storms in the U.S. and earthquakes in the U.S. and Canada. The risk period for Atlas Capital Reinsurance 2020 DAC runs from April 30, 2020, to May 31, 2024.

The issuance has received the approval of the Central Bank of Ireland (CBI) and the Irish regulatory authorities.

The contract has been accounted for as a derivative, in accordance with IAS 39 – Financial instruments: Recognition and Measurement.

Successful placement of the EUR 300 million subordinated notes

On September 10, 2020, SCOR has successfully issued dated subordinated Tier 2 notes in the amount of EUR 300 million. SCOR intends to use the proceeds of the issuance for general corporate purposes. The coupon has been set to 1.375% until September 17, 2031, and resets every 10 years at the prevailing 10-year EUR mid-swap rate +2.6%. The "31 Non-Call 11" notes mature on September 17, 2051.

The proceeds from the notes are eligible for inclusion in Tier 2 regulatory capital, in accordance with applicable rules and regulatory standards, and as equity credit in the rating agency capital models.

On October 20, 2020, SCOR redeemed the CHF 125 million undated subordinated notes, issued on October 20, 2014, on the first call date. These CHF 125 million were already refinanced from the proceeds of the USD 125 million notes issued in 2019.

Ruling against Thierry Derez and Covéa by the Commercial Court for misconduct during the preparation and execution of Covéa's unsolicited takeover bid for SCOR

In a judgment rendered on November 10, 2020, the Paris Commercial Court ruled that Thierry Derez committed a serious breach of his legal and fiduciary duties and obligations as a director of SCOR in his personal capacity (regarding loyalty, conflicts of interest, and confidentiality), by disclosing confidential SCOR information and documents to Covéa and its advisors with the aim of wrongfully favoring the preparation and execution of an unsolicited takeover bid for SCOR by Covéa. Thierry Derez was ordered to pay the amount of EUR 479,376, plus interest, in compensation for the damage caused to SCOR.

The Court also ruled that Covéa SGAM and Covéa Coopérations had participated and benefited in full knowledge of the misconduct committed by Thierry Derez, and that the public communication of their unsolicited takeover bid for SCOR had been wrongful.

Thierry Derez, Covéa SGAM and Covéa Coopérations were ordered *in solidum* to pay the sum of EUR 19,603,191, plus interest, in compensation for the damage caused to SCOR.

Thierry Derez, Covéa SGAM and Covéa Coopérations have appealed against the judgment of November 10, 2020.

Succession of the Chairman and Chief Executive Officer

At its meeting of December 16, 2020, the SCOR Board of Directors reached a decision on the succession of Denis Kessler, Chairman & Chief Executive Officer.

As part of the rigorous work carried out since 2019 with the help of an international recruitment firm, the Nomination Committee has made every effort to identify the mode of governance and the people best able to ensure SCOR's development over the coming years, while creating value for all its stakeholders.

On the Committee's recommendation, the Board of Directors has decided to separate the roles of Chairman and Chief Executive Officer, in conditions conducive to a successful transition. The separation will come into full effect following the General Meeting in the spring of 2022.

As stated in the press release of December 16, 2020, the Board of Directors has unanimously chosen Benoît Ribadeau-Dumas as the next Chief Executive Officer of SCOR. Since January 1, 2021, Benoît Ribadeau-Dumas has become Deputy Chief Executive Officer of SCOR and as such has joined the Group's Executive Committee. The Board of Directors will propose that he join the Board at the 2021 General Meeting, with a view to becoming Chief Executive Officer following the General Meeting in 2022.

The Board has unanimously expressed the wish that Denis Kessler continue his work as Chairman, and a resolution to this effect will be submitted to the 2021 General Meeting. Denis Kessler will remain Chief Executive Officer of SCOR until Benoît Ribadeau-Dumas is appointed to the post in the spring of 2022.

1.3.4. INFORMATION ON SCOR'S COMPETITIVE POSITION

SCOR competes for business in the European, American, Asian and other international markets with numerous international and domestic reinsurance and insurance companies, some of which have a larger market share than its own, greater financial resources and, in certain cases, higher ratings from the rating agencies. Competition in the types of reinsurance and insurance that the Group underwrites is based on many factors, including financial strength as perceived by the rating agencies, customers and their brokers, underwriting expertise, reputation and experience in the lines of reinsurance and insurance written, country of operation, premiums charged, the quality of the proposed reinsurance structures, the services offered and the speed at which claims are paid.

SCOR's competitors include independent and state-owned reinsurance companies, subsidiaries or affiliates of established worldwide insurance companies, and reinsurance departments of certain primary insurance companies. Among the Group's major competitors are European reinsurers (for example, Swiss Re, Munich Re and Hannover Re) and US/Bermudian reinsurers (for example, Partner Re, RGA, Berkshire Hathaway, Axis Capital, TransRe, Odyssey Re, Gen Re and Everest Re). Moreover, Lloyd's syndicates (where SCOR is also present *via* its fully-owned syndicate SCOR Channel) are recognized as competitors.

SCOR SE and its consolidated subsidiaries formed the world's fourth largest reinsurer [(1)] serving more than 4,400 clients.

1.3.5. REVENUES & EARNINGS SUMMARY

The Group's financial data is presented in Section 1.1 – Key figures and strategic plan and in Section 4 – Consolidated financial statements. The commentary below is based on the financial data presented in the aforementioned sections.

See also Section 4.6 – Notes to the consolidated financial statements, Note 1 – Accounting principles and methods, Note 2 – Significant events of the year and Covid-19, Note 16 – Net contract liabilities and Note 25 – Insurance and financial risks.

1.3.5.1. COVID-19

SCOR is successfully managing and absorbing the impact of the Covid-19 pandemic both operationally and financially.

In 2020, SCOR has been proactive in taking immediate actions to contribute in helping stop the spread of the pandemic. The Group adopted early and strict prevention measures to protect the health of its employees and was active in regularly sharing its knowledge on the pandemic.

SCOR has applied its modeling expertise to conduct a thorough assessment of all its exposures to the health, economic and financial crisis from the Covid-19 pandemic. Based on data currently available, information received from cedents to date and the results of the models used, SCOR has recorded a total cost of the Covid-19 pandemic in 2020 for Life, P&C and Investments at EUR 640 million, net of retrocession and before tax.

The Covid-19 pandemic impact comprises the following:

- On the Life side, SCOR estimates the impact of the Covid-19 pandemic on its Protection book to be manageable, with an impact booked in 2020 at EUR 314 million (net of retrocession and before tax). Within this amount, the actual Covid-19 related claims received stand at EUR 187 million.

(1) *By Unaffiliated Gross Written Premium in 2019 (USD millions), source: "AM Best Special Report Global Reinsurance 2020".*

- The main exposure arises in the United States, where SCOR estimates that Covid-19 related claims as at December 31, 2020 resulted in an impact for the year of EUR 283 million (net of retrocession and before tax).
- A further EUR 31 million of Covid-19 related claims (net of retrocession and before tax) have been booked in other markets in 2020.
- The Covid-19 pandemic is estimated to have a manageable impact on SCOR Global Life's portfolio over the next 12 months, even though uncertainty remains. The ultimate outcome is still subject to significant variation, partly due to the development of the virus with new strains, combined with the level of respect of containment measures and roll-out of vaccination particularly in the U.S. The outcome on SCOR Global Life's portfolio will also be affected by any divergence in the impact of the virus on lives reinsured with SCOR Global Life, including the infection fatality rate, compared to the impact on the general population, particularly in the US. SCOR is continually monitoring the situation using a detailed proprietary epidemiological model.

- On the P&C side, SCOR estimates Covid-19 claims to be manageable with an impact booked in 2020 of EUR 284 million net of retrocession, reinstatement premium, and before tax (including reserves for potential claims), coming mainly from Credit, Surety & Political risks and from Property Business Interruption. Within this amount, the actual Covid-19 related claims received stand at EUR 104 million. The January 2021 renewals led to a clarification of terms and conditions, *i.e.* to exclude Covid-19 from the events insured.
- On the investment side, SCOR has benefited from the defensive nature and high quality of its investment portfolio when the Covid-19 pandemic started. The level of impairment charge on invested assets [1] is limited in 2020 at EUR 42 million before tax (excluding amounts attributable to non-controlling interest). The level of unrealized gains on invested assets has increased by EUR 179 million compared to December 31, 2019, in spite of EUR 197 million of realized gains in 2020.

1.3.5.2. OPERATING RESULT

SCOR is characterized by its strategic positioning aimed at diversifying its exposures. To this end, the Group seeks to preserve:

- the diversification of its business by maintaining a broadly balanced split between its Life and Non-Life reinsurance activities. The business volume split for the year ended December 31, 2020 was approximately 56% for Life reinsurance and 44% for Non-Life reinsurance based on gross written premiums;
- the geographic diversification of the Group's business by:
  - operating in a large number of countries, both mature and emerging,
  - maintaining its policy of being positioned on strong-growth markets such as Asia-Pacific and Latin America,
  - operating as a mixed Non-Life and Life reinsurer in China using the license received in 2011, enabling SCOR to add Life reinsurance services to the existing Non-Life activities; and
- the diversification of underwritten risks by product lines in Life reinsurance (Protection, Financial Solutions, Longevity) and in Non-Life reinsurance (Specialties Insurance, Reinsurance and P&C Partners).

Gross written premiums

Gross written premiums for the financial year ended December 31, 2020 amounted to EUR 16,368 million, an increase of 0.2% compared to EUR 16,341 million in 2019. At constant exchange rates the growth is 1.8%. The overall increase in gross written premiums of EUR 27 million in 2020 is composed of an increase of EUR 13 million for SCOR Global P&C and of EUR 14 million for SCOR Global Life.

Gross written premiums for the financial year ended December 31, 2019 amounted to EUR 16,341 million, an increase of 7.1% compared to EUR 15,258 million in 2018. At constant exchange rates the growth is 4.1%. The overall increase in gross written premiums of EUR 1,083 million in 2019 is composed of an increase of EUR 972 million for SCOR Global P&C and of EUR 111 million for SCOR Global Life.

Gross written premiums for the financial year ended December 31, 2018 amounted to EUR 15,258 million, an increase of 3.2% compared to EUR 14,789 million in 2017. At constant exchange rates the growth was 7.1%. The overall increase in gross written premiums of EUR 469 million in 2018 was composed of an increase of EUR 150 million for SCOR Global P&C and of EUR 319 million for SCOR Global Life.

(1) For the calculation of invested assets please refer to 6.1.4 Invested Assets, Management Classification vs IFRS Classification.

Breakdown of gross written premiums by segment

In EUR millions	2020		2019		2018	
By operating segment						
SCOR Global P&C	7,160	44%	7,147	44%	6,175	40%
SCOR Global Life	9,208	56%	9,194	56%	9,083	60%
TOTAL	**16,368**	**100%**	**16,341**	**100%**	**15,258**	**100%**
Non-Life reinsurance						
Specialties Insurance (1)	1,884	26%	1,741	24%	1,516	25%
Reinsurance (1)	5,276	74%	5,406	76%	4,659	75%
TOTAL SCOR GLOBAL P&C	**7,160**	**100%**	**7,147**	**100%**	**6,175**	**100%**
Life reinsurance						
Protection	7,512	82%	7,412	81%	6,865	76%
Financial Solutions	761	8%	855	9%	1,354	15%
Longevity	935	10%	927	10%	864	10%
TOTAL SCOR GLOBAL LIFE	**9,208**	**100%**	**9,194**	**100%**	**9,083**	**100%**

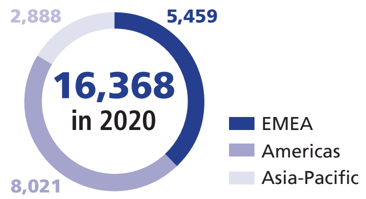
(1) P&C partners is a business unit supporting the development of Reinsurance and Specialties Insurance.

See Section 4.6 – Notes to the consolidated financial statements, Note 5 – Segment information, for further details on the results of the reportable segments.

Distribution by geographical area

In 2020, SCOR generated approximately 33% of its gross written premiums in Europe, Middle East and Africa (EMEA) (2019: 38%), with significant market positions in France, Germany, Spain and Italy, 49% of its gross written premiums in the Americas (2019: 46%) and 18% in Asia (2019: 16%).

Breakdown of Group gross written premiums by geographical area *(in EUR millions)*



The following table shows the breakdown by volume of Life and Non-Life gross premiums written by geographical area based on market responsibility, taking into account the country in which the ceding company operates for treaty business and location of the insured for facultative business:

	Total			SCOR Global Life			SCOR Global P&C		
In EUR millions	2020	2019	2018	2020	2019	2018	2020	2019	2018
EMEA (1)	5,459	6,180	5,995	2,942	3,141	3,181	2,517	3,039	2,814
Americas (1)	8,021	7,494	6,428	4,621	4,633	4,174	3,400	2,861	2,254
Asia-Pacific	2,888	2,667	2,835	1,645	1,420	1,728	1,243	1,247	1,107
TOTAL	**16,368**	**16,341**	**15,258**	**9,208**	**9,194**	**9,083**	**7,160**	**7,147**	**6,175**

(1) In 2019, the market responsibility for one portfolio was reallocated from the Americas to EMEA in SCOR Global Life. The gross written premiums for SCOR Global Life previously reported in the 2018 Registration Document for Americas was EUR 4,375 million for the year ended December 31, 2018. Gross written premiums previously reported for EMEA was EUR 2,980 million for the year ended December 31, 2018.

Net earned premiums

Net earned premiums for the year ended December 31, 2020 amounted to EUR 14,517 million as compared to EUR 14,058 million and EUR 13,611 million for the years ended December 31, 2019 and 2018, respectively. The overall increase in net earned premiums amounted to EUR 459 million from 2019 to 2020 and EUR 447 million from 2018 to 2019.

Net investment income

Net investment income (1) for the year ended December 31, 2020 amounted to EUR 665 million as compared to EUR 671 million for the year ended December 31, 2019 and EUR 615 million for the year ended December 31, 2018. The evolution of the net investment income in 2020 is driven by strong investment revenues, albeit impacted by the low yield environment and supported by the active portfolio management strategy implemented by SCOR Global Investments. This strong performance in 2020 has also been translated into substantial realized capital gains of EUR 197 million, significantly higher compared to 2019 (EUR 93 million) and mostly achieved on the fixed income and real estate portfolios. Impairment and amortization charge stands at EUR 54 million and increases in 2020 compared to 2019 (EUR 32 million) and 2018 (EUR 26 million), driven by equity impairments resulting from the volatility on equity markets which followed the Covid-19 pandemic outbreak.

The return on invested assets in 2020 was 2.8% as compared to 3.0% in 2019 and 2.8% in 2018.

(1) See Section 1.3.9 – Calculation of financial ratios.

Gross benefits and claims paid

Gross benefits and claims paid were EUR 12,494 million, EUR 11,792 million and EUR 11,168 million in 2020, 2019 and 2018, respectively. The level of gross benefits and claims paid in 2020 has notably been impacted by the Covid-19 pandemic outbreak. For SCOR Global P&C, the level of gross benefits and claims paid increased to EUR 4,774 million during 2020 from EUR 4,576 million in 2019 (2018: EUR 3,942 million). For SCOR Global Life the level of gross benefits and claims paid increased to EUR 7,720 million in 2020 from EUR 7,216 million in 2019 (2018: EUR 7,226 million).

Net retrocession result

The net result of the Group's retrocession program was a net cost of EUR 318 million in 2020 as compared to a net cost of EUR 327 million and EUR 264 million in 2019 and 2018, respectively.

The impact of alternative retrocession coverage includes catastrophe bonds: Atlas IX Series 2015-1 (ended December 31, 2018), and 2016 (ended December 31, 2019), Atlas Capital UK 2019 PLC catastrophe bonds, and Atlas Capital Reinsurance 2020 DAC (SCOR Global P&C; see Section 3.2.3 – Retrocession and other risk mitigation techniques) that are not included in the net cost of retrocession as the products are accounted for as derivatives.

The total amount recorded under "other operating expenses" in 2020 is an expense of EUR 55 million (2019: EUR 61 million and 2018: EUR 35 million) mainly linked to the Atlas catastrophe bonds' depreciation.

Other operating income and expenses include a recovery of USD 9 million (EUR 8 million) on Atlas IX 2015-1 related to 2017 hurricane Harvey, Irma and Maria (HIMM) events (in 2019: USD 13 million (EUR 12 million).

Expenses

The Group cost ratio [1], calculated as the total of all management expenses less certain non-controllable expenses (*e.g.* bad debts), legal settlements, acquisition expenses and amortization, divided by gross written premiums, was 4.5% for the year ended December 31, 2020, and improved from 4.7% in 2019 and 5.0% in 2018. Management expenses for the years ended December 31, 2020, 2019 and 2018 were EUR 920 million, EUR 937 million, and EUR 893 million respectively, on a comparative basis.

Operating income

Operating result before impact of acquisitions for the year ended December 31, 2020 amounted to EUR 479 million as compared to EUR 713 million in 2019 and EUR 632 million in 2018. The decrease between 2019 and 2020 is mainly due to the Covid-19 pandemic that has impacted SCOR Global P&C and SCOR Global Life's business units. For the year ended December 31, 2020, the operating segment SCOR Global Life contributed EUR 333 million (EUR 437 million and EUR 371 million in 2019 and 2018, respectively) and SCOR Global P&C EUR 276 million (EUR 407 million and EUR 393 million in 2019 and 2018, respectively) to the operating result. In 2020, 2019 and 2018, EUR (130) million, EUR (131) million and EUR (132) million respectively, related to Group functions.

Consolidated net income – Group share

SCOR generated a consolidated net income of EUR 234 million in 2020, compared to EUR 422 million and EUR 322 million for the years ended December 31, 2019 and 2018, respectively.

In a year marked by the Covid-19 pandemic and a series of natural catastrophes, SCOR continues to demonstrate its ability to absorb shocks, delivering robust results in 2020. It has been backed a positive underlying performance of SCOR Global P&C and SCOR Global Life and a prudent asset management policy which safeguarded shareholders' interests whilst delivering solid returns, albeit in a very low interest rate environment.

In 2020, the effective tax rate was 31.4% compared to 25.7% in 2019 which was mainly impacted by the US tax reform, tax rate differentials and non deductible expenses, and 34.7% in 2018. See Section 4, Note 18 – Income taxes, for further explanations on the effective tax rate.

Return on equity was 3.8%, 7.0% and 5.5% for the years ended December 31, 2020, 2019 and 2018 respectively. Basic earnings per share were EUR 1.26, EUR 2.27 and EUR 1.72 for the years ended December 31, 2020, 2019 and 2018, respectively.

1.3.5.3. SCOR GLOBAL P&C

SCOR Global P&C is a leading P&C reinsurer with a worldwide footprint.

The business comprises the traditional reinsurance operations: Specialties Insurance and Reinsurance. SCOR Global P&C capitalizes on a long-standing franchise, experience, and an extensive data base comprising multi-line expertise.

Despite the Covid-19 pandemic SCOR Global P&C continued on a growth trend over 2020 and its underlying fundamentals remain strong in line with the strategic plan "Quantum Leap" assumptions, on a normalized basis. SCOR Global P&C confirmed its position as a leading reinsurer, demonstrating its resilience to the shock of the Covid-19 pandemic, in particular thanks to a reactive and efficient portfolio management policy.

SCOR Global P&C had continued on a strong growth trend in 2019 benefitting from a robust underwriting performance following successive treaty renewals and facultatives' portfolio underwritings throughout the year. Despite a second half year marked by natural catastrophes, SCOR Global P&C confirmed the objectives of its new strategic plan "Quantum Leap", in particular thanks to an efficient portfolio management policy.

SCOR Global P&C had a strong growth in 2018, supported by renewals in line with the Group's strategic plan "Vision In Action", benefiting from improved pricing for its reinsurance programs as well as improvements in the insurance market environment through its Reinsurance and Specialties Insurance activities. Despite a year marked by natural catastrophes, SCOR Global P&C confirmed its position as a leading reinsurer, in particular thanks to an efficient portfolio management policy.

(1) *See Section 1.3.9 – Calculation of financial ratios.*

Gross written premiums

In 2020, gross written premiums increased by 0.2% compared to 2019 (from EUR 7,147 million to EUR 7,160 million) and by 2.4% at constant exchange rates. Gross written premiums were affected by the Covid-19 pandemic's effects which triggered a reduction of expected gross premium income mainly on the Aviation, Marine, Credit, Surety and Political Risks lines of business. Excluding this impact of EUR (225) million the growth would have been of 3.3% (5.6% at constant exchange rate), in line with the "Quantum Leap" targets.

In 2019, gross written premiums increased by 15.8% compared to 2018, from EUR 6,175 million to EUR 7,147 million. At constant exchange rates the growth was 12.7%, supported by both Reinsurance (US Property and Casualty treaties) and Specialties Insurance (MGAs and SBS Property) activities.

In 2018, gross written premiums increased by 2.5% compared to 2017 from EUR 6,025 million to EUR 6,175 million. At constant exchange rates the growth was 6.7% and was consistent with the trend indicated after January 2018 renewals.

Net combined ratio

In 2020, the net combined ratio reflects the impact of the Covid-19 pandemic, named a pandemic since March 2020. The natural catastrophe ratio remains within the budget assumptions and stands at 6.8% compared to 11.6% in 2019 and 12.6% in 2018.

In 2019, the net combined ratio reflected large and extended natural catastrophes that occurred during the year, impacting mainly Japan and the Bahamas, partially absorbed by 1.9 percentage points of reserve releases (EUR 110 million). The natural catastrophe ratio stands at 11.6% compared to 12.6% in 2018 and 14.9% in 2017.

In 2018, the net combined ratio reflected severe and extended natural catastrophes that occurred, especially in Japan and the Americas, partially absorbed by 1.9 percentage points of reserve releases (EUR 100 million). The natural catastrophe ratio stands at 12.6% compared to 14.9% in 2017 and 5.5% in 2016.

Impact of natural catastrophes

SCOR defines a natural catastrophe as a natural event involving several risks and causing pre-tax losses, net of retrocession, above or equal to EUR 3 million.

The following table highlights losses due to natural catastrophes for the years 2020, 2019 and 2018:

	As at December 31		
	2020	2019	2018
CURRENT FINANCIAL YEAR EVENTS			
Number of catastrophes occurred during the financial year	32 (3)	24 (5)	24 (7)
In EUR millions	-	-	-
Losses and loss adjustment expenses due to catastrophes, gross	450	779	901
Losses due to catastrophes, net of retrocession	400	616	681
PREVIOUS FINANCIAL YEAR EVENTS INCLUDED IN CURRENT LOSS RATIO			
Number of catastrophes occured during previous financial year	8 (4)	9 (6)	7 (8)
In EUR millions	-	-	-
Losses and loss adjustment expenses due to catastrophes, gross	33 (4)	139 (6)	4 (8)
Losses due to catastrophes, net of retrocession	23 (4)	49 (6)	(25) (8)
TOTAL OF EVENTS INCLUDED IN CURRENT LOSS RATIO			
Number of catastrophes occured during current and previous financial years	40	33	31
In EUR millions	-	-	-
Losses and loss adjustment expenses due to catastrophes, gross	483	918	906
Losses due to catastrophes, net of retrocession (2)	423	665	656
Group net loss ratio (1)	70.2%	68.1%	66.6%
Net attritional ratio	63.4%	56.5%	54.0%

(1) The net loss ratio is calculated by dividing Non-Life claims (including claims arising from natural catastrophes) by Non-Life premiums earned. This ratio is net of retrocession (See Section 1.3.9.5 – Net combined ratio).
(2) Net of retrocession and reinstatement premiums (assumed and retrocession).
(3) Including Hurricane Laura, Midwest Derecho, Sally, Hanna, Delta, Zeta, Isaias and ETA, Hailstorms in New South Wales and Calgary, Tornadoes in the US, Typhoons Haishen and Maysak, Fires in Australie and in the US, Storm Gloria and Ciara/Sabine, Flooding in Indonesia, UAE, China and in the US, cyclone Amphan and coal windstorm in Newcastle.
(4) Including developments on Italian Storms, Typhoon Faxai and Hagibis and Hurricane Dorian.
(5) Including Typhoons Hagibis, Faxai, Hurricane Dorian, US Cyclone Bomb CAT 1919, Dallas Tornado – CAT 1961, Various Italian Storms 2019 (five events), Townsville flooding, Southern Peru flooding, Storm Eberhard, US Storm & Tornicadoes, Sao Paulo Flooding, Texas Hailstorm CAT, Cyclone Fani, US weather event cat, Nothern Peru Earthquake, Munich Hailstorm, Typhoon Lekima, India Floods and Luxembourg Tornado.
(6) Including developments on Italian Storms 2018, Typhoon Jebi and Trami, Hurricane Michael, Camp California Wildfire and Kuwait Flood.
(7) Including Typhoons Jebi, Trami, Mangkhut and Yutu in Saipan and Tinian, Hurricanes Michael, Florence and Leslie, Camp Califnornia Fire and Woolsey California Fire, Friederike storm, Papua New Guinea Earthquake, Ituango heavy rains, Italian Storms, Kilauea vulcanic eruption in Hawai, floods in Japan and Kerala, Cyclone Mekunu, Northern Osaka Earthquake, US storms in May and July, Carr Wildfire in California and Swedish wildfires, Ontatio windstorm and Sydney hailstorms.
(8) Including developments on Hurricane Harvey, Irma, Maria, Mexico Earthquakes, Northern and Southern California wildfires and Flash Flood N. Italia (Brescello).

In 2020, SCOR was affected by the following catastrophes which resulted in total net estimated losses of EUR 400 million as at December 31, 2020:

In EUR millions Cat losses	Date of loss	Estimated loss net of retrocession as at December 31, 2020
Hurricane Laura – Cat 2050	August 2020	82
Midwest Derecho CAT 2046	August 2020	31
Hurricane Sally – PCS 2063	September 2020	30
New South Wales Hailstorms	January 2020	26
Tennessee Tornadoes – PCS 2016	March 2020	24
Calgary Hailstorm – Canada	June 2020	23
Typhoon Haishen	September 2020	18
Australian Bushfires	February 2020	15
US Easter Tornadoes (PCS 2020)	April 2020	13
Storm Gloria	January 2020	11
Other natural catastrophes (less than EUR 10 million)		127
TOTAL		**400**

In 2019, SCOR was affected by the following catastrophes which resulted in total net estimated losses of EUR 616 million as at December 31, 2019:

In EUR millions Cat losses	Date of loss	Original estimated loss net of retrocession as at December 31, 2019	Adjusted Estimated loss net of retrocession as at December 31, 2020
Kuwait Flood	November 2018	28	29
US Cyclone Bomb CAT 1919	March 2019	10	12
Hurricane Dorian	September 2019	90	99
Typhoon Faxai	September 2019	156	185
Typhoon Hagibis	October 2019	227	206
Dallas Tornado – CAT 1961	October 2019	14	17
Various Italian Storms 2019 (5 events)	July 2019	31	37
Other natural catastrophes (less than EUR 10 million)		60	63
TOTAL		**616**	**648**

In 2018, SCOR was affected by the following catastrophes which resulted in total net estimated losses of EUR 681 million as at December 31, 2018:

In EUR millions Cat losses	Date of loss	Original estimated loss net of retrocession as at December 31, 2018	Original estimated loss net of retrocession as at December 31, 2019	Adjusted Estimated loss net of retrocession as at December 31, 2020
Typhoon Jebi	September 2018	167	203	203
Hurricane Michael	October 2018	125	141	142
Camp California Wildfire	November 2018	110	61	49
Hurricane Florence	September 2018	60	55	58
Woolsey California Wildfire	November 2018	34	41	38
Typhoon Trami	September 2018	31	61	61
Friederike Storm	January 2018	26	26	27
Typhoon Mangkhut	September 2018	22	22	20
Papua New Guinea EQ	February 2018	18	18	19
Ituango heavy rain	April 2018	11	11	11
Italian Storms	October 2018	10	28	29
Other natural catastrophes (less than EUR 10 million)		68	58	56
TOTAL		**681**	**724**	**713**

1.3.5.4. SCOR GLOBAL LIFE

SCOR Global Life operates through its unified global organization with a macro market approach in three regions: Americas, EMEA (Europe, Middle East, Africa and Latin America) and Asia-Pacific. It underwrites Life reinsurance business in the following product lines:

- Protection;
- Financial Solutions;
- Longevity.

Protection encompasses traditional life reinsurance business for living and death benefits. The main risks undertaken are mortality, morbidity and behavioral risks for individuals and groups of individuals. Financial Solutions combine traditional life reinsurance with financing components providing liquidity, balance sheet, solvency and/or income improvements to the client. Longevity products cover the risk of negative deviation from expected results due to the insured or annuitant living longer than assumed in the pricing of insurance cover provided by insurers or pension funds.

In 2020, SCOR Global Life continued to grow profitably in a competitive life reinsurance market, while achieving solid operating profitability and absorbing the financial impacts of the Covid-19 pandemic. The positive result from SCOR Global Life reflects a robust flow of new business and the strategic expansion of the franchise in various key markets and product lines. The in-force book globally contributed positively to the results, despite the underlying US mortality claims experience being higher than expected, thanks to a strong overall reserve position, as well as successful premium rate increases on certain individual reinsurance treaties. Both claims experience and in-force management actions may vary over time. The net technical result includes EUR 314 million claims caused by the Covid-19 pandemic, of which EUR 283 million relates to the life reinsurance business in the U.S. and EUR 31 million relate to all other markets.

Gross written premiums by product line

SCOR Global Life ranks among the top tier life reinsurers worldwide [(1)] and has grown by 0.2% in gross written premiums from EUR 9,194 million in 2019 to EUR 9,208 million in 2020 (a 1.4% increase at constant exchange rates [(2)]). SCOR Global Life continued to strategically develop its business by managing growth carefully during the Covid-19 pandemic. Growth was recognized in the Protection product line mainly in Asia-Pacific, in the Financial Solutions product line in Americas and specific markets in Asia-Pacific, and in the Longevity product line in EMEA.

Protection

The Protection business accounts for 82% of total gross written premiums in 2020 and remains the main driver for premium growth (2.7% growth in gross written premiums in 2020 at constant exchange rates [(2)]). SCOR Global Life has maintained its leadership in the US Life reinsurance market [(3)], the largest life reinsurance market in the world. In the EMEA region, SCOR Global Life strategically reinforced its franchises in key European markets.

Asia-Pacific remains a region with significant growth opportunities both in terms of premiums and profitability. Protection premium development in this region was driven by higher business volumes in China, South Asia and North Asia.

Within the Protection product line, mortality was the main risk underwritten.

- Mortality protection: 58% of SCOR Global Life's portfolio is traditional mortality reinsurance business, based on 2020 gross written premiums. SCOR Global Life developed a strong position in Mortality in the US, as well as in the major European markets.
- Long-Term Care (LTC): SCOR Global Life has been pioneering LTC reinsurance solutions in the French market for twenty years and has acquired a sound practical experience in the underwriting and the management of LTC risks.
- Disability: SCOR Global Life has established strong market positions in disability in many continental Europe markets, Australia and New Zealand, and Canada.
- Critical Illness: SCOR Global Life is a market leader in the UK. It also leverages its experience and expertise from the UK to expand into selected Asian markets and South Africa.
- Medical represents a rather small portion of SCOR Global Life's portfolio, with new business volumes mainly written in Asia.
- Personal Accident also represents a small proportion of SCOR Global Life's portfolio. A main source of Personal Accident business for SCOR Global Life is obtained through its distribution services company, ReMark, which provides direct marketing of life insurance products to insurers, financial institutions and affinity partners.

Through its Global Distribution Solutions (GDS), SCOR Global Life has successfully deployed a number of innovative and tailored client services which aim to help insurers expand and develop their own client bases (ReMark, Velogica and SCOR Telemed). In this market segment SCOR Global Life has leadership positions in many markets in the EMEA and Asia-Pacific regions.

Financial Solutions

In the Financial Solutions product line, accounting for 8% of 2020 gross written premiums, SCOR Global Life has built a recognized position in providing capital and solvency solutions. Since 2013, SCOR Global Life has signed landmark transactions in Europe, the US, Asia and Latin America. In 2020 SCOR Global Life confirmed its position in the Asia-Pacific region and in the US market.

Longevity

SCOR Global Life has established itself as a recognized provider for longevity reinsurance, focusing on longevity risk transfer transactions for large in-payment pension portfolios, creating a new business pipeline with growth opportunities. The Longevity product line accounts for 10% of SCOR Global Life's gross written premiums in 2020 and is one of the drivers of premium growth (1.4% increase in gross written premiums in 2020 at constant exchange rate [(2)]). The main active market to date for SCOR Global Life is the UK.

(1) Based on 2019 gross written premiums. Source: NMG report.
(2) At December 31, 2020 exchange rates.
(3) Source: 2019 SOA/Munich Re survey of US life reinsurance, published in 2020.

Life technical margin

Overall, the Life technical margin in 2020 was 5.8% compared to 7.5% in 2019 and 7.0% in 2018. The 2020 technical margin is impacted by -3.7 pts. due to Covid-19 claims.

1.3.5.5. NET INVESTMENT INCOME AND INVESTMENT INCOME ON INVESTED ASSETS

Net investment income for the year ended December 31, 2020 amounted to EUR 665 million compared to EUR 671 million and EUR 615 million for the years ended December 31, 2019 and December 31, 2018, respectively.

The return on invested assets in 2020 was 2.8% as compared to 3.0% in 2019 and 2.8% in 2018. The evolution of investment income in 2020 is driven by strong investment revenues, albeit impacted by the low yield environment and supported by the active portfolio management strategy implemented by SCOR Global Investments, which translated into substantial realized capital gains of EUR 197 million, mostly achieved on the fixed income and real estate portfolios. The impairment and amortization charge stands at EUR 54 million and increases in 2020 compared to 2019 and 2018, driven by equity impairments resulting from the volatility on equity markets, which followed the Covid-19 pandemic outbreak.

The following table presents a reconciliation of these figures with the IFRS figures as presented in Section 4.6 – Notes to the consolidated financial statements, Note 19 – Investment income.

	As at December 31		
In EUR millions	2020	2019	2018
Investment revenues on invested assets [(1)]	**427**	**511**	**463**
Realized gains/(losses) on fixed income	143	34	5
Realized gains/(losses) on loans	-	-	-
Realized gains/(losses) on equities	-	2	107
Realized gains/(losses) on real estate [(2)]	47	48	10
Realized gains/(losses) on other investments	7	9	1
Realized gains/(losses) on invested assets [(2) (3)]	**197**	**93**	**123**
Impairment of fixed income	(2)	(9)	(2)
Impairment of loans	(3)	(1)	(1)
Impairment of equities	(31)	-	-
Impairment/depreciation of real estate [(4)]	(18)	(20)	(22)
Impairment of other investments	-	(2)	(1)
Impairment/amortization on invested assets [(4) (5)]	**(54)**	**(32)**	**(26)**
Fair value through income on invested assets [(6)]	16	20	(24)
Financing costs on real estate [(7)]	(4)	(4)	(4)
TOTAL INVESTMENT INCOME ON INVESTED ASSETS	**582**	**588**	**532**
Net interest income on funds withheld and contract deposits	163	158	151
Investment management expenses	(80)	(75)	(68)
TOTAL NET INVESTMENT INCOME	**665**	**671**	**615**
Foreign exchange gains/(losses)	(13)	3	(13)
Income from other consolidated entities [(8)]	1	1	12
Income/(expenses) on technical items [(9)]	(3)	-	1
Financing costs on real estate	4	4	4
IFRS INVESTMENT INCOME NET OF INVESTMENT MANAGEMENT EXPENSES	**654**	**679**	**619**
Average invested assets	20,486	19,838	19,041
Return on invested assets *(ROIA as a %)*	2.8%	3.0%	2.8%

(1) Investment revenues on invested assets are presented net of EUR 3 million real estate revenues attributable to third parties and net of EUR 1 million revenues related to investments not held for investment purposes.

(2) Realized gains/(losses) on invested assets are presented net of EUR 3 million realized gain related to investments not held for investment purposes, included in realized capital gains/losses on investments under IFRS.

(3) Realized gains/(losses) on invested assets are presented net of EUR (3) million realized losses on derivatives shown under fair value through income on invested assets.

(4) Impairment/depreciation of real estate is presented net of EUR (5) million impairment/depreciation attributable to third parties.

(5) Impairment/depreciation on invested assets are present net of EUR (1) million impairment/depreciation related to investments not held for investment purposes.

(6) Fair value through income on invested assets includes EUR (1) million investment income from other consolidated entities.

(7) Real estate financing expenses relate to real estate investments (buildings held for investment purposes) only, net of financing expenses attributable to third parties.

(8) Includes (6).

(9) Income/(expenses) on technical items include (1), (2), (3), (4) and (5) amongst other technical items.

During 2020, invested assets were stable despite the market turmoil, slightly decreasing to EUR 20,522 million from EUR 20,571 million at December 31, 2019, mainly as a result of positive income generated by the invested assets portfolio in 2020, positive mark-to-market development, offset by foreign currency exchange impacts.

SCOR announced its new investment strategy in September 2019, as part of its "Quantum Leap" strategic plan. During the thirty-month period covered by the strategic plan SCOR Global Investments intends to provide a strong and recurring financial contribution from the invested assets portfolio. SCOR Global Investments' roadmap is built around the following pillars:

- acting as a sustainable investor to better manage risks and generate superior long-term returns;
- enhancing portfolio diversification towards value-creation assets to increase portfolio returns;
- maximizing value creation while safeguarding portfolio value;
- fully leveraging SCOR's positioning as a leading player in Insurance-Linked Securities (ILS) with the acquisition of Coriolis Capital; and
- keeping SCOR Investment Partners' strong momentum in third-party asset gathering through a comprehensive product offering and best-in-class returns.

Liquidity, defined as SCOR's share of cash and cash equivalents and short-term government bonds (with maturities above three months and below twelve months) and bank overdrafts, is at 9% of invested assets as at December 31, 2020, increased by 3% compared with the level of 6% observed as at December 31, 2019.

The fixed income portfolio represents a significant portion of SCOR's invested assets with 79% invested within this asset class (81% at year-end 2019). The exposure to corporate bonds is stable at 43% at the end of 2019 and 2020. The exposure to government bonds and assimilated decreased slightly from 27% to 26%, the exposure to covered bonds and Agency MBS decreased from 9% to 7% and the exposure to structured and securitized products is stable at 2%, over the same period. The fixed income portfolio remains of very high quality with an average rating at "A+" at the end of 2020, stable compared to the average rating at the end of 2019. The duration of the fixed income portfolio stands at 3.3 years at the end of 2020 compared to 3.4 years at the end of 2019.

SCOR's exposure to loans remained stable at 5% of invested assets as at December 31, 2020 (as at December 31, 2019: 5% of invested assets).

SCOR's exposure to equity securities remained stable at 2% of invested assets as at December 31, 2020 (as at December 31, 2019: 2% of invested assets). This exposure is essentially composed of convertible bonds and to a lower extent listed equities.

The real estate portfolio remained stable at 3% of invested assets as at December 31, 2020 (as at December 31, 2019: 3% of invested assets).

Other investments, comprising mainly ILS, private equity and infrastructure funds and non-listed equities remained stable at 3% of invested assets as at December 31, 2020 (as at December 31, 2019: 3% of invested assets).

The following table presents a reconciliation of these figures with the IFRS amounts as presented in Section 4 – Consolidated financial statements:

As at December 31, 2020

IFRS classification \ Management classification	Cash	Fixed income	Loans	Equities	Real estate	Other invest-ments	Total invested assets	Funds withheld and other	Total invest-ments	Accrued interests	Tech-nical items (1)	Total IFRS classifi-cation
Real estate investments	-	-	-	-	603	-	603	-	603	-	-	603
Equities	-	90	52	163	92	202	599	55	654	-	-	654
Debt securities	-	16,052	1,407	-	-	8	17,467	-	17,467	122	-	17,589
Available-for-sale financial assets	**-**	**16,142**	**1,459**	**163**	**92**	**210**	**18,066**	**55**	**18,121**	**122**	**-**	**18,243**
Equities	-	-	-	232	-	1,386	1,618	-	1,618	-	-	1,618
Debt securities	-	-	-	14	-	-	14	-	14	-	-	14
Investments at fair value through income	**-**	**-**	**-**	**246**	**-**	**1,386**	**1,632**	**-**	**1,632**	**-**	**-**	**1,632**
Loans and receivables (2)	**-**	**184**	**1,124**	**-**	**4**	**68**	**1,380**	**8,034**	**9,414**	**4**	**-**	**9,418**
Derivative instruments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**202**	**202**
TOTAL INSURANCE BUSINESS INVESTMENTS	**-**	**16,326**	**2,583**	**409**	**699**	**1,664**	**21,681**	**8,089**	**29,770**	**126**	**202**	**30,098**
Cash and cash equivalents	1,804	-	-	-	-	-	1,804	-	1,804	-	-	1,804
TOTAL INSURANCE BUSINESS INVESTMENTS AND CASH AND CASH EQUIVALENTS	**1,804**	**16,326**	**2,583**	**409**	**699**	**1,664**	**23,485**	**8,089**	**31,574**	**126**	**202**	**31,902**
Less third parties' interests (3)	(165)	(137)	(1,621)	(9)	(59)	(1,222)	(3,213)	-	(3,213)	-	-	-
Other consolidated entities (4)	-	-	-	-	-	280	280	-	280	-	-	-
Direct real estate unrealized gains and losses (5)	-	-	-	-	125	-	125	-	125	-	-	-
Direct real estate debt (6)	-	-	-	-	(145)	-	(145)	-	(145)	-	-	-
Cash payable/receivable	(10)	-	-	-	-	-	(10)	-	(10)	-	-	-
TOTAL MANAGEMENT CLASSIFICATION	**1,629**	**16,189**	**962**	**400**	**620**	**722**	**20,522**	**8,089**	**28,611**	**-**	**-**	**-**

(1) Including Atlas CAT bonds and foreign exchange derivatives.
(2) Loans and receivables excluded from invested assets are certificates of deposit (CDs) maturing in more than three months and less than twelve months.
(3) Assets invested by third parties in mutual funds and non-controlling real estate investments fully consolidated by SCOR.
(4) Certain consolidated entities held for investment purposes have been included in the scope of Invested Assets.
(5) Fair value less carrying amount of real estate investments excluding EUR 7 million attributable to third-party investors.
(6) Real estate financing related to real estate investments (buildings held for investment purposes) excluding EUR 31 million attributable to third-party investors.

As at December 31, 2019

IFRS classification / Management classification	Cash	Fixed income	Loans	Equities	Real estate	Other invest-ments	Total invested assets	Funds withheld and other	Total invest-ments	Accrued interests	Tech-nical items (1)	Total IFRS classifi-cation
Real estate investments	**-**	**-**	**-**	**-**	**661**	**-**	**661**	**-**	**661**	**-**	**-**	**661**
Equities	-	34	93	209	88	122	546	55	601	-	-	601
Debt securities	-	16,796	1,308	5	-	-	18,109	-	18,109	133	-	18,242
Available-for-sale financial assets	-	**16,830**	**1,401**	**214**	**88**	**122**	**18,655**	**55**	**18,710**	**133**	**-**	**18,843**
Equities	-	-	-	250	-	1,099	1,349	-	1,349	-	-	1,349
Debt securities	-	-	-	2	-	-	2	-	2	-	-	2
Investments at fair value through income	**-**	**-**	**-**	**252**	**-**	**1,099**	**1,351**	**-**	**1,351**	**-**	**-**	**1,351**
Loans and receivables (2)	-	97	891	-	-	-	988	8,228	9,216	4	-	9,220
Derivative instruments	-	-	-	-	-	-	-	-	-	-	208	208
TOTAL INSURANCE BUSINESS INVESTMENTS	**-**	**16,927**	**2,292**	**466**	**749**	**1,221**	**21,655**	**8,283**	**29,938**	**137**	**208**	**30,283**
Cash and cash equivalents	1,435	-	-	-	-	-	1,435	-	1,435	-	-	1,435
TOTAL INSURANCE BUSINESS INVESTMENTS AND CASH AND CASH EQUIVALENTS	**1,435**	**16,926**	**2,292**	**466**	**749**	**1,221**	**23,090**	**8,283**	**31,373**	**137**	**208**	**31,718**
Less third parties' interests (3)	(211)	(141)	(1,332)	(11)	(62)	(941)	(2,698)	-	(2,698)	-	-	-
Other consolidated entities (4)	-	-	-	-	-	282	282	-	282	-	-	-
Direct real estate unrealized gains and losses (5)	-	-	-	-	141	-	142	-	142	-	-	-
Direct real estate debt (6)	-	-	-	-	(185)	-	(186)	-	(186)	-	-	-
Cash payable/ receivable	(59)	-	-	-	-	-	(59)	-	(59)	-	-	-
TOTAL MANAGEMENT CLASSIFICATION	**1,165**	**16,786**	**960**	**455**	**643**	**562**	**20,571**	**8,283**	**28,854**	**-**	**-**	**-**

(1) Including Atlas CAT bonds and foreign exchange derivatives.
(2) Loans and receivables excluded from invested assets are certificates of deposit (CDs) maturing in more than three months and less than twelve months.
(3) Assets invested by third parties in mutual funds and non-controlling real estate investments fully consolidated by SCOR.
(4) Certain consolidated entities held for investment purposes have been included in the scope of Invested Assets.
(5) Fair value less carrying amount of real estate investments excluding EUR 6 million attributable to third-party investors.
(6) Real estate financing related to real estate investments (buildings held for investment purposes) excluding EUR 31 million attributable to third-party investors.

1.3.6. FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

SCOR continues to demonstrate its ability to absorb major shocks since the beginning of the year, including the Covid-19 pandemic. The strength of the 2020 results and balance sheet proves the effectiveness of SCOR's strategy, which is based on extensive business and geographical diversification, focusing on traditional reinsurance activity with reinsurance liabilities with very limited exposure to economic activity risks, and no material off balance sheet exposure.

1.3.6.1. CAPITAL

Shareholders' equity

Shareholders' equity stood at EUR 6,177 million at December 31, 2020 compared to EUR 6,374 million at December 31, 2019 and EUR 5,828 million at December 31, 2018. See Section 4.5 – Consolidated statement of changes in shareholders' equity for a description of this change.

Book value per share [1] stood at EUR 33.01 at December 31, 2020 compared to EUR 34.06 and EUR 31.53 at December 31, 2019 and 2018, respectively.

On December 15, 2016, SCOR arranged a contingent capital facility with BNP Paribas. Under this EUR 300 million arrangement, SCOR raised its level of protection by EUR 100 million. On June 29, 2018 BNP Paribas transferred all the warrants to UBS in agreement with SCOR. UBS has thus fully substituted for BNP Paribas in relation to all the rights and obligations arising from the contingent capital facility. On December 2019, SCOR launched of a new 3-year contingent capital facility. This takes the form of a contingent equity line, providing the Group with EUR 300 million coverage in case of extreme natural catastrophe or life events impacting mortality. This equity line facility replaces, as of January 1, 2020, the contingent capital facility which comes to an end on December 31, 2019. For more information on contingent capital, see Section 4.6 – Notes to the consolidated financial statements, Note 13 – Information on share capital, capital management, regulatory framework and consolidated reserves.

Capital Shield Strategy

The Group reconciles its strategic objectives with the protection of its capital *via* its "Capital Shield Strategy", which articulates the Group's risk appetite. This policy is based on an economic approach and aims to protect the Group against potential shocks. The policy is built on the following four concepts: traditional retrocession, capital market solutions, a solvency buffer and a contingent capital facility.

For more information on the Capital Shield Strategy, refer to Section 3.2.3 – Retrocession and other risk mitigation techniques.

For information on the Group's solvency scale, refer to Section 1.3.7 – Solvency and Section 4.6 – Notes to the consolidated financial statements, Note 13 – Information on share capital, capital management, regulatory framework and consolidated reserves.

For information on the Atlas special purpose vehicles used in the Capital Shield Strategy, see Section 4.6 – Notes to the consolidated financial statements, Note 3 – Scope of consolidation.

Restrictions on the use of capital

Some of the letters of credit granted by SCOR to cedents require 100% collateral coverage in case of non-compliance with financial covenants or in case of a decrease in the Group's financial strength rating. For example, the Group and its companies are subject to minimum net worth requirements and maximum debt levels under the terms of certain stand-by letter of credit agreements. Non-respect of these covenants could lead to an increase in the percentage of required collateralization.

However, SCOR makes every effort to limit collateral requirements related to financial covenants or to the Group's financial strength rating in its financial agreements.

For information on collateral requirements, see Section 3.1.5 – Liquidity risks and Section 4.6 – Notes to the consolidated financial statements, Note 24 – Commitments received and given.

For more information on regulatory restrictions on the use of capital, see Section 1.2.1 – Introduction, and Section 4.6 – Notes to the consolidated financial statements, Note 13 – Information on share capital, capital management, regulatory framework and consolidated reserves.

1.3.6.2. BORROWING CONDITIONS AND FINANCING STRUCTURE

Debt is a key component of the Group's financing strategy. It is essentially composed of subordinated debt used to optimize its cost of capital. Subordinated debt provides long-term financial resources as well as financial flexibility.

The total level of financial liabilities which includes subordinated debt, real estate financing and other financial liabilities increased to EUR 3,210 million from EUR 3,027 million in 2019 (2018: EUR 2,831 million).

For information on financial liabilities, including their related covenants, see Section 4.6 – Notes to the consolidated financial statements, Note 14 – Financial liabilities.

For a description of the derivatives used to hedge the risks related to financial liabilities, see Section 4.6 – Notes to the consolidated financial statements, Note 8 – Insurance business investments.

Subordinated debt and leverage ratio

The total amount of subordinated debt increased to EUR 2,538 million from EUR 2,409 million in 2019 (2018: EUR 2,277 million).

On October 20, 2020, SCOR redeemed the CHF 125 million undated subordinated notes, issued on October 20, 2014, on the first call date. These CHF 125 million were already refinanced from the proceeds of the USD 125 million notes issued in 2019.

(1) *See Section 1.3.9 – Calculation of financial ratios.*

On September 10, 2020, SCOR issued a dated subordinated Tier 2 notes in the amount of EUR 300 million. SCOR intends to use the proceeds of the issuance for general corporate purposes. The coupon has been set to 1.375% until September 17, 2031, and resets every 10 years at the prevailing 10-year EUR mid-swap rate +2.6%. The EUR 300 million subordinated Tier 2 notes mature on September 17, 2051.

On December 11, 2019, SCOR placed a perpetual deeply subordinated restricted Tier 1 Regulation S notes issue in the amount of USD 125 million. These New Notes were assimilated (*assimilées*) and form a single series with the existing USD 625,000,000 perpetual deeply subordinated Restricted Tier 1 Notes issued on March 2018.

On March 6, 2018, SCOR placed a perpetual deeply subordinated notes issue on the "Regulation S" USD market in the amount of USD 625 million.

On June 8, 2018, SCOR redeemed the CHF 315 million undated subordinated notes (issued in 2012), and on November 30, 2018, SCOR redeemed the CHF 250 million undated subordinated notes callable in November 2018. The proceeds of the newly issued deeply subordinated Tier 1 Notes issued in 2018 were used to redeem those two subordinated CHF notes.

On May 24, 2016, SCOR successfully placed a dated subordinated notes issue on the Euro market in the amount of EUR 500 million. On July 28 and August 2, 2016 respectively, SCOR completed the calls of the remaining balance of its EUR 350 million (issued in 2006) and CHF 650 million (issued in 2011) perpetual subordinated note lines.

On June 2, 2015, SCOR successfully placed a dated subordinated notes issue on the Euro market in the amount of EUR 250 million. SCOR also called the balance of the USD subordinated step-up floating-rate notes due 2029, and of the EUR subordinated step-up floating-rate notes due 2020, on June 25 and July 6, 2015 respectively. On December 2, 2015, SCOR successfully placed a dated subordinated notes issue on the Euro market in the amount of EUR 600 million.

On September 24, 2014, SCOR successfully placed perpetual subordinated notes on the Swiss franc market, with a first call date on October 20, 2020, for an amount of CHF 125 million. On September 25, 2014, SCOR successfully placed perpetual subordinated notes on the Euro market, with a first call date on October 1, 2025, for a total amount of EUR 250 million. The CHF 125 million undated subordinated note lines, issued on October 20, 2014, was called in October 20, 2020.

The Group has a leverage ratio of 28.5% at December 31, 2020, as compared to 26.4% at December 31, 2019 and 27.5% at December 31, 2018. This ratio is calculated as the percentage of subordinated debt compared to total shareholders' equity plus subordinated debt. The calculation of the leverage ratio excludes accrued interest from debt.

Real estate debt and other financial liabilities

SCOR uses real estate debt and other financial liabilities mainly to finance real estate investments and for general corporate purposes. Real estate debts are non-recourse, the debtors' claims are limited to assets underlying the financing, and there is an asset and liability matching with little to no risk that the assets will be insufficient to service and settle the liabilities. They meet the conditions for operational leverage and can be classified as operational debts, and therefore excluded by the rating agencies from financial leverage calculations. As at December 31, 2020, real estate financing and other financial liabilities amounted to EUR 487 million and EUR 185 million, respectively (December 31, 2019: EUR 517 million and EUR 101 million, respectively). This includes the real estate debt of MRM for the amount of EUR 77 million (EUR 78 million as at December 31, 2019).

Credit facilities

The Group has been granted credit facilities from several companies of the banking sector to guarantee the reinsurance activities of various subsidiaries for a global issued amount of USD 4.3 billion as at December 31, 2020. These credit facilities are stand-by letters of credit that the banking counterparty agrees to issue in the form acceptable to the American National Association of Insurance Commissioners (NAIC) or other appropriate regulatory body.

1.3.6.3. LIQUIDITY

The Group's total liquidity, defined as cash and cash equivalents (including cash and cash equivalents from third parties) [(1)], short-term government bonds with maturities above three months and below twelve months and bank overdrafts, which is well diversified across a limited number of banks, stood at EUR 2.0 billion at the end of 2020 (2019: EUR 1.5 billion and 2018: EUR 1.2 billion) supported by strong operating cash flow generation.

See Section 4.6 – Notes to the consolidated financial statements, Note 12.1 – Cash and cash equivalents.

Total investments, including cash and cash equivalents, amounted to EUR 31.9 billion at December 31, 2020 compared to EUR 31.7 billion and EUR 29.8 billion at December 31, 2019 and 2018, respectively.

(1) See Section 1.3.5.5 – Net investment income and investment income on invested assets.

1.3.7. SOLVENCY

The European "Solvency II" Directive applies to the Group since January 1, 2016. For more details on solvency regulations, see Section 1.2.1 – Introduction.

SCOR's internal model

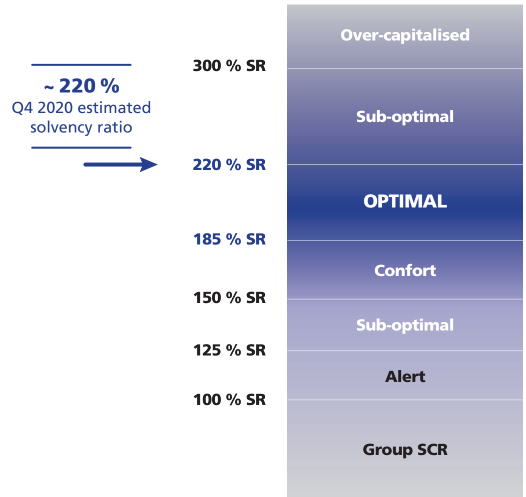
Since January 1, 2016, the regulatory solvency position of the Group has been assessed using SCOR's internal model, which was approved in November 2015 by the relevant supervisory authorities.

This comprehensive and holistic model was developed internally, on the basis of SCOR's experience and expertise. It covers all known material quantifiable risks to which the Group is exposed (Life and Non-Life underwriting risk, market and credit risk, operational risk) and reflects SCOR's risk profile and strategy. This model is based on high scientific standards, and advanced methodologies, systematically applying stochastic simulations and modeling dependencies between risks.

SCOR's internal model is used extensively in the preparation of management decisions which involve risk management or solvency considerations. The solvency position of the Group is monitored using SCOR's dynamic solvency scale which defines SCOR's strategic solvency target for "Quantum Leap" – the "Optimal Range" between 185% and 220% – as well as the various management actions to be taken depending on the solvency position, as shown below.

Solvency ratio

At year-end 2020, SCOR's solvency ratio stood at 220% (1), at the upper end of the optimal solvency range of 185% - 220% defined in "Quantum Leap".



Solvency II places great emphasis on the robustness of the risk management system of (re)insurance companies. SCOR has an established and robust ERM framework covering existing and emerging risks.

For further information on risk management mechanisms, see Section 3 – Risk factors and risk management mechanism.

1.3.8. CASH FLOWS

Positive operating cash flows amounted to EUR 988 million in 2020 (2019: EUR 841 million and 2018: EUR 891 million, respectively). In 2020, SCOR Global P&C provided strong operating cash flows of EUR 1,006 million in increase compared to 2019 (EUR 740 million) following high received settlements on the US, APAC and retro payments, lower nat-cat events and limited Covid-19 impact in 2020. The decrease of technical operating cash flows in 2020 compared to 2019 for SCOR Global Life is mainly due the Covid-19 pandemic and US claims payments. In 2019, SCOR Global P&C provided strong operating cash flows globally in line with 2018. The decrease of technical operating cash flows for SCOR Global Life in 2019 compared to 2018 is mainly due to positive one-off impacts in 2018. In 2018, SCOR Global P&C provided strong cash flow in line with expectations, despite of having commenced payments on Q3 2017 cat events. SCOR Global Life showed elevated technical business cash flow in the last quarter of 2017 due to two large transactions.

Cash flow used in financing activities amounted to EUR (41) million in 2020, EUR (373) million in 2019 and EUR (638) million in 2018. This figure mainly includes the absence of the FY 2019 dividend payment, the issuance of the subordinated Tier 2 notes of EUR 300 million in September 2020 and the redemption of the CHF 125 million undated subordinated notes, issued on October 20, 2014, and callable in October 2020.

Net investing cash flow amounted to EUR (464) million in 2020, EUR (219) million in 2019 and EUR (101) million in 2018. In 2020, cash flows used in investing activities were mainly composed of acquisitions of loans and receivables, while in 2019 they were mainly composed of acquisitions and disposals of other business investments.

The Group's total liquidity, defined as cash and cash equivalents (including cash and cash equivalents from third parties) (2), short-term government bonds with maturities above three months and below twelve months and bank overdrafts, which is well diversified across a limited number of banks, stands at EUR 2.0 billion at the end of 2020 (2019: EUR 1.5 billion and 2018: EUR 1.2 billion), supported by a very strong operating cash flow generation.

See Section 4.4 – Consolidated statement of cash flows and Section 4.6 – Notes to the consolidated financial statements, Note 5 – Segment information for an analysis of the main cash flow statement items and Note 12.1 – Cash and cash equivalents, for a reconciliation between consolidated net income and operating cash flows, and between cash and cash equivalents and Group's total liquidity.

(1) *Solvency ratio based on Solvency II requirements. The Group solvency final results are to be filed to supervisory authorities by May 2021, and may differ from the estimates expressed or implied in this Universal Registration Document.*
(2) *See Section 1.3.5.4 – Net investment income and investment income on invested assets.*

1.3.9. CALCULATION OF FINANCIAL RATIOS

1.3.9.1. BOOK VALUE PER SHARE

In EUR millions	As at December 31, 2020	As at December 31, 2019	As at December 31, 2018
Group shareholders' equity	**6,155**	**6,348**	**5,800**
Shares issued as at closing date	186,730,076	187,049,511	193,085,792
Treasury shares as at closing date	(259,567)	(668,058)	(9,137,286)
Basic number of shares	**186,470,509**	**186,381,453**	**183,948,506**
BASIC BOOK VALUE PER SHARE	**33.01**	**34.06**	**31.53**

1.3.9.2. RETURN ON INVESTMENTS AND RETURN ON INVESTED ASSETS

The return on investments (ROI) is used to assess the profitability of the Group's investments, including funds withheld by cedents and other deposits less cash deposits. This percentage return is calculated by dividing the total net investment income by the average investments (calculated as the quarterly averages of the total investments).

The return on invested assets (ROIA) is used to assess the return on the Group's invested assets excluding funds withheld by cedents. This percentage return is calculated by dividing the total investment income on invested assets by the average invested assets (calculated as the quarterly averages of the total invested assets).

In EUR millions	As at December 31, 2020	As at December 31, 2019	As at December 31, 2018
Average investments (1)	28,135	27,418	26,770
Total net investment income	665	671	615
Return on investments (ROI)	**2.4%**	**2.4%**	**2.3%**
Average invested assets (1)	20,486	19,838	19,041
Total investment income on invested assets	582	588	532
Return on invested assets (ROIA)	**2.8%**	**3.0%**	**2.8%**

(1) Average investments are the quarterly averages of the total investments as per the "Invested assets" reconciliation table included in Section 1.3.5.5 – Net investment income and investment income on invested assets, adjusted for ceded funds withheld.

1.3.9.3. GROUP COST RATIO

In EUR millions	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
Total expenses as per profit & loss account (1)	(857)	(874)	(831)
Unallocated loss adjustment expenses (ULAE) (2)	(63)	(63)	(62)
Total management expenses	**(920)**	**(937)**	**(893)**
Investment management expenses	80	75	68
Total expense base	**(840)**	**(862)**	**(825)**
Corporate finance	11	14	12
Amortization	84	75	43
Non controllable expenses	11	8	14
Total management expenses (for cost ratio calculation)	**(734)**	**(765)**	**(756)**
Gross written premiums	**16,368**	**16,341**	**15,258**
GROUP COST RATIO	**4.5%**	**4.7%**	**5.0%**

(1) Total expenses are investment management expenses, acquisition and administrative expenses and other current operating expenses as presented in Section 4.2 – Consolidated statement of income.
(2) Unallocated loss adjustment expenses are part of gross benefits and claims paid.

1.3.9.4. RETURN ON EQUITY

Return on equity (ROE) is based on the Group's share of net income divided by average shareholders' equity (calculated as time weighted average shareholders' equity).

In EUR millions	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
Consolidated net income – Group share	**234**	**422**	**322**
Consolidated net income – Group share – before U.S. tax reform impact (1)	**234**	**422**	**390**
Opening shareholders' equity – Group share	6,348	5,800	6,195
Weighted consolidated net income (2)	117	211	161
Payment of dividends (3)	-	(218)	(208)
Weighted increase in capital (3)	(12)	(164)	(23)
Effect of changes in foreign exchange rates (4)	(261)	63	47
Revaluation of assets available-for-sale and others (2)	57	328	(261)
Weighted average shareholders' equity	**6,249**	**6,020**	**5,911**
Weighted average shareholders' equity – before U.S. tax reform impact (1)	**6,249**	**6,020**	**5,945**
ROE	**3.8%**	**7.0%**	**5.5%**
ROE – BEFORE U.S. TAX REFORM IMPACT (1)	**3.8%**	**7.0%**	**6.6%**

(1) Refer to the 2018 Registration Document, Section 1.3.3. – Significant event of the year 2018 on the U.S. tax reform (Tax Cuts and Jobs Act, the "TCJA").
(2) Pro-rata of 50%: linear acquisition throughout the period.
(3) Considers time weighted transaction based on transaction dates.
(4) A daily weighted average is applied used for the currency or currencies that experienced material foreign exchange rates movements, and simple weighted average is applied used for the other currencies.

1.3.9.5. NET COMBINED RATIO

The loss ratio is calculated by dividing Non-Life claims (including natural catastrophes) by Non-Life premiums earned. This ratio is net of retrocession.

The commission ratio is calculated by dividing Non-Life reinsurance commissions by Non-Life premiums earned. This ratio is net of retrocession.

The technical ratio is a Non-Life indicator and is calculated as the sum of the loss ratio and commission ratio. This ratio is net of retrocession and is used to assess the net performance of reinsurance transactions excluding P&C management expenses.

The P&C management expense ratio is calculated by dividing management expenses incurred for Non-Life reinsurance operations by Non-Life premiums earned. This ratio is net of retrocession.

In EUR millions	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
Gross earned premiums	7,113	6,712	6,014
Ceded earned premiums	(912)	(991)	(798)
Net earned premiums	**6,201**	**5,721**	**5,216**
Gross benefits and claims paid	(4,774)	(4,576)	(3,942)
Ceded claims	423	682	472
Total Net claims	(4,351)	(3,894)	(3,470)
Loss ratio	**70.2%**	**68.1%**	**66.6%**
Gross commission on earned premiums	(1,643)	(1,543)	(1,454)
Ceded commissions	153	170	112
Total Net commissions	(1,490)	(1,373)	(1,342)
Commission ratio	**24.0%**	**24.0%**	**25.7%**
Total technical ratio	**94.2%**	**92.1%**	**92.3%**
Acquisition and administrative expenses	(254)	(270)	(262)
Other current operating expenses	(67)	(57)	(44)
Other income and expense from reinsurance operations	(54)	(70)	(64)
Total P&C management expenses	**(375)**	**(397)**	**(370)**
Total P&C management expense ratio	**6.0%**	**6.9%**	**7.1%**
TOTAL NET COMBINED RATIO	**100.2%**	**99.0%**	**99.4%**

1.3.9.6. LIFE TECHNICAL MARGIN

The Life technical margin is calculated as a percentage of the net technical result plus income from funds held by ceding companies and the net of gross and ceded earned premiums.

In EUR millions	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
Gross earned premiums	9,208	9,183	9,041
Ceded earned premiums	(892)	(846)	(646)
Net earned premiums	**8,316**	**8,337**	**8,395**
Net technical result	**324**	**472**	**444**
Interest on deposits	156	152	145
Technical result	**480**	**624**	**589**
LIFE TECHNICAL MARGIN	**5.8%**	**7.5%**	**7.0%**

1.3.10. EVENTS SUBSEQUENT TO DECEMBER 31, 2020

No material change has occurred in the Group's financial or commercial situation or in the Groups' financial performance since the end of the 2020 financial year.

1.3.11. DOCUMENTS ON DISPLAY

Throughout the period of validity of the Universal Registration Document, the bylaws and any other document required by law may be consulted and are freely available upon request from the registered office of the Company at 5, avenue Kléber, 75116 Paris, France.

The information published by SCOR within the last 12 months from March 13, 2020 to March 2, 2021 is available for downloading from the following sites:
- *Autorité des marchés financiers* (AMF): http://www.amf-france.org;
- *Bulletin des annonces légales obligatoires* (BALO): http://www.journal-officiel.gouv.fr/balo;
- SCOR: https://www.scor.com/;
- *L'info financière*: http://info-financiere.fr.

02

REPORT ON CORPORATE GOVERNANCE

2.1. CORPORATE GOVERNANCE PRINCIPLES, SHAREHOLDERS' MEETINGS, BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, EMPLOYEES, AND INFORMATION REQUIRED BY ARTICLE L. 22-10-11 OF THE FRENCH COMMERCIAL CODE

2.1.1. CORPORATE GOVERNANCE PRINCIPLES

2.1.1.1. GENERAL PRESENTATION

SCOR SE's shares are listed on the Eurolist of Euronext Paris SA and on the SIX Swiss Exchange (formerly the SWX Swiss Exchange) in Zurich since August 8, 2007.

The corporate governance provisions applicable to SCOR SE include French legal provisions, as well as rules laid down by the French financial market authorities. SCOR believes that its application of corporate governance principles is appropriate and in compliance with best corporate governance practices in effect in France as per the recommendations of the French financial markets authority (*Autorité des marchés financiers* – AMF).

In application of Article L. 22-10-10 of the French Commercial Code, SCOR SE refers to the AFEP-MEDEF corporate governance code in preparing the report to be issued in accordance with Article L. 225-37 of the French Commercial Code (Code de commerce).

The AFEP-MEDEF corporate governance code can be consulted on the Company's website (www.scor.com) or on the AFEP website (www.afep.com).

This report was approved by the Board of Directors of SCOR SE held on February 23, 2021, following an in-depth preparation and review process that involved in particular the Audit Committee, the Risk Committee, the Compensation and Nomination Committee, the Corporate Social and Societal Responsibility and Environmental Sustainability Committee as well as the Legal Department of SCOR SE.

2.1.1.2. CHANGE IN SCOR'S GOVERNANCE STRUCTURE

At its meeting on December 16, 2020, SCOR SE's Board of Directors reached a decision regarding the succession of Denis Kessler, Chairman and Chief Executive Officer.

In accordance with best corporate governance practices, the Compensation and Nomination Committee conducted an in-depth process over several years in preparation for the succession of Denis Kessler as SCOR SE's Chief Executive Officer, making every effort to identify the mode of governance and the people best able to ensure SCOR's development over the coming years, while creating value for all its stakeholders.

The Compensation and Nomination Committee was assisted in its work by a leading international recruitment firm. Moreover, the non-executive director sessions were kept regularly informed about the Compensation and Nomination Committee's work. They were also consulted on the final choice made as part of the succession plan and interviewed the candidates selected by the Compensation and Nomination Committee.

Acting on the proposal of the Compensation and Nomination Committee, the Board of Directors unanimously considered that, while the combination of the roles of Chairman and Chief Executive Officer has proved appropriate since 2002, separating the roles of Chairman and Chief Executive Officer is now the best way to ensure an efficient executive management transition, in full compliance with SCOR's interests and those of all its stakeholders. The change in governance also meets the expectations expressed by a certain number of shareholders. Furthermore, it is aligned with the recommendation issued in July 2020 by France's insurance and reinsurance regulator (ACPR), which states that the entities under its supervision should separate the roles of Chairman and Chief Executive Officer. The new governance structure will come into full effect following the Shareholders' Meeting in the spring of 2022.

Following a rigorous internal and external selection process and acting on the recommendation of the Compensation and Nomination Committee, the Board of Directors unanimously agreed that Benoît Ribadeau-Dumas has all the necessary qualities to be the Chief Executive Officer of SCOR SE and to pursue and deepen the Group's value-creating development model over the coming years. To ensure the best possible executive management transition to Benoît Ribadeau-Dumas, the Board of Directors recommended that he be appointed to the role following the Shareholders' Meeting in the spring of 2022, with Denis Kessler remaining Chief Executive Officer until that date. Since January 1, 2021, Benoît Ribadeau-Dumas has been Deputy Chief Executive Officer of SCOR SE, and, as such, has joined the Group's Executive Committee. As stated in the press release of December 16, 2020, the Board of Directors will also propose that he be made a director at the 2021 Shareholders' Meeting.

Moreover, on the recommendation of the Compensation and Nomination Committee, the Board of Directors unanimously decided that it would be beneficial, when the separation comes into effect in the spring of 2022, for Denis Kessler to remain non-executive Chairman of the Group to ensure a successful transition and to perpetuate the Group's values. A resolution to that effect will be submitted to the 2021 Shareholders' Meeting.

For biographical information on Denis Kessler and Benoît Ribadeau-Dumas, see Sections 2.1.3.2 – Information concerning the members of the Board of Directors and 2.1.6.1 – Biographical information on the members of the Executive Committee.

2.1.2. SHAREHOLDERS' MEETINGS

The conditions for the participation of the shareholders at Shareholders' Meetings and, more specifically, the operating procedures, the main powers of the Shareholders' Meetings, the description of the shareholders' rights as well as the methods of exercising these rights are set forth by Article 19 of the Company's bylaws, an electronic version of which is available on the SCOR website (www.scor.com).

2.1.3. BOARD OF DIRECTORS

2.1.3.1. ROLE OF THE BOARD OF DIRECTORS

In accordance with European law governing European companies and applicable French law, the principal responsibility of the Board of Directors is to define the strategic guidelines of the Company's business activities and to ensure their implementation, in accordance with its corporate interest, taking into account the social and environmental aspects of its activity. It monitors management's performance and ensures the sound and prudent management of the Company. The Chairman and Chief Executive Officer of SCOR SE has the authority to manage the business of the Company, subject to the prior authorization of the Board of Directors or the Shareholders' Meeting for certain decisions as required by law and by the Company's bylaws and subject to the French Insurance Code (Code des assurances) which prescribes that at least two persons shall effectively run the Company ("four-eyes" principle).

2.1.3.2. INFORMATION CONCERNING THE MEMBERS OF THE BOARD OF DIRECTORS

DENIS KESSLER

Chairman and Chief Executive Officer
Chairman of the Strategic Committee
Member of the Crisis Management Committee

First appointed: November 4, 2002	**Term of office expires:** 2021	French – Age: 68 SCOR SE 5, avenue Kléber 75116 Paris, France
Independent: No	**Board meeting attendance rate:** 100%	

MAIN POSITION

- Chairman and Chief Executive Officer of SCOR SE (France)

OTHER POSITIONS

- Director of BNP Paribas SA (France) (1), (2)
- Director of Invesco Ltd (US) (1)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- N/A

Denis Kessler, a French citizen, is a graduate of HEC business school *(École des hautes études commerciales),* holds a PhD in economics and advanced degrees in economics and social sciences, and is a Fellow of the French Institute of Actuaries. He was Chairman of the French Insurance Federation (FFA), Senior Executive Vice-President and member of the Executive Committee of the AXA group and Executive Vice-President of MEDEF *(Mouvement des entreprises de France).* He joined SCOR as Chairman and Chief Executive Officer on November 4, 2002. In January 2016, he was elected to join the Academy of Moral and Political Sciences of the *Institut de France.*

(1) Company whose shares are listed on a regulated or organized market.
(2) Since Denis Kessler did not wish his term of office as a director of BNP Paribas SA to be renewed, this term of office will expire at the 2021 Shareholders' Meeting of this company.

AUGUSTIN DE ROMANET

Lead Independent Director

Chairman of the Compensation and Nomination Committee and Crisis Management Committee

Member of the Strategic Committee and Corporate Social and Societal Responsibility and Environmental Sustainability Committee

First appointed: April 30, 2015	**Term of office expires:** 2023	French – Age: 59 Aéroports de Paris 1, rue de France 95931 Roissy-Charles-de-Gaulle, France
Independent: Yes	**Board meeting attendance rate:** 100%	

MAIN POSITION

- Chairman and Chief Executive Officer of Aéroports de Paris (France) (1)

OTHER POSITIONS

- Chairman and Director of Média Aéroports de Paris (France)
- Member of the Board of Directors of Société de distribution aéroportuaire (SDA) (France)
- Member of the Executive Committee of Relay@ADP (France)
- Chairman of the *Fondation d'entreprise* Groupe ADP (France)
- Director of Régie autonome des transports parisiens (RATP) (France)
- Member of the Supervisory Board of Le Cercle des économistes SAS (France)
- Chairman of the Board of Directors of the association Paris Europlace (France)
- Chairman of the Board of Directors of *Établissement public du domaine national de Chambord* (France)
- Director of FONDACT (France)
- Director of the *Institut pour l'innovation économique et sociale* (France)
- Member of the Board of Directors of Atout France (France)
- Director of the *Fondation de l'islam de France* (France)
- Member of the Board of Directors of Airports Council International (ACI) Europe (Belgium)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Director and Vice-Chairman of the Board of Directors of TAV Havalimanlari Holding A.S. (TAV Airports) (Turkey)
- Director and Vice-Chairman of the Board of Directors of TAV Yatirim Holding A.S. (TAV Investment) (Turkey)
- Director and Vice-Chairman of the Board of Directors of TAV Tepe Akfen Yatirim Insaat ve Isletme A.S. (TAV Construction) (Turkey)
- Chairman of the Board of Directors of ACI Europe (Belgium)

Augustin de Romanet, a French citizen, is a graduate of the *Institut d'études politiques* in Paris and a former student of the *École nationale d'administration*. He was previously Chief Executive Officer of *Caisse des dépôts et consignations,* between 2007 and 2012, and chaired the *Fonds stratégique d'investissement* between 2009 and 2012. Prior to that, he was Deputy Finance Director at Crédit Agricole S.A. and a member of the Executive Committee. Augustin de Romanet also served as Deputy Secretary General to the French President, between June 2005 and October 2006, and held positions in various ministerial offices. In particular, between 2002 and 2005, he was Chief of Staff to Alain Lambert, Minister Delegate for the Budget, Deputy Chief of Staff to Francis Mer, Minister for the Economy, Finance and Industry, Chief of Staff to Jean-Louis Borloo, Minister for Employment, Labor and Social Cohesion, and lastly, Deputy Chief of Staff to French Prime Minister Jean-Pierre Raffarin. Awarded the *Légion d'honneur* in 2007, Augustin de Romanet has received a number of awards, notably "Capitalist of the Year" awarded by the *Le Nouvel Économiste* magazine in 2008 and "Financier of the Year" awarded by Minister of the Economy in 2012. Augustin de Romanet has been Chairman and Chief Executive Officer of Aéroports de Paris since 2012 and Chairman of Paris Europlace since July 2018.

(1) Company whose shares are listed on a regulated or organized market.

FABRICE BRÉGIER

Director

Member of the Strategic Committee and Risk Committee

First appointed: April 26, 2019	**Term of office expires:** 2022	French – Age: 59 Palantir Technologies 5, rue Charlot 75003 Paris, France
Independent: Yes	**Board meeting attendance rate:** 100%	

MAIN POSITION

- Chairman of Palantir France (France)

OTHER POSITIONS

- Director of Engie (France) [(1)]
- Chief Executive Officer of FB Consulting SAS (France)
- Director of KK Wind Solutions (Denmark)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Chief Operating Officer of Airbus and Chairman of Airbus Commercial Aircraft (France)

Fabrice Brégier, a French citizen, is a graduate of *École polytechnique* and a Chief Engineer of the *Corps des mines*. He began his career at the DRIRE Alsace (Ministry of Industry and Trade) before being appointed Sub-Director of Economic, International and Financial Affairs at the Ministry of Agriculture (Directorate-General for Food) in 1989. After serving as an Advisor to several French Ministers from 1989 to 1993, Fabrice Brégier was appointed Chairman of Franco-German joint ventures at Matra Défense, Director of Standoff activities at Matra BAe Dynamics, and then Chief Executive Officer of MBD/MBDA. Before becoming a member of the Executive Committee of Airbus in 2005, he was Chairman and Chief Executive Officer of Eurocopter from 2003 to 2005. Fabrice Brégier has twenty years of experience in aerospace and defense. He has spent a large part of his professional career at Airbus Group, holding the position of Airbus COO between 2006 and 2012, then Airbus President and Chief Executive Officer between 2012 and 2017, and finally COO of Airbus and Chairman of Airbus Commercial Aircraft between 2017 and 2018. Fabrice Brégier has been Chairman of Palantir France since October 2018.

(1) Company whose shares are listed on a regulated or organized market.

LAUREN BURNS CARRAUD

Director representing employees

Member of the Compensation and Nomination Committee

First appointed: June 16, 2020	**Term of office expires:** 2022	American – Age: 34 SCOR SE 5, avenue Kléber 75116 Paris, France
Independent: No	**Board meeting attendance rate:** 100%	

MAIN POSITION

- Deputy Chief Communications Officer at the SCOR Group (France)

OTHER POSITIONS

- N/A

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- N/A

Lauren Burns Carraud, an American citizen, is a graduate of Saint Joseph's University and holds an MBA from NYU Stern School of Business. She began her career at Marsh, specializing in D&O liability for financial institutions. Prior to joining SCOR, Lauren spent eight years at Citigroup and J.P. Morgan in a variety of strategy, banking, communications and public relations roles. She joined SCOR in 2018 as Deputy Chief Communications Officer.

FIONA CAMARA

Director representing employees

Member of the Corporate Social and Societal Responsibility and Environmental Sustainability Committee

First appointed: April 26, 2019	**Term of office expires:** 2022	French – Age: 31 SCOR SE 5, avenue Kléber 75116 Paris, France
Independent: No	**Board meeting attendance rate:** 100%	

MAIN POSITION

- SCOR Group Chief Information Officer's Personal Assistant (France)

OTHER POSITIONS

- N/A

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- N/A

Fiona Camara, a French citizen, graduated with a bachelor's degree in applied foreign languages from Paris-Sorbonne University where she was also awarded a Master of Science degree in Management of international tourism. Fiona Camara began her career in 2013 as a Personal Assistant for a tour operator manager in San José (Costa Rica). She later worked as personal assistant to a record label manager in Atlanta (United States), as well as for a French concierge service for high-profile clients. Fiona Camara joined SCOR in 2015 as personal assistant to the SCOR Group Chief Information Officer.

ADRIEN COURET

Director

Member of the Strategic Committee

First appointed: November 6, 2020	**Term of office expires:** 2023	French – Age : 37 Aéma group 17-21, place Étienne-Pernet 75015 Paris, France
Independent: Yes	**Board meeting attendance rate:** 100%	

MAIN POSITION

- Chief Executive Officer of Aémagroup (following the merger between Macif and Aésio Mutuelle) (France)

OTHER POSITIONS

- Chairman of the Board of Directors of Ofi Asset Management (France)
- Vice-Chairman of the Board of Directors of Ofi Holding (France)
- Non-voting director of Ofivalmo Partenaires (France)
- Vice-Chairman of the *association des assureurs mutualistes* (AAM) (France)
- Member of the Management Board of Domplus (France)
- Member of the Executive Committee of the French Insurance Federation
- Member of the Advisory Board of Macifimo (France)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Chief Executive Officer of Macif group (France)
- Chief Executive Officer of Macif Sgam (France)
- Vice-Chairman of the Supervisory Board of Inter Mutuelles Assistance SA (France)
- Member of the Management Committee of Siem (France)
- Member of the Investment Committee of Sferen Innovation (France)
- Member of the Supervisory Board of Ofi Asset Management (France)
- Director of Apivia Mutuelle (France)
- Member of the Supervisory Board of Apivia Santé (France)
- Member of the Board of Directors of GIE Macif Finance Épargne (France)
- Chairman of the Management Board of Macifin' (France)
- Chairman of the Investment Committee of Macif Innovation (France)
- Deputy Chief Executive Officer of GIE Macif Finance Épargne (France)
- Deputy Chief Executive Officer of Macif Sam (France)
- Deputy Chief Executive Officer of Macif Sgam (France)
- Chairman of the Management Board of Mutavie (France)
- Director of Ofi Holding (France)
- Director of Prévoyance Aésio Macif (France)
- Director and Chairman of the Audit Committee of SAPS (Algeria)
- Chairman of the Supervisory Board of Securimut (France)
- Deputy Chief Executive Officer of Umg Macif Santé Prévoyance (France)
- Permanent representative of Macif Samon the Board of Directors of Ofi Holding (France)
- Permanent representative of Macif Samon the Board of Directors of Socram Banque (France)

Adrien Couret, a French citizen, graduated from HEC, is a member of the French Institute of Actuaries, and has been Chief Executive Officer of the Macif group since May 2019 (Aéma group since January 2021 following the merger between Macif and Aésio Mutuelle). He previously held various executive positions within this group since his arrival in January 2008. He is also Chairman of the Board of Directors of Ofi Asset Management and Vice-Chairman of the *association des assureurs mutualistes.*

VANESSA MARQUETTE

Director

Member of the Strategic Committee, Risk Committee, Audit Committee, Compensation and Nomination Committee and Corporate and Social Responsibility and Environmental Sustainability Committee

First appointed: April 30, 2015	**Term of office expires:** 2023	Belgian – Age: 49 Loyens & Loeff Avenue de Tervueren 2 1040 Brussels, Belgium
Independent: Yes	**Board meeting attendance rate:** 100%	

MAIN POSITION

- Partner of the law firm Loyens & Loeff (Belgium)

OTHER POSITIONS

- Director of Erasme Hospital (Belgium)
- Teacher at the u*niversité libre de Bruxelles* (Belgium)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Member of the Board of Directors of Simont Braun SRL (Belgium)
- Managing partner of Simont Braun SRL (Belgium)

Vanessa Marquette, a Belgian citizen, holds a law degree and an economic law degree from the u*niversité libre de Bruxelles.* She also studied law at Davis University and Berkeley University and she holds an LLM degree from the University of Michigan Law School. She has practiced as a lawyer registered with the Brussels Bar since 1995,and specializes in banking law and financial law and she also has particular expertise in the areas of corporate law, insolvency law and security interests and private international law. She has taught international financial law at the *université libre de Bruxelles* since 2004 and is the author of several publications on banking and financial law. She has been a partner in the banking &finance department of the law firm Loyens & Loeff since March 2020, having been a partner at the business law firm Simont Braun from 2005 until February 2020 and having practiced law at the Brussels offices of Stibbe Simont Monahan Duhot and Freshfields Bruckhaus Deringer. Vanessa Marquette has been an independent director of Erasme Hospital since 2017.

BRUNO PFISTER

Director

Chairman of the Risk Committee

Member of the Strategic Committee, Audit Committee, Compensation and Nomination Committee, Crisis Management Committee and Corporate and Social Responsibility and Environmental Sustainability Committee

First appointed: April 27, 2016	**Term of office expires:** 2021	Swiss – Age: 61 SCOR SE 5, avenue Kléber 75116 Paris, France
Independent: Yes	**Board meeting attendance rate:** 88%	

MAIN POSITION

- N/A

OTHER POSITIONS

- Chairman of the Board of Directors of Credit Suisse Asset Management (Switzerland) Ltd. (Switzerland) (1)
- Chairman of the Board of Directors of Assepro AG (Switzerland)
- Chairman of the Board of Directors of Quintet Private Bank (Switzerland) AG (Switzerland)
- Director of Assura (Switzerland)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Director of Gottex Fund Management Holdings Limited (Guernsey)
- Executive Chairman of the "Wealth Management & Trust" division of the Rothschild & Co group (Switzerland)
- Chairman of the Board of Directors of Rothschild & Co Bank AG (Switzerland) (1)
- Director of Workspace Holding (Switzerland) AG (Switzerland)

Bruno Pfister, a Swiss citizen, lawyer registered with the Geneva Bar and an MBA graduate from UCLA Anderson School of Management, was Chairman of the Board of Directors of Rothschild& Co Bank AG from December 2014 to September 2019. He was Vice-Chairman of the Swiss Insurance Association, Chief Executive Officer and Chairman of the Swiss Life AG group, member of the Executive Committee of the Credit Suisse Banking division and Chief Financial Officer and member of the Executive Board of LGT group AG.

(1) Company whose shares are listed on a regulated or organized market.

JEAN-MARC RABY

Director

Member of the Strategic Committee

First appointed: April 30, 2015	**Term of office expires:** November 5, 2020 (1)	French – Age: 62 SCOR SE 5, avenue Kléber 75116 Paris, France
Independent: Yes	**Board meeting attendance rate:** 100%	

MAIN POSITION

- N/A

OTHER POSITIONS

- Treasurer of the French Insurance Federation (France)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Chief Executive Officer of the Macif group (France)
- Chief Executive Officer of Macif SGAM (France)
- Chief Executive Officer of UMG Macif Santé Prévoyance (France)
- Chief Executive Officer of Macif SAM (France)
- Chief Executive Officer of GIE Macif Finance Épargne (France)
- Chairman and Director of Foncière de Lutèce (France)
- Director of Compagnie Foncière de la Macif (permanent representative of Macif) (France)
- Director of Macif Participations (France)
- Member of the Supervisory Board of Ofi Asset Management (France)
- Director of Ofi Holding (permanent representative of Macif) (France)
- Member of the Supervisory Board of Inter Mutuelles Assistance (permanent representative of Macif) (France)
- Non-voting director of Macifilia (France)
- Non-voting director of Mutavie (France)
- Non-voting director of Socram Banque (France)
- Non-voting director of Ofivalmo Partenaires (France)
- Member of the Executive Committee of Siem (France)
- Member of the Advisory Board of Macifimo (France)
- Ex officio member of the Board of Directors of Campus (GIE), as an observer (France)
- Member of the Executive Board and Vice-Chairman of *association des assureurs mutualistes* (AAM) (France)
- Vice-Chairman and member of the Supervisory Board of Macifimo ADB, formerly GPIM (France)
- Member of the Executive Board and member of the Board of Macif and Vice-Chairman of Gema (France)
- Chairman of Inter Mutuelles Solutions, formerly Macifilia Courtage (France)
- Chief Executive Officer of Macifilia (France)
- Chief Executive Officer of Sferen (France)
- Member of the Management Board of Macifin' (France)
- Member of the Management Board of Mutavie (France)
- Director of Sferen (France)
- Director of Macif Mutavie Finance (GIE) (France)
- Director of Socram Banque (France)
- Director of BPCE Assurances (permanent representative of Macif) (France)
- Director of Ofi Asset Management (France)
- Director of Ofivalmo Partenaires (permanent representative of Macif) (France)
- Member of the Executive Committee of Siil (France)
- Member of the Advisory Board of Sipemi (permanent representative of Macif) (France)
- Director of Thémis (permanent representative of Macifilia) (France)
- Director of Euresa Holding (Luxembourg)
- Manager of GEIE Euresa (Belgium)

Jean-Marc Raby, a French citizen, holds a degree in economics as well as an MBA from HEC. He has spent his entire professional career at Macif. He became Regional Director of Macif Centre (a regional Macif entity) in 2000 and was subsequently appointed Deputy Chief Executive Officer of the Macif Group, in charge of Economic Management, alongside the Chief Executive Officer, Roger Iseli. In 2012, he was appointed Chief Executive Officer of the Macif group and will hold this position until May 2019.

(1) *Mr. Jean-Marc Raby resigned from his duties with effect from November 5, 2020.*

HOLDING MALAKOFF HUMANIS

Represented by Thomas Saunier
Director
Member of the Strategic Committee

First appointed: April 27, 2017

Term of office expires: 2023

Independent: Yes

Board meeting attendance rate: 100%

French – Age: 54
Malakoff Humanis
21, rue Laffitte
75317 Paris Cedex 09, France

MAIN POSITION

- Chief Executive Officer of Malakoff Humanis group (France)

OTHER POSITIONS

- Chief Executive Officer of Holding Malakoff Humanis (France)
- Permanent representative of Malakoff Humanis Prévoyance at the Board of Directors of OPPCI Vivaldi (France)
- Chief Executive Officer of SGAM Malakoff Humanis (France)
- Chief Executive Officer of Malakoff Humanis Prévoyance (France)
- Chief Executive Officer of Malakoff Humanis Agirc-Arrco (France)
- Chief Executive Officer of Malakoff Humanis International Agirc-Arrco (France)
- Chief Executive Officer of *association sommitale Malakoff Humanis* (France)
- Chief Executive Officer of *association de Moyens Assurance de Personnes* (France)
- Chief Executive Officer of *association de Moyens Retraite Complémentaire* (France)
- Operational Manager of Mutuelle Malakoff Humanis (France)
- Operational Manager of MHN, Malakoff Humanis Nationale (France)
- Director of *Fondation Malakoff Humanis Handicap* (France)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Operational Manager of Énergie Mutuelle (France)
- Chief Executive Officer of UGM Agilis (France)
- Chief Executive Officer of Malakoff Humanis Groupement Assurantiel de Protection Sociale (France)
- Chief Executive Officer of Malakoff Humanis Innovation Santé (France)
- Chief Executive Officer of la *Caisse mutuelle d'assurances sur la Vie* (CMAV) (France)
- Chief Executive Officer of *l'institution Nationale de prévoyance des représentants* (INPR) (France)
- Chief Executive Officer of Capreval (France)
- Director of Quatrem (France)
- Director of Auxia (France)
- Director of Auxia Assistance (France)
- Chairman of the Board of Directors of Quatrem SA (France)
- Chairman of the Board of Directors of Viamedis SA (France)
- Chairman of the Board of Directors of Auxia SA (France)
- Chairman of the Board of Directors of Auxia Assistance SA (France)
- Director of Viamedis (France)
- Director of GIE Karéo Services (France)
- Member of the Executive Committee of Cofifo SAS (France)
- Chairman of SAS Totem MM 1, now SA MM Retraite Supplémentaire (France)
- Chairman of SAS Totem MM 2, now MM INNOV' (France)
- Permanent representative of Malakoff Médéric Assurances on the Board of Directors of La Banque Postale Asset Management (France)
- Chief Executive Officer of *association sommitale du Groupe Humanis* (France)
- Chairman and Chief Executive Officer of Association Totem 1 (France)
- Chairman and Chief Executive Officer of Association Totem 2 (France)
- Chairman and Chief Executive Officer of Association Totem 3 (France)
- Chairman of SAS Totem MM3 (France)
- Chairman of SAS Totem MM4 (France)
- Sole Director of GIE SI2M (France)
- Chief Executive Officer of SGAM Malakoff Médéric (France)
- Chief Executive Officer of AS2M (France)
- Chief Executive Officer of *association de Moyens Assurances* (France)
- Chief Executive Officer of *association de Moyens Retraite* (France)
- Chief Executive Officer of SGAPS Humanis Développement Solidaire (France)

- Chief Executive Officer of Humanis Prévoyance (France)
- Chief Executive Officer of Humanis Retraite AGIRC (France)
- Chief Executive Officer of Malakoff Médéric AGIRC (France)
- Chief Executive Officer of *Institution de retraite des cadres et assimilés de France et de l'extérieur* (IRCAFEX) (France)
- Permanent representative of Malakoff Médéric Assurances on the Supervisory Board of la Foncière Hospi Grand Ouest (France)

Thomas Saunier, a French citizen, is a graduate of *École polytechnique,* ENSAE and the French Institute of Actuaries. Head of the Actuarial Department and Director of Steering and Management Control at CNP Assurances from 2000 to 2003, he spent more than 10 years at Generali France, initially as Deputy Chief Executive Officer responsible for products, operations and information and finance systems. In 2005, he was promoted to Chief Executive Officer responsible for the retail market, IT and customer service, before taking charge of the corporate, professional and retail markets in 2011. Appointed Chief Executive Officer of Malakoff Médéric Group in an environment characterized, for all stakeholders in the social protection sector, by unprecedented challenges in the management of supplementary pensions and in the development of life and health insurance business, he took up his position within the group on June 1, 2016. Following the merger of the Humanis and Malakoff Médéric groups, on January 1, 2019 Thomas Saunier became Chief Executive Officer of the Malakoff Médéric Humanis group, now known as Malakoff Humanis group.

KORY SORENSON

Director

Chair of the Audit Committee

Member of the Strategic Committee, Risk Committee and Crisis Management Committee

First appointed: April 25, 2013	**Term of office expires:** 2023	British – Age: 52 SCOR SE 5, avenue Kléber 75116 Paris, France
Independent: Yes	**Board meeting attendance rate:** 100%	

MAIN POSITION

- N/A

OTHER POSITIONS

- Director of Pernod Ricard (France) (1)
- Director of Phoenix Group Holdings (UK) (1)
- Director of SGS (Switzerland) (1)
- Member of the Supervisory Board of Bank Gutmann AG (Austria)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Member of the Supervisory Board of Château Mondot (France) (2)
- Director of SCOR Global Life Americas Reinsurance Company (US) (2)
- Director of SCOR Global Life USA Reinsurance Company (US) (2)
- Director of SCOR Reinsurance Company (US) (2)
- Director of *l'institut Pasteur* (France)
- Director of Aviva Insurance Limited (UK)
- Director of Uniqa Insurance Group AG (Austria) (1)
- Director of Prometic (Canada) (1)

Kory Sorenson, a British citizen, was born in the United States. She speaks fluent French and has a post-graduate (DESS) degree from *l'Institut d'études politiques de Paris,* a master's degree in applied economics from the University of Paris-Dauphine, a bachelor's degree in econometrics and political science from the American University in Washington, D.C. and has completed governance programs with Harvard Executive Education, INSEAD and the Stanford Graduate School of Business. Kory Sorenson has over 28 years of experience in financial services, particularly in capital and risk management within insurance and banking institutions. She was Managing Director, Head of Insurance Capital Markets of Barclays Capital and also held senior positions in the insurance capital markets and debt capital markets divisions of Credit Suisse, Lehman Brothers and Morgan Stanley. She began her career in finance in the treasury department of Total SA in Paris. Kory Sorenson is currently a non-executive director of several major companies.

(1) *Company whose shares are listed on a regulated or organized market.*
(2) *Company of the SCOR Group.*

CLAUDE TENDIL

Director

Member of the Strategic Committee, Risk Committee, Compensation and Nomination Committee and Corporate and Social Responsibility and Environmental Sustainability Committee

First appointed: May 15, 2003	**Term of office expires:** 2021	French – Age: 75 Generali France 2, rue Pillet-Will 75009 Paris, France
Independent: No	**Board meeting attendance rate:** 100%	

MAIN POSITION

- Chairman of the Board of Directors of Generali IARD (France)

OTHER POSITIONS

- Director of Europ Assistance Holding (France)
- Director of Generali France (France)
- Director of Generali Vie (France)
- Director of Generali IARD (France)
- Director of Eramet (France) (1)
- Chairman of RVS (association) (France)
- Member of the Executive Committee of MEDEF (France)
- Chairman of the *l'institut pour l'innovation économique et sociale* (2IES) (France)
- Chairman of *Fondation ARC pour la recherche sur le cancer* (France)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Chairman of the Board of Directors of Generali Vie (France)
- Chairman of the Board of Directors of Generali France Assurances (France)
- Chairman of the Board of Directors of Generali France (France)
- Chairman of the Board of Directors of Europ Assistance Holding (France)
- Chief Executive Officer of Generali France (France)
- Chief Executive Officer of Generali Vie (France)
- Chief Executive Officer of Generali IARD (France)
- Director of Assicurazioni Generali SpA (Italy) (1)
- Member of the Supervisory Board of Generali Investments SpA (Italy)
- Chairman of the Board of Directors of Europ Assistance Italie (Italy)
- Permanent Representative of Europ Assistance Holding on the Board of Directors of Europ Assistance (Spain)

Claude Tendil, a French citizen, began his career at the Union des assurances de Paris (UAP) in 1972. He joined the Drouot group in 1980 as Chief Operating Officer. He was promoted in 1987 to Chief Executive Officer, before being appointed Chairman and Chief Executive Officer of Présence Assurances, a subsidiary of the AXA group. He was appointed Director and Chief Executive Officer of AXA-Midi Assurances in 1989, Chief Executive Officer of AXA from 1991 to 2000, then Vice-Chairman of the Management Board of the AXA group until November 2001. During the same period, he was also Chairman and Chief Executive Officer of the AXA group's French insurance and assistance companies. Claude Tendil was appointed Chairman and Chief Executive Officer of the Generali group in France in April 2002 until October 2013, when he became the Chairman of the Board of Directors, holding this position until June 2016.

(1) Company whose shares are listed on a regulated or organized market.

NATACHA VALLA

Director

Member of the Strategic Committee and Audit Committee

First appointed: June 16, 2020	**Term of office expires:** 2022	French – Age: 45 SCOR SE 5, avenue Kléber 75116 Paris, France
Independent: Yes	**Board meeting attendance rate:** 75%	

MAIN POSITION

- Dean of the Sciences Po Paris School of Management and Innovation (France)

OTHER POSITIONS

- Director of LVMH (France) (1)
- Member of the Advisory Board of Tikehau Capital (France)
- Director of ASF/Cofiroute (Vinci) (France) (1)
- Member of the Supervisory Board of MK2 cinémas (France)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Director of ACCOR (France) (1)

Natacha Valla, a French citizen, is an economist, currently Dean of the School of Management and Innovation at Sciences Po Paris. She began her career at the European Central Bank (2001-2005) and then worked at the Banque de France (2005-2008) before joining Goldman Sachs as Executive Director (2008-2013). She was then Deputy Director of CEPII (2014-2016), a think tank in international economics before joining the European Investment Bank (2016-2018) in charge of Economic policy and Economic strategy. From 2018 to May 2020, she was Deputy CEO for Monetary Policy at the European Central Bank. She has been a member of the Economic Commission of the Nation, of the Scientific Committee of the ACPR and of the Council of Economic Analysis (*conseil d'analyse économique,* CAE). She received her PhD from the European University Institute in Florence and is the author of numerous books and articles in monetary and international economics.

(1) *Company whose shares are listed on a regulated or organized market.*

ZHEN WANG

Director

Member of the Strategic Committee and Risk Committee

First appointed: April 26, 2018	**Term of office expires:** 2023	Chinese – Age: 64 SCOR SE 5, avenue Kléber 75116 Paris, France
Independent: Yes	**Board meeting attendance rate:** 75%	

MAIN POSITION

- N/A

OTHER POSITIONS

- Director of Bank of China Insurance Company (China)
- Director of Trust Mutual Life Insurance Company (China)
- Director of PICC Re (China)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Director of Munich Re Greater China Advisory Board (China)

Zhen Wang, a Chinese citizen, holds a bachelor's degree from the Beijing Normal University, and is a Fellow of the Chartered Insurance Institute (FCII). She began her insurance career in 1982 by joining PICC, the insurance monopoly then, and became the General Manager of International Department in 1996 upon PICC becoming PICC group. From 1997 to 2016, she worked for Munich Re, was the Chief Representative of MR Beijing, the Chief Executive of MR Beijing Branch, the Board member of MR Greater China Advisory Board respectively. Zhen Wang has been an independent director of Bank of China Insurance Company since 2014, of Trust Mutual Life Insurance Company in China since 2017 and of PICC Re since 2020.

FIELDS WICKER-MIURIN

Director

Chair of the Corporate and Social Responsibility and Environmental Sustainability Committee

Member of the Strategic Committee, Audit Committee, Risk Committee, Compensation and Nomination Committee and Crisis Management Committee

First appointed: April 25, 2013	**Term of office expires:** 2023	American and British – Age: 62 Leaders' Quest Ltd 11/13 Worple Way, Richmond upon Thames, Surrey – TW 10 6DG United Kingdom
Independent: Yes	**Board meeting attendance rate:** 100%	

MAIN POSITION

- Partner of Leaders' Quest Ltd (UK)

OTHER POSITIONS

- Director of BNP Paribas (France) (1)
- Director of Prudential plc (UK) (1)

POSITIONS THAT EXPIRED DURING THE LAST FIVE YEARS

- Director of SCOR UK (UK) (2)
- Non-executive member of the Board of the Department of Digital, Culture, Media and Sport of the UK Government (UK)
- Director of Control Risks International Ltd (UK)
- Member of the Board of HMG Ministry of Justice (UK)
- Director of Ballarpur Industries (India)
- Director of BILT Paper (India)

Fields Wicker-Miurin, an American and British citizen, studied in France at the *Institut d'Études Politiques de Paris,* in the United States and Italy. She graduated from the University of Virginia (BA) and the School of Advanced International Studies of Johns Hopkins University (MA). Fields Wicker-Miurin began her career in banking, before joining Strategic Planning Associates (now Oliver Wyman Consulting) as a senior partner where she was the main advisor to Lloyd's of London. In 1994, she became Chief Financial Officer and Head of Strategy of the London Stock Exchange, where she led both the strategic and structural aspects of its complete restructuring. She was a member of the Nasdaq Technology Advisory Council and advised the European Parliament on financial markets harmonization. In 2002, she was one of the founders of Leaders' Quest, a social enterprise that works with leaders from all sectors and across the globe who want to make a responsible, positive difference through their leadership. In 2007 she received an OBE (Officer of the British Empire) and in 2011 she was appointed Fellow of King's College London. She is also a director of BNP Paribas and of Prudential plc.

(1) Company whose shares are listed on a regulated or organized market.
(2) Company of the SCOR Group.

	PERSONAL INFORMATION				POSITION ON THE BOARD					PARTICIPATION IN BOARD COMMITTEES
	Age	Gender	Nationality	Number of shares	Number of director-ships in listed companies (excluding SCOR)	Inde-pendent	First appointed	Term of office expires	Length of service on the Board	
Denis KESSLER (Chairman and Chief Executive Officer)	68	Male	French	1,639,790	2	No	November 4, 2002	2021	18 years	• Chairman of the Strategic Committee • Member of the Crisis Management Committee
Augustin DE ROMANET (Lead Independent Director)	59	Male	French	1,897	1	Yes	April 30, 2015	2023	5 years	• Chairman of the Compensation and Nomination Committee • Chairman of the Crisis Management Committee • Member of the Strategic Committee • Member of the Corporate Social and Societal Responsibility and Environmental Sustainability Committee
Fabrice BREGIER	59	Male	French	694	1	Yes	April 26, 2019	2022	1 year	• Member of the Strategic Committee • Member of the Risk Committee
Adrien COURET [(1)]	37	Male	French	0	0	Yes	November 6, 2020	2023	<1 year	• Member of the Strategic Committee
Vanessa MARQUETTE	49	Female	Belgian	1,897	0	Yes	April 30, 2015	2023	5 years	• Member of the Strategic Committee • Member of the Risk Committee • Member of the Audit Committee • Member of the Compensation and Nomination Committee • Member of the Corporate Social and Societal Responsibility and Environmental Sustainability Committee
Bruno PFISTER	61	Male	Swiss	1,587	1	Yes	April 27, 2016	2021	4 years	• Chairman of the Risk Committee • Member of the Strategic Committee • Member of the Audit Committee • Member of the Compensation and Nomination Committee • Member of the Corporate Social and Societal Responsibility and Environmental Sustainability Committee • Member of the Crisis Management Committee
Jean-Marc RABY [(2)]	62	Male	French	1,547	0	Yes	April 30, 2015	November 5, 2020	5 years	• Member of the Strategic Committee
Holding Malakoff Humanis, represented by Thomas SAUNIER	54	Male	French	5,484,767	0	Yes	April 27, 2017	2023	3 years	• Member of the Strategic Committee

	PERSONAL INFORMATION				POSITION ON THE BOARD					PARTICIPATION IN BOARD COMMITTEES
	Age	Gender	Nationality	Number of shares	Number of directorships in listed companies (excluding SCOR)	Independent	First appointed	Term of office expires	Length of service on the Board	
Kory SORENSON	52	Female	British	4,087	3	Yes	April 25, 2013	2023	7 years	• Chair of the Audit Committee • Member of the Strategic Committee • Member of the Risk Committee • Member of the Crisis Management Committee
Claude TENDIL	75	Male	French	5,954	1	No	May 15, 2003	2021	17 years	• Member of the Strategic Committee • Member of the Risk Committee • Member of the Compensation and Nomination Committee • Member of the Corporate Social and Societal Responsibility and Environmental Sustainability Committee
Natacha VALLA	45	Female	French	428	2	Yes	June 16, 2020	2022	<1 year	• Member of the Strategic Committee • Member of the Audit Committee
Zhen WANG	64	Female	Chinese	940	0	Yes	April 26, 2018	2023	2 years	• Member of the Strategic Committee • Member of the Risk Committee
Fields WICKER-MIURIN	62	Female	American and British	2,679	2	Yes	April 25, 2013	2023	7 years	• Chair of the Corporate Social and Societal Responsibility and Environmental Sustainability Committee • Member of the Strategic Committee • Member of the Audit Committee • Member of the Risk Committee • Member of the Compensation and Nomination Committee • Member of the Crisis Management Committee
Lauren BURNS CARRAUD (director representing employees)	34	Female	American	2,286	0	No	June 16, 2020	2022	<1 year	• Member of the Compensation and Nomination Committee
Fiona CAMARA (director representing employees)	31	Female	French	225	0	No	April 26, 2019	2022	1 year	• Member of the Corporate Social and Societal Responsibility and Environmental Sustainability Committee

(1) Adrien Couret has been a director since November 6, 2020.
(2) Jean-Marc Raby resigned from his duties with effect from November 5, 2020.

As at December 31, 2020, the expertise represented on the Board of Directors was as follows:

	Insurance and reinsurance market	Financial markets	SCOR's strategy and economic model	System of governance	Financial and actuarial analysis	Legislative and regulatory requirements applicable to insurance and reinsurance companies	Accoun-ting	Risk manage ment	Gover-nance	Digital	CSR
Denis KESSLER (Chairman and Chief Executive Officer)	X	-	X	-	X	-	-	X	X	-	-
Augustin DE ROMANET (Lead Independent Director)	X	X	-	-	X	-	X	-	X	-	-
Fabrice BRÉGIER	-	-	X	-	-	-	X	X	X	X	-
Adrien COURET (1)	X	X	-	-	X	X	-	-	X	-	-
Vanessa MARQUETTE	-	X	-	X	-	X	-	-	X	-	X
Bruno PFISTER	X	X	-	X	X	-	-	X	-	-	-
Jean-Marc RABY (2)	X	X	-	X	-	X	-	X	-	-	-
Holding Malakoff Humanis, represented by Thomas SAUNIER	X	X	X	X	X	-	-	-	-	-	-
Kory SORENSON	X	X	-	X	-	-	X	X	-	-	-
Claude TENDIL	X	X	X	-	-	X	-	X	-	-	-
Natacha VALLA	-	X	X	-	X	-	-	X	-	X	-
Zhen WANG	X	-	-	X	-	X	-	X	X	-	-
Fields WICKER-MIURIN	X	-	X	X	-	-	-	X	-	-	X
Lauren BURNS CARRAUD (director representing employees)	-	X	X	-	-	-	-	X	X	-	X
Fiona CAMARA (director representing employees)	X	-	-	-	X	-	X	-	X	-	X

(1) Adrien Couret has been a director since November 6, 2020.
(2) Jean-Marc Raby resigned from his duties with effect from November 5, 2020.

2.1.3.3. COMPOSITION OF THE BOARD OF DIRECTORS

Number of directors

SCOR SE's bylaws provide that the Board of Directors shall comprise no fewer than nine and no more than eighteen members.

Under SCOR SE's bylaws, each director must own at least one ordinary share for the duration of his or her entire term of office, and under the Internal Charter of the Board of Directors, each director shall agree to acquire shares with a value of at least EUR 10,000 and to hold them throughout his or her term as director. Under French law, a director may be a natural person or a corporate entity for which an individual is appointed as permanent representative, except for the Chairman, who must be an individual. Pursuant to Article L. 225-20 of the French Commercial Code, the permanent representative of a corporate entity is subject to the same conditions, obligations and civil and criminal liabilities as if he or she was director in his or her own name, without prejudice to the joint and several liability of the corporate entity he or she represents.

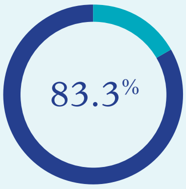
Of the fourteen members of the Board of Directors, thirteen are natural persons and one, Holding Malakoff Humanis, is a corporate entity (represented by Thomas Saunier as permanent representative).

Composition principles and diversity policy

The Board of Directors' composition is guided by the following principles:

- application of best-in-class corporate governance practices;
- appropriate number of Board members in order to allow meaningful individual participation;
- majority of independent directors;
- diversity of expertise;
- professional experience;
- diversity of nationalities;
- high proportion of female Board members.

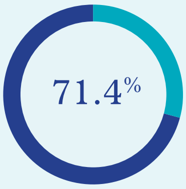
As of December 31, 2020, the composition of the Board of Directors is as follows:



OF DIRECTORS ARE INDEPENDENT (excluding the directors representing employees)

(unchanged from December 31, 2019).

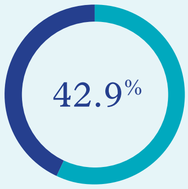
The Audit Committee is fully composed of independent directors, the Risk Committee is composed of 85.7% of independent directors and the Compensation and Nomination Committee is composed of 80% of independent directors such as the Corporate Social and Societal Responsibility and Environmental Sustainability Committee (excluding the directors representing employees.



OF DIRECTORS HAVE PRIOR EXPERIENCE IN THE INSURANCE OR REINSURANCE INDUSTRY

(64.3% as at December 31, 2019).

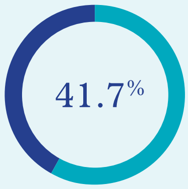
The other directors work in the industry, banking, financial and digital sectors, legal advisory services and other services.



OF DIRECTORS ARE NON-FRENCH

(35.7% as at December 31, 2019).

With directors who are of American, British, Belgian, Swiss and Chinese nationality.



OF DIRECTORS ARE WOMEN (excluding the directors representing employees)

(unchanged from December 31, 2019).

The composition of the Board of Directors is therefore compliant with applicable law.

Accordingly, SCOR has been compliant with legal requirements and the recommendations of the AFEP-MEDEF corporate governance code in terms of diversity for several years. In terms of its composition, the Board of Directors of SCOR strives to maintain a balanced representation between men and women by respecting at all times at least the minimum number of members of each gender provided for by law, as well as a balance between the age and length of service of its members. It also ensures, on the basis of a skills matrix, that directors have varied and complementary experience and skills. This ensures open discussion and the highest degree of quality in the decision-making process at Board level. Given the global dimension of the Group, a wide variety of nationalities is also sought.

Since the Ordinary and Extraordinary Shareholders' Meeting held on April 27, 2017, the directors representing employees have been elected by the employees of SCOR SE and its direct and indirect subsidiaries whose registered office is in France. Under French law, one of the two directors representing employees must belong to the *"cadre"* (executive) category, and the other to the *"non-cadre"* (non-executive) category. In the interest of instating a wholly democratic process for the election of the directors representing employees, while complying with the applicable legal provisions, the Company wishes to continue to involve all employees worldwide, by holding a "primary", which will give them a chance to express their preference before the actual vote.

The terms of office of the two directors representing employees expiring at the 2020 Shareholders' Meeting, a "primary" was held in January 2020 after which the actual election of the two directors representing employees took place end February 2020. The terms of office of the two newly elected directors representing employees, Lauren Burns Carraud for the *"cadre"* category and Fiona Camara for the *"non-cadre"* category, were effective as from the end of the 2020 Shareholders' Meeting.

Changes in the composition of the Board of Directors during the year

The following table presents the changes in the composition of the Board of Directors that took place during the year:

Name	First appointed	Renewal	Departure	Gender	Nationality	Reason of the change
Marguerite Bérard	April 30, 2015	April 27, 2017	June 16, 2020	F	French	End of term of office
Lauren Burns Carraud	June 16, 2020			F	American	Beginning of term of office
Fiona Camara	April 26, 2019	June 16, 2020		F	French	Renewal
Adrien Couret	November 6, 2020			M	French	Beginning of term of office
Vincent Foucart	April 26, 2018		June 16, 2020	M	French	End of term of office
Vanessa Marquette	April 30, 2015	June 16, 2020		F	Belgian	Renewal
Holding Malakoff Humanis*	April 27, 2017	June 16, 2020		M	French	Renewal
Jean-Marc Raby	April 30, 2015	April 26, 2019	November 5, 2020	M	French	Resignation
Natacha Valla	June 16, 2020			F	French	Beginning of term of office
Zhen Wang	April 26, 2018	June 16, 2020		F	Chinese	Renewal

* *Represented by Thomas Saunier.*

Terms of office

On appointment or renewal, the term of office of directors, as set forth in SCOR SE's bylaws, shall not exceed four years. Pursuant to SCOR SE's bylaws, directors may hold the office of director until the age of 77. A director who reaches the age of 77 while in office must retire on expiration of his or her term of office, as determined at the Shareholders' Meeting. With the exception of directors representing employees, directors are elected by shareholders and serve until the expiration of their respective term of office, or until their resignation, death or dismissal, with or without cause, by the shareholders. Vacancies on the Board of Directors may, under certain conditions, be filled by the Board of Directors, pending the next Shareholders' Meeting. The appointment is then submitted for approval by shareholders at the next Shareholders' Meeting.

Directors are required to comply with applicable law and SCOR SE's bylaws. Under French law, directors may be held responsible in the event of violations of French legal or regulatory provisions applicable to European Companies *(Societas Europaea),* violations of company bylaws or mismanagement. Directors may be held responsible for such violations both individually and jointly with other directors.

2.1.3.4. OPERATING PROCEDURES OF THE BOARD OF DIRECTORS

Internal Charter of the Board of Directors

The Board of Directors' meeting held on March 31, 2004 adopted an Internal Charter in order to enhance and specify the rules governing the Board's operating procedures. The Internal Charter was amended by successive decisions of the Board of Directors with the most recent one issued on February 23, 2021. This charter is available on the Company's website (www.scor.com), and its main provisions are provided below.

Operating procedures and duties of the Board of Directors of the Company

The Board of Directors defines the strategic guidelines of the Company's business activities and ensures their implementation in accordance with its corporate interests, taking into consideration the social and environmental aspects of its activity. Without prejudice to the powers expressly invested in Shareholders' Meetings, and within the limits of the Company's purpose, the Board of Directors deals with all matters relating to the conduct of the Company's business and decides all pertinent issues through its resolutions. It ensures the sound and prudent management of the Company, and regularly reviews the opportunities and main risks (e.g. financial, legal, operational, social, societal and environmental risks), as well as the measures taken accordingly. To this end, the Board of Directors receives all of the information needed to carry out its duties, particularly from the executive corporate officers. The Board is informed each quarter by Executive Management of the financial situation, cash position and commitments of the Company. It is also informed about market developments, the competitive environment and the most important issues at hand, including in corporate social and environmental responsibility. It takes into account the Own Risk and Solvency Assessment ("ORSA") when it makes a decision likely to have a significant impact on the Company. The Board also carries out the verifications and controls it deems necessary.

The Board meets at least four times a year. In accordance with the law, it approves the financial statements, proposes dividends and makes investment and financial policy decisions. The Board examines and takes decisions on major operations, possibly after review by an *ad hoc* committee.

Beyond the cases provided by law, some operations are subject to the prior approval of the Board:

- any major organic growth investments or internal restructuring operations;
- any significant operation falling outside of the strategy announced by the Group;
- and any project regarding a sale or acquisition, merger or cash and asset contribution higher than one hundred million euros (EUR 100 million).

The Board's duties and responsibilities beyond those set forth by the applicable laws and regulations are set out in SCOR SE's bylaws.

Independence of directors

The Internal Charter of the Board of Directors of SCOR provided, until February 26, 2020, the possibility for a director holding a position in a Group subsidiary to be deemed independent provided that he or she abstained from participating in the decisions of the Board of Directors of SCOR SE in the event of a conflict of interest with the subsidiary in which he/she held his/her position. The Board of Directors' meeting held on February 26, 2020 removed this possibility, in order to align the independence criteria of SCOR's directors with those of the AFEP-MEDEF corporate governance code, thereby taking into account the opinions expressed by the shareholders during active discussions.

	Independence criteria as per the Internal Charter of the Board of Directors of SCOR	Assessment of the independence of the directors by the Board of Directors, on the proposal of the Compensation and Nomination Committee
1	Shall not currently be or have been within the five preceding years, an employee or an executive corporate officer of SCOR, or an employee, a director or an executive corporate officer of a company consolidated within the Company. However, a director who has been, during the five preceding years, director of a subsidiary which is consolidated by the Company can be qualified as an independent director of the Company if the term of office in the subsidiary was terminated before April 15, 2020.	The Board of Directors noted that Denis Kessler, Fiona Camara and Lauren Burns Carraud could not be deemed independent. Denis Kessler is the executive corporate officer of SCOR SE and Fiona Camara and Lauren Burns Carraud are employees of the Company. Kory Sorenson and Fields Wicker-Miurin resigned from their positions on the boards of subsidiaries of the SCOR Group with effect from April 1, 2020 and therefore remain independent.
2	Shall not have received compensation of any form from SCOR, except for compensation received as director, in excess of EUR 100,000 over the previous five years.	The Board of Directors has ensured that the directors of SCOR SE have not received, in any form, except for compensation received as a director of one of the companies in the SCOR Group, compensation greater than EUR 100,000 within the last five years. In this respect, the Board of Directors noted that Denis Kessler, Fiona Camara and Lauren Burns Carraud have received compensation greater than EUR 100,000 within the last five years, in respect of their duties as executive and employees of the Group. No other director has received such amount.
3	Shall not be an executive corporate officer of a company in which the Company holds, directly or indirectly, a directorship, or in which an employee designated as such or an executive corporate officer of the company (current or in the last five years) holds a directorship.	The Board of Directors has ensured that no director of SCOR SE holds an executive corporate office in a company in which SCOR SE directly or indirectly holds a directorship or in which an employee designated as such or an executive corporate officer of SCOR SE (currently or in the last five years) holds a directorship.
4	Shall not be a significant customer, supplier, investment or commercial banker, consultant (or to be linked directly or indirectly to these persons) of SCOR or its Group, nor shall SCOR or its Group account for a significant portion of such person's business activities. For the quantitative assessment, a business relationship is deemed significant if it amounts to an annual sum of more than 5% of SCOR's consolidated revenues, or more than 5% of the turnover, consolidated as necessary, of the director or the company with which he or she is affiliated. For the qualitative assessment, the criteria to qualify that a business relationship is deemed significant will be, among others, duration and continuity, economic dependence and exclusivity. Whether or not the relationship with SCOR or its Group is significant must be debated by the Board in consideration of the Compensation and Nomination Committee's report.	The Board of Directors noted that the following directors had direct or indirect links with companies having business relationships with the SCOR Group, as a result of the management functions exercised by these directors in the latter: • Adrien Couret, Chief Executive Officer of Aéma group; • Thomas Saunier, Chief Executive Officer of Malakoff Humanis group; • Augustin de Romanet, Chairman and Chief Executive Officer of Aéroports de Paris; • Claude Tendil, Chairman of the Board of Directors of Generali IARD. In addition, the Board of Directors examined the business relationships with companies in which its directors hold other directorships. The Board of Directors noted that none of the companies had business relationships with SCOR that generate revenues higher than the threshold indicated in the Internal Charter of the Board of Directors of SCOR SE and that the business relationships were not significant for SCOR SE or for the third-party company with which SCOR SE had business relationships. In its analysis, the Board of Directors also considered the criteria of length, continuity, economic dependence and exclusivity of the business relationships. To SCOR's knowledge, there are no other direct or indirect business relationships between the directors of SCOR and third parties having a significant business relationship with the Company. The Board of Directors confirmed that the direct or indirect business relationships between the Directors and SCOR SE do not call into question their independence, either quantitatively or qualitatively.

	Independence criteria as per the Internal Charter of the Board of Directors of SCOR	Assessment of the independence of the directors by the Board of Directors, on the proposal of the Compensation and Nomination Committee
5	Shall have no close family ties with one of SCOR's corporate officers.	The Board of Directors confirmed that no director has any close family relationships with a corporate officer of SCOR SE.
6	Shall not have been a Statutory Auditor of the Company over the five preceding years.	The Board of Directors confirmed that no director has been an auditor of SCOR SE in the last five years.
7	Shall not have been a director of the Company for more than twelve (12) years (the loss of independent director status in this regard will occur on the date at which this period of twelve years is reached).	The Board of Directors noted that Denis Kessler and Claude Tendil cannot be deemed independent. They have been directors of the Company for more than twelve years.
8	Shall not represent a significant shareholder of the Company with the stipulation that: • a shareholder is deemed significant if he or she holds more than 5% of the shares or voting rights (calculation consolidating his or her various holdings); • below this threshold, the Board, based on a report of the Compensation and Nomination Committee, systematically takes into account the structure of the Company's capital and the existence of a potential conflict of interest when evaluating independence.	The Board of Directors has ensured whether the directors represent a significant shareholder of the Company. It noted that the five directors below are either a shareholder (Holding Malakoff Humanis) or directly related to shareholders of SCOR SE: • Adrien Couret, Chief Executive Officer of Aéma group; • Bruno Pfister, Chairman of the Board of Directors of Crédit Suisse Asset Management; • Holding Malakoff Humanis, represented by its Chief Executive Officer Thomas Saunier; • Claude Tendil, Chairman of the Board of Directors of Generali IARD, Generali group; • Fields Wicker-Miurin, Director of BNP Paribas SA and Prudential plc. As the interests of these companies in the share capital and voting rights of SCOR SE is significantly below the 5% threshold set by the Internal Charter of the Board of Directors of SCOR SE, the Board of Directors noted that Adrien Couret, Bruno Pfister, Holding Malakoff Humanis (represented by Thomas Saunier), Claude Tendil and Fields Wicker-Miurin can be deemed independent with regards to this criterion.
9	Shall not be a non-executive corporate officer receiving variable compensation in cash or in the form of shares or any compensation linked to the performance of the Company or the Group.	The Board of Directors of SCOR SE does not include any non-executive corporate officer.

In conclusion of its analysis, the Board of Directors confirmed that, with the exception of Denis Kessler, Fiona Camara, Lauren Burns Carraud and Claude Tendil, all SCOR SE directors can be deemed independent.

The table below presents the results of the detailed review, criterion by criterion, of the independence of each director carried out by the Board of Directors in February 2021, on the proposal of the Compensation and Nomination Committee, with regard to the criteria mentioned above:

Criteria	1	2	3	4	5	6	7	8	9	Independent
Denis Kessler, Chairman of the Board	No	No	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Fabrice Brégier	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lauren Burns Carraud	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Fiona Camara	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Adrien Couret *	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Vanessa Marquette	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Bruno Pfister	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Jean-Marc Raby **	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Augustin de Romanet	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Thomas Saunier ***	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Kory Sorenson	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Claude Tendil	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Natacha Valla	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Zhen Wang	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fields Wicker-Miurin	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

* *SCOR SE director since November 6, 2020.*
** *SCOR SE director until November 5, 2020.*
*** *Representing Holding Malakoff Humanis, director.*

Role of the Lead Independent Director

The Lead Independent Director is appointed from among the independent directors by the Board of Directors on the proposal of the Compensation and Nomination Committee. He assists the Chairman and Chief Executive Officer in his duties, in particular in organizing the Board and its Committees and ensuring they operate properly, and in supervising corporate governance.

He is also in charge of assisting the Board concerning the smooth operation of the Company's governance bodies and advising the Board on the operations that require a Board decision. He may include any subject he deems necessary on the agenda of the Board of Director's meetings.

He convenes the non-executive directors as often as needed and chairs any meetings held.

He advises the directors when they are concerned that they may be involved in a conflict of interest.

With the approval of the Chairman and Chief Executive Officer, he may represent the Company. In particular, he can answer questions from shareholders, on behalf of the Board of Directors, on corporate governance matters. These meetings or contacts will be conducted in close coordination with the General Secretariat which will be informed beforehand. The Lead Independent Director reports on his work to the Board of Directors.

In 2020, the Lead Independent Director chaired the session of the non-executive directors on several occasions, during which the succession plan of the Chairman and Chief Executive Officer was discussed as well as the most appropriate governance structure for the Group as part of this succession process.

Directors' rights and duties

Directors may receive training, if they feel it is necessary, on the specific aspects of the Company, its lines of business, its business area and its social and environmental responsibility challenges. They agree to regularly attend meetings of the Board of Directors, of Committees of which they are members, and Shareholders' Meetings. Lastly, they have the obligation to express their opposition when they believe that a decision of the Board of Directors is likely to be harmful to the Company.

Multiple directorships

In accordance with the recommendations of the AFEP-MEDEF corporate governance code, the executive corporate officer should not hold more than two other directorships in listed companies, including foreign companies, not affiliated with the SCOR Group. Moreover, he or she shall also seek the opinion of the Board before accepting a new directorship in a listed company.

Directors undertake to hold no more than four other directorships in listed companies, including in foreign companies, outside of the Group. He or she is required to consult the Lead Independent Director and the Chairman of the Compensation and Nomination Committee prior to his or her prospective appointment as director, Chairman and Chief Executive Officer, Chairman of the Board of Directors, Chief Executive Officer, member of a Supervisory Board or Chairman or member of a Management Board of other companies, whether the registered office of such companies is located in France or abroad. This allows the Board of Directors, assisted by the Compensation and Nomination Committee, to verify that the directors are in compliance with applicable limits imposed on multiple offices and that any potential conflict of interest is prevented.

Limitations and restrictions on trading in SCOR securities

The Internal Charter of the Board of Directors sets out the main recommendations of the market authorities with regard to directors trading in the securities of the Company.

Firstly, the Internal Charter of the Board of Directors sets out the legal and regulatory provisions requiring confidentiality with regard to inside information of which directors may become aware in the course of their duties.

The Internal Charter then requires directors to register all SCOR shares that they themselves or their dependent, minor children hold at the time they take up office and those acquired subsequently. In addition, the Internal Charter lays down certain restrictions on trading in SCOR's securities:

- first, directors are prohibited from trading in SCOR securities while in possession of information that, when made public, is likely to have a significant influence on the share price. In this regard, directors must refrain from (a) engaging in or attempting to engage in insider trading, in particular by acquiring or disposing of, on their own behalf or on behalf of a third party, directly or indirectly, financial instruments to which that information relates, or by cancelling or amending orders already placed concerning a financial instrument to which the information relates; (b) recommending, encouraging or attempting to recommend or encourage another person to engage in insider trading on the basis of inside information; (c) unlawfully disclosing or attempting to disclose inside information to another person, except when the information is disclosed in the normal course of their work, profession or duties;
- in addition, directors are prohibited from directly or indirectly engaging in any transaction with regard to SCOR's securities during certain sensitive periods of which they have been notified by the Group or during any period preceding an important event affecting SCOR and likely to influence the share price. In all cases, the following periods are considered sensitive: the thirty (30) calendar days before the publication of half-year and annual financial statements; the fifteen (15) calendar days before the publication of quarterly results and the announcement of the dividend.

Lastly, in accordance with the applicable procedure, directors are required to notify SCOR and the AMF of all transactions carried out in its securities, directly or by an intermediary, on their behalf or on behalf of a third party, by their spouse, or by a third party holding a power of attorney. The notification also applies to transactions carried out by persons closely associated with the directors, as defined by applicable laws and regulations.

2.1.3.5. PREVENTION OF RISKS OF CONFLICT OF INTEREST

Each director has a duty of loyalty towards the Company. He or she shall in no case act in his or her own interests against that of the Company and must avoid any situations with risks of conflict of interest.

Pursuant to the Internal Charter, each director agrees not to seek or accept, either from the Company, the Group or third party, either directly or indirectly any functions, benefits or situations that could jeopardize his or her independent analysis, judgment or action in the performance of his or her duties as director. He or she will also not allow himself or herself to be directly or indirectly pressured by other directors, specific groups of shareholders, creditors, suppliers or other third parties in general.

The Board of Directors of SCOR SE decided, in order to protect the Company's interests, to implement a set of internal control mechanisms to prevent risks of conflict of interest, with:

- a review by the Audit Committee of related party transactions;
- an annual review of each director's situation, in order to analyze his or her independent status and the existence of any potential conflicts of interest;
- its Internal Charter, according to which any director involved in a risk of conflict of interest agrees to resign from his or her position if the conflict is not resolved;
- the adoption of a Code of Conduct communicated to all Company employees. This Code establishes reinforced requirements as regards the prevention of situations of risks of conflict of interest. It is supplemented by a policy defining the whistleblowing procedures available to employees, which provides for incidents to be reported to the Audit Committee;
- the systematic addition of an item to the agenda of each meeting of the Board of Directors on the potential conflict of interest of a director related to a topic on the agenda.

Should there be any doubt as to the existence of a conflict of interest, directors may consult with the Lead Independent Director, the Chairman of the Compensation and Nomination Committee or the General Secretary, who shall advise them.

In the event that a characterized punctual conflict of interest should arise on a specific topic submitted for discussion at a Board of Directors' meeting, the director in question shall (i) disclose the conflict to the Board prior to the meeting and (ii) abstain from taking part in the Board's debate or decision on the topic (in this case, he/she shall be excluded from quorum and voting calculations); it being specified that any director who is also a director of a consolidated company must abstain from taking part in the decisions of the Board in the event of a conflict of interest given his/her directorship with the subsidiary concerned [1].

In the event that a general conflict of interest should arise, directors must immediately notify the Chairman of the Compensation and Nomination Committee and, if the situation has not been resolved within one (1) month following the notification, resign from the Board of Directors.

Directors may, in the event a conflict of interest is likely to continue beyond the abovementioned one-month period, ask to be heard by the Compensation and Nomination Committee.

(1) The SCOR SE directors concerned resigned from their positions in consolidated companies before April 15, 2020, in accordance with the Internal Charter of the Board of Directors and Committees of SCOR SE.

2.1.3.6. MEETINGS OF THE BOARD OF DIRECTORS

The Company's Board of Directors held eight meetings in 2020 and they lasted on average two hours and a half.

MAIN TOPICS DISCUSSED BY THE BOARD OF DIRECTORS IN 2020

Financial and compliance	Risk
• Review and approval of the quarterly, half-year and annual financial statements • Review of the impact of Covid-19 on the Group's results • Review and approval of the half-year interim report • Review of the 2020 budget and operating plan • Review and approval of the 2019 Universal Registration Document • Annual review and approval of the Group policies, in particular those required by the Solvency II Directive • Review and approval of the SCOR SE and Group Corporate Governance Manual	• Quarterly review of the risk dashboard, with a particular focus on the impact of the Covid-19 crisis on the Group's risk profile • Review of the Group Internal Model results • Review and approval of the Regular Supervisory : report and the Solvency and Financial Condition Report • Quarterly review of the Solvency II update • Quarterly review of prudential affairs • Review and approval of the 2020 ORSA report • Review of the actuarial function report
Governance and Human Resources	**Corporate Social and Societal Responsibility and Environmental Sustainability**
• Review and approval of the succession plan of the Chairman and Chief Executive Officer • Review of the Chairman and Chief Executive Officer compensation for 2019 • Determination of the Chairman and Chief Executive Officer compensation for 2020 • Review and approval of the Group compensation policy • Review and approval of the stock option and performance share allocation plans • Annual review of the human resources briefing and outlook • Review of the results of the assessment of the Board of Directors • Annual review of the independence, fitness and properness of the directors and persons effectively running SCOR SE and the Group • Review of the composition of the Board of Directors and of its Committees • Review of the results of the Global Employee Survey	• Review and approval of the non-financial performance statement • Review and approval of the annual deliberation on professional gender equality and equal pay policy • Review and approval of the annual statement of the Company regarding the UK Modern Slavery Act • Review of the fossil fuels divestment strategy • Information on CSR issues and expectations of investors and NGOs • Follow-up on the Group's non-financial ratings
Annual General Meeting	**Miscellaneous**
• Convening of the Annual General Meeting • Determination of the dividend to be paid on the 2019 results • Review and approval of the reports to be presented at the Annual General Meeting • Review of answers to written questions	• Review of the 2020 investment strategy • Annual review of the related party agreements • Examination of results of the review of ordinary agreements entered into at arm's length conditions • Review and approval of the modifications made to the Internal Charter of the Board of Directors • Review and approval of various financial authorizations • Review of an internal restructuring project

The average attendance rate of the members of the Board as of December 31, 2020 was 96%. The following table presents the attendance of the members of the Board of Directors during 2020:

Board members	Attendance rate *(%)*
Denis Kessler, Chairman of the Board	100
Marguerite Bérard*	0
Fabrice Brégier	100
Lauren Burns Carraud**	100
Adrien Couret***	100
Fiona Camara	100
Vincent Foucart*	100
Vanessa Marquette	100
Bruno Pfister	88
Jean-Marc Raby****	100
Augustin de Romanet	100
Thomas Saunier	100
Kory Sorenson	100
Claude Tendil	100
Natacha Valla**	75
Zhen Wang	75
Fields Wicker-Miurin	100

* *SCOR SE director until June 16, 2020.*
** *SCOR SE director since June 16, 2020.*
*** *SCOR SE director since November 6, 2020.*
**** *SCOR SE director until November 5, 2020.*

In addition, one training session was held in 2020 for the Board members on the actuarial function, its role and responsibilities. Due to the health crisis, no further training sessions were organized in 2020.

During the 2020 financial year, the Chairman of the Board of Directors participated in numerous national and international events at which he represented the company. He spoke on the economic and financial consequences of the Covid-19 pandemic at a round table organized by the SCOR-Paris School of Economics Chair in June, which brought together several renowned economists. In September, at SCOR's annual conference attended by more than 250 of the Group's clients, he expressed his views on how the measures taken by the public authorities, broadly speaking, to contain the spread of the coronavirus have profoundly changed the nature of the pandemic risk for the (re)insurance sector. He also spoke on this matter at the Singapore International Reinsurance Conference (SIRC) held in October. In September, he participated in a conference organized by a major investment bank, during which he affirmed the ambitions and specified the approaches and resources used by SCOR to pursue its value-creating development in the coming years, in particular by capitalizing on the improvement in pricing terms and conditions on the property and casualty (re)insurance market. The Chairman of the Board of Directors also spoke several times in national and international media. In addition, he had discussions with many of the Group's clients, investors and shareholders.

2.1.3.7. ASSESSMENT OF THE BOARD OF DIRECTORS

Pursuant to the recommendations of the AFEP-MEDEF corporate governance code and to the provisions of the Internal Charter of the Board of Directors of SCOR SE, a formal assessment of the Board of Directors and of its Committees was conducted between November 2020 and January 2021.

Vanessa Marquette, member of the Compensation and Nomination Committee and independent director, agreed to lead this assessment by means of a detailed questionnaire sent to the directors and in-depth interviews with them. The questionnaire focused in particular on the organization, operation and fields of activity of the Board, as well as on the operation and work of the Committees and on the compensation of Committee and Board members.

The findings of the assessment were presented by Vanessa Marquette during the meeting of the Compensation and Nomination Committee on February 22, 2021, the non-executive directors' session on February 23, 2021 and the Board of Directors meeting held on the same day.

In addition to the assessment of the operation of the Board and its Committees, an assessment of each director's effective contribution to the Board's work was conducted, led by Augustin de Romanet, Lead Independent Director and Chairman of the Compensation and Nomination Committee. The Lead Independent Director then provided individual feedback to each director.

The directors expressed a consistently high level of satisfaction with the overall quality and functioning of SCOR's governance, particularly in the context of the global health crisis. They commended the responsiveness of Management, who took the appropriate measures to protect the Group's employees right from the beginning of the pandemic.

The majority of directors consider that the Board functions better than other Boards of which they are a member. They also consider that Board meetings are effective and well organized, that Committees function efficiently and that management is open to suggestions from directors. They also praised the independence of spirit present throughout the Board, as well as the arrival of two directors, who will provide the Board with their solid expertise. The directors stated that they are very satisfied with the level of attendance of the directors at Board meetings.

In particular, the assessment of the Board highlighted the quality of communication regarding key Company developments outside of Board meetings, as well as the improvement in the quality and speed of the distribution of meeting minutes. The directors expressed their satisfaction regarding the feedback they received on their contribution to the Board's work.

Among the areas for improvement identified in the assessment, the directors, aware that the ever-increasing volume of documents results from legislative and regulatory developments, noted the efforts made by Management to provide summaries but nevertheless consider that the volume of documents provided could still be reduced, the quality of the summaries improved and the duration of the meetings adjusted accordingly. While acknowledging the quality of the technology used by the Group during the pandemic in order to enable Board of Directors' meetings to take place, the directors nevertheless note that the lack of in-person meetings hindered the quality of discussions regarding the Group's strategic challenges.

2.1.3.8. NEGATIVE DISCLOSURES REGARDING MEMBERS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE

As at the issuance date of the Universal Registration Document, and to SCOR's knowledge, there are no family relationships between the directors or between a director and a member of the Executive Committee.

To SCOR's knowledge, in the last five years:
- no director and no member of the Executive Committee has been convicted of fraud;
- no director and no member of the Executive Committee has been associated with the bankruptcy, sequestration, liquidation or placing under administration of a company;
- no director and no member of the Executive Committee has ever been stripped by a court of the right to act as a member of the administrative, management, or supervisory body of an issuer or the right to be involved in the management or business of an issuer.

No director and no member of the Executive Committee has been subject to an accusation by and/or received an official public sanction from statutory or regulatory authorities, with the exception of the accusation against Augustin de Romanet in his capacity as former Chief Executive Officer of Caisse des Dépôts et Consignations, in the proceedings currently ongoing before France's Court of Budgetary and Financial Discipline regarding the implementation of a free share plan for employees within CDC Entreprises (a Caisse des Dépôts et Consignations subsidiary). Augustin de Romanet informed SCOR that he had set up an incentive compensation plan, the legality of which is not disputed, had not received any shares under the plan, and had requested that the Court release him from all charges.

2.1.3.9. BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE CONFLICTS OF INTEREST

No loans or guarantees have been granted or established in favor of the directors by SCOR or by any other Group company.

There is no arrangement or agreement entered into with shareholders, clients, suppliers or others pursuant to which any member of the Board of Directors or any member of the Executive Committee has been appointed.

To SCOR's knowledge, there are no conflicts of interest between the duties of the directors and Executive Committee members to SCOR and their own private interests.

2.1.3.10. INFORMATION ON SERVICE CONTRACTS OF MEMBERS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE

To SCOR's knowledge, there are no service agreements involving the members of the Board of Directors or the Executive Committee and the Company or one of its subsidiaries providing for benefits upon termination of such agreement.

2.1.4. BOARD OF DIRECTORS' COMMITTEES

SCOR's Board of Directors has established six advisory committees responsible for examining specific topics, preparing the Board's discussions and making recommendations.

The non-executive directors' session is composed of all directors, with the exception of the Chairman and Chief Executive Officer and the directors representing employees.

The following table presents the changes in the composition of the Committees and the non-executive directors' session, during the year:

Committee	Appointment	Reappointment	Departure
Strategic Committee	Adrien Couret Natacha Valla	Vanessa Marquette Thomas Saunier Zhen Wang	Marguerite Bérard Jean-Marc Raby
Audit Committee	Natacha Valla	Vanessa Marquette	Marguerite Bérard
Risk Committee	–	Vanessa Marquette Zhen Wang	–
Compensation and Nomination Committee	Lauren Burns Carraud	Vanessa Marquette	Vincent Foucart
Corporate Social and Societal Responsibility and Environmental Sustainability Committee	Fiona Camara	Vanessa Marquette	Vincent Foucart
Crisis Management Committee	–	–	–
Non-executive directors' session	Adrien Couret Natacha Valla	Vanessa Marquette Thomas Saunier Zhen Wang	Marguerite Bérard Jean-Marc Raby

2.1.4.1. THE STRATEGIC COMMITTEE

12 Members

3 Meetings

88% Attendance [1]

The Strategic Committee is composed of Denis Kessler (Chairman), Fabrice Brégier, Adrien Couret, Vanessa Marquette, Bruno Pfister, Augustin de Romanet, Thomas Saunier (as representative of Holding Malakoff Humanis), Kory Sorenson, Claude Tendil, Natacha Valla, Zhen Wang and Fields Wicker-Miurin.

The Committee's mission is to examine the Group's development strategy, including investments in organic growth and major internal restructuring operations, plus any significant operation falling outside of the strategy announced by the Group and to examine any acquisition, merger, asset contribution or disposal of an amount in excess of EUR 100 million.

The Strategic Committee may call upon outside experts.

The Strategic Committee met on three occasions in 2020, each meeting lasting approximately two hours, including one strategic seminar.

MAIN ACTIVITIES OF THE STRATEGIC COMMITTEE IN 2020

- Review of various aspects of the Group's development strategy

The average attendance rate of the Committee members as of December 31, 2020 was 88%. The following table presents the attendance rates of Strategic Committee members in 2020:

Board members	Attendance rate *(%)*
Denis Kessler Chairman	100
Marguerite Bérard *	0
Fabrice Brégier	100
Adrien Couret **	N/A
Vanessa Marquette	100
Bruno Pfister	100
Jean-Marc Raby ***	100
Augustin de Romanet	100
Thomas Saunier ****	67
Kory Sorenson	100
Claude Tendil	33
Natacha Valla *****	100
Zhen Wang	67
Fields Wicker-Miurin	100

* *Member of the Strategic Committee until June 16, 2020.*
** *Member of the Strategic Committee since November 6, 2020.*
*** *Member of the Strategic Committee until November 5, 2020.*
**** *Representing Holding Malakoff Humanis, director.*
***** *Member of the Strategic Committee since June 16, 2020.*

(1) *Attendance rate based on Commitee members as of December 31, 2020.*

2.1.4.2. THE AUDIT COMMITTEE

5	4	100%
Members	Meetings	Attendance [(1)]

The Audit Committee is composed of Kory Sorenson (Chair), Vanessa Marquette, Bruno Pfister, Natacha Valla and Fields Wicker-Miurin. Each of its members is independent.

Due to the experience and positions held by its members during their career, the Committee has a high level of financial expertise (for further detail, see Section 2.1.3.2 – Information concerning the members of the Board of Directors).

The Audit Committee has two main missions:

- accounting, financial and non-financial responsibilities, including the analysis of periodic financial statements, the review of the relevance of choices and correct application of accounting standards, the review of the accounting treatment of any material transaction, the review of the scope of consolidation, the review of significant off-balance sheet commitments, the control of the selection of Statutory Auditors, the review of any accounting and financial reporting documents before they are made public. The audit fees for services rendered by Statutory Auditors during the year are subject to a quarterly review and approval by the Audit Committee, with a specific review for the non-audit services. The Audit Committee approves the non-audit fees to ensure that the auditors' independence is not jeopardized;
- ethical, internal control and compliance responsibilities: the Audit Committee is responsible for ensuring that internal procedures relating to the collection and auditing of data guarantee the quality and reliability of SCOR's financial statements. The Audit Committee is also in charge of reviewing agreements with related parties *(conventions réglementées),* analyzing and responding to questions from employees with regard to internal controls, the preparation of financial statements and the treatment of internal accounting books and records. It gives its opinion on the organization of Internal Audit, examines its annual work program, receives internal audit reports and stays informed regarding the implementation of recommendations. Finally, it examines the annual compliance plan and stays informed regarding the Company's compliance activities.

If applicable, the Audit Committee ensures the implementation of a mechanism to prevent and detect corruption and influence peddling. It receives all of the information needed for this purpose and reports, if applicable, to the Board of Directors.

The Committee may consult the Chief Financial Officer, the Head of Internal Audit, the Heads of the actuarial and compliance functions and the Statutory Auditors on these issues, including in the absence of the Chairman and Chief Executive Officer. It may also call upon outside experts. During the 2020 financial year, and for each meeting, it met with the Statutory Auditors and the Group Chief Financial Officer (during the review of the financial statements), in the absence of the Chairman and Chief Executive Officer. The review of the financial statements was accompanied by a presentation made by the Statutory Auditors highlighting the main results of their work and the accounting methods used, as well as by a presentation made by the Group Chief Financial Officer describing risk exposure and material off-balance sheet liabilities. The review of the financial statements was accompanied by a management presentation describing SCOR's exposure to social and environmental risks.

The Audit Committee met on four occasions in 2020, each meeting lasting on average two and a half hours. The Chairman and Chief Executive Officer attended all the meetings in 2020.Four joint sessions of the Audit Committee and Risk Committee were also held in 2020.

MAIN ACTIVITIES OF THE AUDIT COMMITTEE IN 2020

Accounting, financial and non-financial responsibilities	Ethics, internal control and compliance responsibilities
• Review of the quarterly, half-year and annual financial statements, with a particular focus of the impact of Covid-19 on the Group's results • Review of the half-year interim report • Review of the 2020 budget and operating plan • Review of the Statutory Auditors' reports • Review of the 2019 Universal Registration Document • Review of the financial resolutions for the Annual General Meeting and the proposed dividend on the 2019 results • Review of some financial authorizations prior to their submission to the Board of Directors During the joint sessions of the Audit and Risk Committee: • Review of the impact of the Covid-19 crisis on the Group, for each business unit	• Review of the quarterly internal audit reports and of the 2020 internal audit plan • Annual review of the Group policies, notably those required by the Solvency II Directive and under the Audit Committee's remit • Review of the 2020 compliance plan and follow-up on the 2019 compliance plan actions • Annual review of related party agreements • Annual review of the work of the Audit Committees of the main Group subsidiaries • Review of the main ongoing litigations • Review of the quarterly legal and compliance dashboard • Examination of the results of the review of ordinary agreements entered into at arm's length conditions During the joint sessions of the Audit and Risk Committee: • Review of the actuarial function report • Review of the internal control system • Review of the regulatory reports (Solvency and Financial Condition Report and Regular Supervisory Report)

(1) Attendance rate based on Commitee members as of December 31, 2020.

The average attendance rate of the Committee members as of December 31, 2020 was 100%. The following table presents the attendance rate of the Audit Committee's members in 2020:

Board members	Attendance rate *(%)*
Kory Sorenson, Chair	100
Marguerite Bérard *	50
Vanessa Marquette	100
Bruno Pfister	100
Natacha Valla **	100
Fields Wicker-Miurin	100

* *Member of the Audit Committee until June 16, 2020.*
** *Member of the Audit Committee since June 16, 2020.*

2.1.4.3. THE RISK COMMITTEE

7	4	96%
Members	Meetings	Attendance [(1)]

The Risk Committee is composed of Bruno Pfister (Chairman), Fabrice Brégier, Vanessa Marquette, Kory Sorenson, Claude Tendil, Zhen Wang and Fields Wicker-Miurin. Each of its members is independent except Claude Tendil.

The Committee is responsible for examining, particularly based on the Own Risk and Solvency Assessment (ORSA), the major risks to which the Group is exposed, both on the assets and liabilities side, and for ensuring that tools for monitoring and controlling these risks are in place. It examines the Group's main risks and its Enterprise Risk Management (ERM) policy. It also examines the Group's strategic risks (including emerging risks) as well as the Group's main technical and financial commitments (underwriting, reserving, market, concentration, counterparty, asset-liability management, liquidity and operating risks as well as the risks relating to changes in prudential regulations).

The Risk Committee may call upon outside experts.

The Risk Committee met four times in 2020, each meeting lasting on average two and a half hours. Four joint sessions of the Audit Committee and Risk Committee were also held in 2020.

MAIN ACTIVITIES OF THE RISK COMMITTEE IN 2020

- Quarterly review of the Group's main exposures, with a particular focus on the impact of the Covid-19 crisis on the Group's risk profile
- Review of the Group risk appetite
- Review of Solvency II matters
- Review of Group policies required by the Solvency II Directive
- Review of the US mortality portfolio
- Review of the Group's internal model results
- Review of the 2020 ORSA report
- Monitoring of prudential regulations
- Review of the 2019 climate report

During the joint sessions of the Audit and Risk Committee:

- Review of the impact of the Covid-19 crisis on the Group, for each business unit
- Review of the actuarial function report
- Review of the internal control system
- Review of the regulatory reports (Solvency and Financial Condition Report and Regular Supervisory Report)

The average attendance rate of the Committee Members as of December 31, 2020 was 96%. The following table presents the attendance rate of the members of the Risk Committee in 2020:

Board members	Attendance rate *(%)*
Bruno Pfister, Chairman	100
Fabrice Brégier	100
Vanessa Marquette	100
Kory Sorenson	100
Claude Tendil	75
Zhen Wang	100
Fields Wicker-Miurin	100

(1) Attendance rate based on Commitee members as of December 31, 2020.

2.1.4.4. THE COMPENSATION AND NOMINATION COMMITTEE

6	11	98%
Members	Meetings	Attendance (1)

The Compensation and Nomination Committee is composed of Augustin de Romanet (Chairman), Lauren Burns Carraud (director representing employees), Vanessa Marquette, Bruno Pfister, Claude Tendil and Fields Wicker-Miurin.

Except for the director representing employees and Claude Tendil, the Committee members are independent.

The Committee presents to the Board of Directors recommendations related to the compensation of the executive corporate officer and of the corporate officers, to free share allocation plans and stock option plans, and examines proposals related to the composition, organization and operating procedures of the Board of Directors and its Committees.

The Committee ensures that the executive corporate officers implement a policy of non-discrimination and diversity, in particular regarding the balanced representation of women and men within the governing bodies and reports to the Board of Directors.

Its duties are described in the Internal Charter.

The Chairman and Chief Executive Officer attends Compensation and Nomination Committee meetings and puts forward proposals relating to appointments and compensation for SCOR employees. He does not participate in discussions related to his own situation.

The Compensation and Nomination Committee may call upon outside experts.

The Compensation and Nomination Committee met on eleven occasions in 2020, each meeting lasting two to three hours.

MAIN ACTIVITIES OF THE COMPENSATION AND NOMINATION COMMITTEE IN 2020

Compensation

- Review of the free share allocation and stock-option plans
- Review of the Chairman and Chief Executive Officer's compensation for 2019
- Determination of the Chairman and Chief Executive Officer's compensation for 2020
- Review of the Executive Committee members and of the four key function holders' compensation
- Review of the directors' compensation
- Human Resources review and outlook
- Review of the cost of the governance within the Group
- Review and development of the Group's compensation policy

Nomination and Governance

- Review of the succession plan for the Chairman and Chief Executive Officer and the members of the Group Executive Committee
- Work on a possible change in SCOR SE's governance, such as a separation of the functions of Chairman and Chief Executive Officer
- Work on the renewal of the composition of SCOR SE's Board of Directors and its Committees
- Annual review of the independence, fitness and properness of the directors and of the persons effectively running SCOR SE
- Annual assessment of the Board of Directors
- Review of the Corporate Governance Manual of SCOR SE and the Group
- Review of the amendments made to the Internal Charter of the Board of Directors
- Annual review of Group policies, in particular those required by the Solvency II Directive

In particular, the Compensation and Nomination Committee devoted a significant portion of its time in 2020 to the succession of the Chairman and Chief Executive Officer. A leading recruitment firm was appointed in 2019 to assist the Committee. As part of its work, the Committee focused in particular on defining the expected profile with regard to the challenges facing the Company and the reinsurance industry over the next few years and on identifying candidates likely to match this profile. The Committee also discussed the possibility of separating the functions of Chairman and Chief Executive Officer.

These topics were also discussed during the non-executive directors' session, chaired by the Lead Independent Director.

For more details on the new governance structure of SCOR SE, see Section 2.1.1.2 – Evolution of SCOR's governance.

The average attendance rate of the Committee members as of December 31, 2020 was 98%. The following table presents the attendance rate of the members of the Compensation and Nomination Committee in 2020:

Board members	Attendance rate *(%)*
Augustin de Romanet, Chairman	100
Lauren Burns Carraud *	100
Vincent Foucart **	100
Vanessa Marquette	100
Bruno Pfister	91
Claude Tendil	100
Fields Wicker-Miurin	100

* *Member of the Compensation and Nomination Committee since June 16, 2020.*
** *Member of the Compensation and Nomination Committee until June 16, 2020.*

(1) *Attendance rate based on Commitee members as of December 31, 2020.*

2.1.4.5. THE CORPORATE SOCIAL AND SOCIETAL RESPONSIBILITY AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE

6	3	100%
Members	Meetings	Attendance (1)

The Corporate Social and Societal Responsibility and Environmental Sustainability Committee is composed of Fields Wicker-Miurin (Chairperson), Fiona Camara (director representing employees), Vanessa Marquette, Bruno Pfister, Augustin de Romanet and Claude Tendil.

Except the director representing employees and Claude Tendil, the other members are independent.

Its mission is to:

- examine the main corporate social, societal responsibility and environmental sustainability challenges faced by the Company;
- examine the corporate social and societal responsibility and environmental sustainability strategy and action plans, including commitments made by the Company in this regard, monitor their implementation, and propose any actions in this respect;
- submit to the Board of Directors any proposals designed to take the corporate social and societal responsibility and environmental sustainability issues faced by the Company into consideration when determining its business guidelines;
- examine the corporate social and societal responsibility and environmental sustainability reports submitted to the Board of Directors in accordance with the applicable laws and regulations, particularly the non-financial performance statement referred to in Article L. 22-10-36 of the French Commercial Code;
- study the non-financial ratings obtained by the Company and define, if necessary, objectives in this area;

The Corporate Social and Societal Responsibility and Environmental Sustainability Committee may call upon outside experts.

The Corporate Social and Societal Responsibility and Environmental Sustainability Committee met on three occasions in 2020, each meeting lasting approximately two hours.

MAIN ACTIVITIES OF THE CORPORATE SOCIAL AND SOCIETAL RESPONSIBILITY AND ENVIRONMENTAL SUSTAINABILITY COMMITTEE IN 2020

Environmental and sustainable development issues	Social and societal issues
• Approval of the approach to integrate biodiversity into investment policy • Follow-up of a study on the relation between biodiversity and insurance activities • Review of the fossil fuels divestment strategy • Follow-up on the project to develop agroforestry in an emerging country • Information on the methodology for calculating the carbon footprint of the underwriting portfolios following the publication of the CRO Forum report on this matter	• Annual review of the UK Modern Slavery Act annual statement • Approval of the diversity and inclusion action plan • Review of the annual declaration on the professional gender equality and equal pay policy • Review of the "SCOR for Good" project aiming to encourage the involvement of Group employees in the communities and territories where the Group operates, by granting, during their working time, a day of volunteer work to various local communities and providing a global digital platform • Discussions on SCOR's corporate purpose

Governance topics

- Approval of the CSR action plan for 2020 and quarterly review of its implementation
- Review and approval of the various Group CSR reports, such as the Non-Financial Performance Declaration, included in the 2019 Universal Registration Document, the 2019 Activity and CSR report and the 2019 climate report
- Information on CSR issues and expectations of investors and NGOs
- Follow-up on the Group's non-financial ratings
- Discussions on the consequences from Covid-19 on SCOR's raison d'être

The average attendance rate of the Committee members as of December 31, 2020 was 100%. The following table presents the attendance rate of the members of the Corporate Social and Societal Responsibility and Environmental Sustainability Committee in 2020:

Board members	Attendance rate *(%)*
Fields Wicker-Miurin, Chairperson	100
Fiona Camara *	100
Vincent Foucart **	100
Vanessa Marquette	100
Bruno Pfister	100
Augustin de Romanet	100
Claude Tendil	100

* *Member of the Corporate Social and Societal Responsibility and Environmental Sustainability Committee since June 16, 2020.*
** *Member of the Corporate Social and Societal Responsibility and Environmental Sustainability Committee until June 16, 2020.*

(1) *Attendance rate based on Commitee members as of December 31, 2020.*

2.1.4.6. THE CRISIS MANAGEMENT COMMITTEE

5	1	100%
Members	Meeting	Attendance [(1)]

The Crisis Management Committee is composed of Augustin de Romanet (Chairman), Denis Kessler, Bruno Pfister, Kory Sorenson and Fields Wicker-Miurin.

The Crisis Management Committee meets only when necessary and as many times as it deems necessary.

Its role is to assist and advise the Board of Directors and propose to the Board any necessary measures and decisions in the event of a crisis affecting the Company, the Group or one of its members, as well as following up on such measures and decisions.

Depending on the agenda, the Lead Independent Director, who chairs this Committee, may exclude the Chairman and Chief Executive Officer from the discussions of the Crisis Management Committee. Moreover, any member of the committee must recuse himself or herself from all meetings of said committee linked, directly or indirectly, to a subject that personally concerns him or her.

The Crisis Management Committee may call upon outside experts.

The Crisis Management Committee met once in 2020, and the meeting lasted approximately two hours.

MAIN ACTIVITIES OF THE CRISIS MANAGEMENT COMMITTEE IN 2020

- Follow-up of the criminal and civil actions brought by SCOR against Thierry Derez and Covéa following Covéa's unsolicited takeover bid for SCOR in 2018

The average attendance rate of the Committee members as of December 31, 2020 was 100%. The following table presents the attendance rate of the members of the Crisis Management Committee in 2020:

Board members	Attendance rate *(%)*
Augustin de Romanet, Chairman	100
Denis Kessler	100
Bruno Pfister	100
Kory Sorenson	100
Fields Wicker-Miurin	100

2.1.4.7. NON-EXECUTIVE DIRECTORS' SESSIONS

Non-executive directors' sessions involve all the directors, with the exception of the directors representing employees and the executive corporate officer of the Company.

They bring together the non-executive directors so that they can exchange ideas outside the Board of Directors' meetings. A session may be called to address conflicts between the Board and Management, failure to uphold the corporate governance code, a corporate officer's inability to carry out his or her duties as a result of an accident or death, or a proven breach of the code of ethics by the Chairman.

These sessions were held on five occasions in 2020, and were chaired by the Lead Independent Director.

MAIN ACTIVITIES OF THE NON-EXECUTIVE DIRECTORS' SESSION IN 2020

- Discussions on the results of the votes at the Shareholders' Meeting as well as on the opinions expressed by shareholders as part of active shareholder dialogue
- Discussions on the various measures envisaged by the Compensation and Nomination Committee to meet the expectations expressed regarding the compensation policy
- Provision of information to non-executive directors on the work carried out by the Compensation and Nomination Committee on the succession plan for the Chairman and Chief Executive Officer, and, in particular, on the most appropriate governance structure for the Group in the context of this succession
- Interviews with the candidates selected by the Compensation and Nomination Committee for the position of Chief Executive Officer

For more details on the new governance structure of SCOR SE, see Section 2.1.1.2 – Evolution of SCOR's governance.

(1) Attendance rate based on Commitee members as of December 31, 2020.

2.1.5. CORPORATE OFFICERS AND THEIR POWERS

2.1.5.1. CORPORATE OFFICERS

At its meeting on April 18, 2002 and in compliance with Article L. 225-51-1 of the French Commercial Code and Article 16 of SCOR's bylaws ("Executive Management"), the Board of Directors of the Company decided that the management of the Company would be carried out under its responsibility by the Chairman of the Board of Directors, with the title of Chairman and Chief Executive Officer, who may be assisted by a Deputy Chief Executive Officer.

The Chairman and Chief Executive Officer has executive authority to manage SCOR's business, subject to prior authorization of the Board of Directors or the Shareholders' Meeting for certain decisions as required by law and by the Company's bylaws, and subject to compliance with the French Insurance Code according to which SCOR must be effectively run by at least two persons. The Chairman and Chief Executive Officer has the authority to act on behalf of and in the name of SCOR and to represent SCOR in dealings with third parties, subject to those powers expressly reserved by law to the Board of Directors or the shareholders. The Chairman and Chief Executive Officer determines, and is responsible for, the implementation of SCOR's goals, strategies and budgets, which are submitted to the Board of Directors.

The Board of Directors has the power to appoint and remove, at any time and with or without cause, the Chairman and Chief Executive Officer, and to appoint separate persons to hold the positions of Chairman of the Board of Directors and Chief Executive Officer. On the proposal of the Chairman and Chief Executive Officer, the Board of Directors may also appoint a Deputy Chief Executive Officer to assist the Chief Executive Officer in managing the business. In addition, the Board of Directors appoints the persons effectively running SCOR SE, in compliance with the French Insurance Code.

For more details on the new governance structure of SCOR SE, see Section 2.1.1.2 – Evolution of SCOR's governance.

2.1.5.2. POWERS OF THE CORPORATE OFFICERS

The Board of Directors of the Company also limited the powers of the Chairman and Chief Executive Officer by stipulating in the Internal Charter the need for prior Board approval for the following operations:

- organic growth investments and major internal structuring operations;
- any significant operation falling outside of the strategy announced by the Group;
- any project regarding a sale or acquisition, merger or cash and asset contribution higher than one hundred million euros. In addition, any project regarding a sale, in one or more transactions, concerning at least half of the Company's assets over the last two years must be submitted to the Shareholders' Meeting.

Furthermore, in addition to the Chairman and Chief Executive Officer of SCOR SE, two other persons effectively running SCOR SE and the Group have been appointed by the Board of Directors, pursuant to the requirements of the French Insurance Code: Jean-Paul Conoscente, Chief Executive Officer of SCOR Global P&C, and Paolo De Martin, Chief Executive Officer of SCOR Global Life.

The Group also has a number of other measures in place to ensure an appropriate balance of powers within its governance structure.

Accordingly, in 2020, all of the directors were independent, except the Chairman and Chief Executive Officer, the directors representing employees and Claude Tendil, who has been a director for over 12 years.

The Board of Directors of SCOR also has a Lead Independent Director who may include any matter he deems necessary on the agenda of the Board of Directors' meetings and convene a non-executive directors' session.

Furthermore, according to the Internal Charter of the Board of Directors, the directors may ask that the Company's senior executives attend meetings of the Board of Directors in order to question them, if necessary, on matters related to the performance of their functions in the absence of the Chairman and Chief Executive Officer.

Lastly, pursuant to the French Insurance Code and to requirements of the Solvency II Directive, four key function holders (compliance, risk management, actuarial, internal audit) have been appointed for SCOR SE and the Group. They are heard at least annually by the Board or one of its Committees and may raise any issues or concerns directly to the Board.

For more details on the new governance structure of SCOR SE, see Section 2.1.1.2 – Evolution of SCOR's governance.

2.1.6. EXECUTIVE COMMITTEE

The Executive Committee is composed of executives of the Company and of its subsidiaries. It is responsible for implementing the strategy defined by the Board of Directors, under the Chairman and Chief Executive Officer's authority.

See Section 2.1.5.2 – Powers of the corporate officers.

2.1.6.1. BIOGRAPHICAL INFORMATION ON THE MEMBERS OF THE EXECUTIVE COMMITTEE

Denis Kessler

See Section 2.1.3.2 – Information concerning the members of the Board of Directors.

Jean-Paul Conoscente

Jean-Paul Conoscente, an American and French citizen, is a graduate of the University of California Berkeley (Master of Science in Structural Engineering) and the *École des travaux publics,* Paris (Engineering Diploma in Civil Engineering). He started his career in earthquake engineering in California and then in cat modeling as the European head of the modeling firm EQECAT. He subsequently held several senior positions with AON Benfield as a reinsurance broker in London and Paris and then with AXA Re in Paris as the Global Head of Property. In 2008, he joined SCOR in New York as Chief Underwriting Officer for the Americas for SCOR Global P&C and helped transform SCOR's team and portfolio in the Americas, before taking on the role of Chief Executive Officer of SCOR's P&C U.S. Operations in 2016. Following SCOR Global P&C's restructuring in September 2018, he became its Chief Executive Officer of Reinsurance globally. In April 2019, he was appointed Chief Executive Officer of SCOR Global P&C, and a member of the Executive Committee and a person effectively running SCOR SE.

Paolo De Martin

Paolo De Martin, an Italian citizen, graduated from Ca' Foscari University, Italy, with a degree in Business Economics. He subsequently spent two years in the optical business as founder and managing partner of an eyewear manufacturer. He joined General Electric Company (GE) in 1995 as a finance trainee in London. In 1997, he joined GE's internal auditing & consulting group, charged with assignments in multiple GE businesses in the Americas, Europe and the Asia-Pacific region. In 2001, Paolo De Martin was promoted to Executive Manager for GE Capital Europe, before joining GE Insurance Solutions as Financial Planning and Analysis Manager for Global Property and Casualty Reinsurance. In 2003, he was appointed Chief Financial Officer of GE Frankona group before becoming Chief Financial Officer of Converium Holding AG in July 2006. In September 2007, Paolo De Martin was appointed Group Chief Financial Officer of SCOR. In January 2014, Paolo De Martin was appointed Chief Executive Officer of SCOR Global Life.

Ian Kelly

Ian Kelly, a British citizen, is a Fellow of the Association of Chartered Certified Accountants. Having begun his career with Prudential, he subsequently joined the London-based Life reinsurance department of the Gerling group, which later became Revios UK, as Chief Accountant. Following the acquisition of Revios by SCOR, he was appointed Chief Financial Officer of the UK operations in 2007. In 2009, Ian Kelly was appointed Director of General Accounting and Group Reporting, with responsibility for the consolidation of financial reporting of the SCOR Group. Ian Kelly strengthened his strategy, regulatory and financial experience within SCOR with his appointment as Head of Group Financial Planning and Analysis in 2011. As well as being responsible for the financial planning of the Group, Ian Kelly was appointed Head of Investor Relations in 2016. In October 2020, he became Group Chief Finance Officer.

Frieder Knüpling

Frieder Knüpling, a German citizen, has been Group Chief Risk Officer of SCOR since January 2014, responsible for risk management, actuarial, risk modeling, and prudential and regulatory affairs. He became a member of SCOR's Group Executive Committee in 2010, after having held various actuarial, finance and risk management roles at Gerling Global Re, Revios and SCOR. Frieder Knüpling holds degrees in mathematics and physics, and a PhD in Economics. He is a fellow of the *Deutsche Aktuarvereinigung* (DAV), a Chartered Enterprise Risk Analyst (CERA).

Romain Launay

Romain Launay, a French citizen, is a graduate of *École polytechnique, Corps des mines* and the *Centre des hautes études de l'assurance*. Having held various positions at the French Ministry for the Economy and Finance between 2004 and 2009, he became Technical Advisor to the Prime Minister's Office in 2009. He joined SCOR in February 2012 as Senior Advisor to the Chairman and Chief Executive Officer, before being appointed Group General Secretary in May 2014. In February 2016, he became Group Chief Operating Officer.

Brona Magee

Brona Magee, an Irish citizen, holds a bachelor's degree in Actuarial and Financial Studies from University College Dublin. She is also a Fellow of the Society of Actuaries in Ireland. From 2006 to 2011, she was General Manager for Transamerica International Reinsurance Ireland, which was acquired by SCOR in 2011. She became Chief Financial Officer for SCOR Global Life Reinsurance Ireland from 2011 to 2013. In 2013, Brona moved to the United States to become Chief Financial Officer of SCOR Global Life Americas and in 2015, she was promoted to Deputy Chief Executive Officer, SCOR Global Life Americas where she oversaw all technical aspects of the business, including finance, actuarial reserving, pricing, risk management and medical underwriting. In February 2017, she returned to Ireland and became Chief Actuary for SCOR Global Life and was responsible for reserving, pricing and risk management, and for the Irish entities. In November 2017, Brona took the position of Head of Client Solutions for SCOR Global Life, focused on the development of a suite of innovative solutions for clients around the world. In September 2018, Brona was appointed Deputy CEO of SCOR Global Life and joined the Group's Executive Committee. In her role she is responsible for Global Markets, overseeing the implementation of SCOR Global Life's strategy across all regions and continues to maintain responsibility for Client Solutions.

Benoît Ribadeau-Dumas

Benoît Ribadeau-Dumas, a French citizen, is a graduate of the *École Polytechnique*. Having graduated top of his class from the *École nationale d'administration* (ENA), he began his career at the French Council of State, before becoming advisor to the Prime Minister from 2002 to 2004. In 2004, he joined Thales, an electrical systems group specializing in aerospace, defense and security. In 2010, he started working at CGG, a company specializing in underground exploration, as Executive Vice President in charge of the Marine division. He was promoted to manager of the Acquisitions division in 2014. The following year, he joined the Executive Committee of Zodiac Aerospace, where he ran the Aerosystems branch and became a member of the Management Board. In 2017, he became Chief of Staff to the Prime Minister. He joined SCOR in January 2021 as Deputy Chief Executive Officer of SCOR and will be appointed Chief Executive Officer following the 2022 Annual General Meeting.

Laurent Rousseau

Laurent Rousseau, a French citizen, is a graduate of HEC *(École des hautes études commerciales)*. He started his career in 2001 as an equity analyst at Credit Suisse First Boston in London, covering European insurers and reinsurers. In 2005, he joined JP Morgan in the insurance Investment Banking team, executing M&A, capital raising and restructuring transactions for European insurers and reinsurers. He joined SCOR in 2010 as Advisor to the Chairman and Chief Executive Officer and became Head of SCOR Global P&C's Strategy, Business Development and Marketing in 2012. In July 2015, he became Chief Underwriting Officer of SCOR Global P&C's treaty business in Europe, Middle East & Africa. In April 2018, he was appointed Deputy Chief Executive Officer of SCOR Global P&C, a member of the Group's Executive Committee and, since September 2018, Chief Executive Officer for Specialty Insurance (SCOR Business Solutions, the Channel Managing Agency and MGAs in the Americas).

François de Varenne

François de Varenne, a French citizen, is a graduate of the *École polytechnique* and a civil engineer of the *ponts et chaussées*. He holds a PhD in finance and graduated as an actuary from the *Institut de science financière et d'assurances* (ISFA). François de Varenne joined the *Fédération française des sociétés d'assurances* (FFSA) in 1993 as Manager of Economic and Financial Affairs. In London, from 1998, he served successively as Insurance Strategist with Lehman Brothers, Vice-President for asset management solutions and structured transactions specialist in insurance and reinsurance companies at Merrill Lynch and then at Deutsche Bank. In 2003, he became Managing Partner of Gimar Finance & Cie. He joined the Group in 2005 as Director of Corporate Finance and Asset Management. On September 3, 2007, he was named Group Chief Operating Officer. On October 29, 2008, he was appointed Chief Executive Officer of SCOR Global Investments and Chief Executive Officer of SCOR Investment Partners.

2.1.7. NUMBER OF EMPLOYEES

The total number of Group employees increased from 3,028 (including 125 SCOR Channel employees) as at December 31, 2019 to 3,123 (including 132 SCOR Channel employees) as at December 31, 2020. The distribution of personnel covers the various geographical areas to meet the Group's strategic needs of the Group.

The following table presents the distribution of employees during the periods indicated:

Distribution by Hub [(1)]

	2020	2019	2018
EMEA [(2)]	1,912	1,848	1,694
Americas [(3)]	774	775	725
Asia-Pacific [(4)]	437	405	392
TOTAL	**3,123**	**3,028**	**2,811**

(1) Each Hub covers a region and may have employees in several countries.
(2) The EMEA Hub covers employees in France, Spain, Italy, Belgium, the Netherlands, Russia, South Africa, Kenya, the United Kingdom, Ireland, Sweden, Switzerland, Israel and Germany.
(3) The Americas Hub covers employees in the United States, Mexico, Brazil, Canada, Chile, Colombia and Argentina.
(4) The Asia-Pacific Hub covers employees in China, Hong Kong, India, Japan, South Korea, Malaysia, Singapore, Taiwan and Australia.

Distribution by business unit

	2020	2019	2018
SCOR Global P&C	1,152	1,141	981
SCOR Global Life	974	981	960
SCOR Global Investments	99	85	78
Group Functions and Support [(1)]	898	821	792
TOTAL	**3,123**	**3,028**	**2,811**

(1) The "Group Functions and Support" unit includes the departments reporting to the Group CFO, CRO and COO as well as the departments directly managed by the Chairman and Chief Executive Officer. ReMark (149 employees, fully consolidated entity), MRM (5 employees, fully consolidated entity), Château Mondot SAS (21 employees, fully consolidated entity), Les Belles Perdrix de Troplong Mondot EURL (11 employees, fully consolidated entity), Telemed (45 employees), Essor (84 employees), AgroBrasil (34 employees) and Coriolis (7 employees) are all wholly-owned subsidiaries of SCOR SE except MRM of which SCOR SE owns 59.9% of the capital. Due to their specific activities, their business models and their organizations, their human resources are managed independently from the Group and employee numbers are therefore not included in the Group figures.

By the end of 2020, women held about 19% of the 10% of positions with the highest responsibilities (based on the highest levels of the Partners program). The policy to build a more mixed talent pool as well as the related 2020 achievements, are described in Section 6.2.1 – Human capital as a key success factor for the Group.

2.2. BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE MEMBER COMPENSATION, AND SHARE OWNERSHIP

2.2.1. COMPENSATION OF THE EXECUTIVE CORPORATE OFFICER AND THE DIRECTORS

2.2.1.1. PRINCIPLES AND RULES SET FOR THE DETERMINATION OF THE COMPENSATION AND BENEFITS OF DENIS KESSLER AS CHAIRMAN AND CHIEF EXECUTIVE OFFICER FOR 2020

For details on the principles and rules set for the determination of the compensation and benefits of Denis Kessler as Chairman and Chief Executive Officer for 2020, please see the brochure for the 2020 Ordinary and Extraordinary Shareholders' Meeting.

2.2.1.2. APPROVAL OF THE COMPONENTS OF COMPENSATION DUE OR AWARDED TO DENIS KESSLER AS CHAIRMAN AND CHIEF EXECUTIVE OFFICER FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

In accordance with Article L. 22-10-9 of the French Commercial Code, the components of the total compensation and benefits paid or awarded to Denis Kessler as Chairman and Chief Executive Officer for the financial year ended December 31, 2020 are presented below. These compensation components are compliant with the principles and rules set for the determination of the compensation and benefits of Denis Kessler as Chairman and Chief Executive Officer for 2020 approved by the 2020 Shareholders' Meeting.

In accordance with Article L. 22-10-34, I of the French Commercial Code, at the 2021 Shareholders' Meeting, the shareholders will vote on the aforementioned compensation components (fixed, variable and exceptional) paid or awarded to Denis Kessler for the financial year ended December 31, 2020.

The following table presents a summary of the total compensation including gross compensation, shares and stock options of the executive corporate officer for 2020, 2019 and 2018:

	2020		2019		2018	
	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid
Fixed compensation	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Variable compensation (1) (3)	747,000	758,940	1,084,200	1,184,400	1,184,400	1,120,020
Director's compensation	64,000	61,000	76,000	76,000	70,000	70,000
Exceptional compensation	0	0	0	0	0	0
Additional benefits	133,403	133,403	118,306	118,306	112,459	112,459
Gross compensation	**2,144,403**	**2,153,343**	**2,478,506**	**2,578,706**	**2,566,859**	**2,502,479**
Value of shares granted (2)	2,748,750		4,122,500		3,878,750	
Value of stock options granted (2)	259,000		218,000		188,000	
TOTAL	**5,152,153**		**6,819,006**		**6,633,609**	

(1) The variable compensation for 2020 has been determined by the Board of Directors based on a percentage of achievement for the objectives of 62.25%. It will be paid in one instalment, pending the approval of the Shareholders' Meeting.

(2) It should be noted that the figures stated above do not represent paid compensation but correspond to actuarial estimates in line with the AFEP-MEDEF corporate governance code. The value is calculated according to the same assumptions as those used for the Group financial statements (IFRS 2). All of the shares and stock options allocated to the Chairman and Chief Executive Officer are subject to performance conditions.

(3) On the proposal of the Chairman and Chief Executive Officer, and based on the recommendation of the Compensation and Nomination Committee, at its meeting on May 25, 2020, the Board of Directors approved a 30% reduction in the Chief Executive Officer's variable annual compensation for 2019. As a result, the amount of variable annual compensation paid to the Chairman and Chief Executive Officer for 2019 is EUR 758,940, compared to EUR 1,084,200 as presented in the 2019 URD.

The benchmark study conducted by Mercer in 2020 for the Compensation and Nomination Committee concluded that the compensation package of the Chairman and Chief Executive Officer (all compensation components included) is aligned with market practice. More specifically, the Chairman and Chief Executive Officer's total compensation for 2019 was equal to 91% of the median (among a list of peers including the main global reinsurers selected by premium income and for which information on the pay of top management is available, *i.e.* Alleghany, Arch Capital Group, Axis Capital Holdings Limited, Everest Re, Great West Lifeco, Hannover Re, Munich Re, Reinsurance Group of America and Swiss Re).

In accordance with the recommendations of the AFEP-MEDEF corporate governance code (Section 24.3) and pursuant to its implementation guide, the compensation components due or awarded to the executive corporate officer for the financial year ended December 31, 2020 are presented below.

These compensation components are compliant with the principles and rules set for the determination of the compensation and benefits of Denis Kessler as Chairman and Chief Executive Officer for 2020 as approved by the 2020 Shareholders' Meeting.

In accordance with Article L. 22-10-34 of the French Commercial Code, the fixed, variable and exceptional components comprising the total compensation and benefits paid or awarded to the Chairman and Chief Executive Officer for the past financial year are subject to approval by the Shareholders' Meeting.

In accordance with Article L. 22-10-34 of the French Commercial Code, the payment of the variable and exceptional components must be approved by the Shareholders' Meeting.

Compensation components due or awarded for the financial year ended December 31, 2020	Amounts or accounting valuation	Description
Fixed annual compensation	EUR 1,200,000	Following the recommendation of the Compensation and Nomination Committee at its February 25, 2020 meeting, the Board of Directors decided at its February 26, 2020 meeting that the Chairman and Chief Executive Officer would receive fixed gross annual compensation of EUR 1,200,000, payable in 12 monthly instalments. The fixed compensation of the Chairman and Chief Executive Officer has not changed since January 1, 2008.
Variable annual compensation	EUR 747,000 (amount paid or payable)	Following the recommendation of the Compensation and Nomination Committee at its February 25, 2020 meeting, the Board of Directors decided at its February 26, 2020 meeting that the Chairman and Chief Executive Officer could receive target variable annual compensation of EUR 1,200,000 (100% of his fixed compensation), unchanged since 2015. This variable annual compensation is determined as follows: • 50% on the basis of the achievement of a financial objective, set at the beginning of each year by the Board of Directors on the recommendation of the Compensation and Nomination Committee; and • 50% on the basis of the achievement of quantitative and qualitative personal objectives, set at the beginning of each year by the Board of Directors on the recommendation of the Compensation and Nomination Committee. In accordance with the compensation policy applicable to all Partners within the Group, a multiplier may be applied to the financial objective (capped at a maximum of 130% of the target) and the personal objectives (capped at a maximum of 150% of the target) attached to the annual variable compensation of the Chairman and Chief Executive Officer in the event of outperformance, increasing the ceiling on the variable annual compensation of the Chairman and Chief Executive Officer to 140% of his target variable annual compensation. Moreover, the Group policy states that an additional exceptional bonus ("Exceptional Contribution Bonus" – ECB) may be awarded in recognition of participation in and high contribution to the success of specific strategic projects. The ECB may reach a maximum of 25% of the target variable annual compensation of the Chairman and Chief Executive Officer. Therefore, the total variable annual compensation of the Chairman and Chief Executive Officer may not exceed 165% of his target variable annual compensation of EUR 1,200,000 or, consequently, 165% of his fixed annual compensation. The variable compensation for any given year is paid in the following year, after the financial statements of the Company for such given year are approved by the Board of Directors and is subject, in 2021 for the variable compensation for 2020, to the approval of the Shareholders' Meeting. For 2020, the variable compensation of the Chairman and Chief Executive Officer has been determined according to the following objectives: • 50% based on the achievement of a financial objective: return on equity (ROE) level achieved by SCOR, with a target of 800 basis points above the five-year risk-free-rate ("Quantum Leap" target); • 50% based on the achievement of personal objectives: maintaining a solvency ratio equal or higher than the lower limit of the optimal range defined in the strategic plan, achievement of the "Quantum Leap"strategic plan, assessment of the global warming-related risks for SCOR (outside-in analysis) and publication of the results in a climate report aligned with the recommendations of the Task-Force on Climate-related Financial Disclosures (TCFD), and strengthening of the Group's talent pool, in particular through training and active careers and skills management and the preparation of succession plans for key positions in the Group. The Board of Directors determined, on the proposal of the Compensation and Nomination Committee, a percentage of achievement for the objectives of 62.25%. The objectives, along with their respective assessments and achievement rates, are detailed in the table below. The Board of Directors, on the proposal of the Compensation and Nomination Committee, decided not to award to the Chairman and Chief Executive Officer any Exceptional Contribution Bonus (ECB). This variable annual compensation will be paid in one instalment.

<table>
<tr><th>Compensation components due or awarded for the financial year ended December 31, 2020</th><th>Amounts or accounting valuation</th><th>Description</th></tr>
<tr><td>Variable deferred compensation</td><td>N/A</td><td>The Group compensation policy does not provide for variable deferred compensation.</td></tr>
<tr><td>Multi-year variable compensation</td><td>N/A</td><td>The Group compensation policy does not provide for multi-year variable compensation.</td></tr>
<tr><td>Exceptional compensation</td><td>EUR 0</td><td>No exceptional compensation was awarded during the year, as in previous years.</td></tr>
<tr><td>Stock option and free share allocation plans or other long-term compensation</td><td>Stock options
EUR 259,000
Shares
EUR 2,748,750
(accounting value under IFRS)</td><td>
In accordance with the authorization by the Shareholders' Meeting of April 26, 2019 in its 23rd resolution, the Board of Directors decided at its April 28, 2020 meeting, on a proposal of the Compensation and Nomination Committee at its April 24, 2020 meeting, to allocate stock options to the Chairman and Chief Executive Officer and to the other members of the Executive Committee on April 28, 2020. Under the plan, 100,000 stock options were allocated to the Chairman and Chief Executive Officer. All of the stock options are subject to performance conditions. The performance conditions are defined as follows and are assessed and validated annually by the Compensation and Nomination Committee:
The stock options will be exercisable from April 29, 2024, provided:
(1) that the general conditions set out in the plan of April 28, 2020 are met and in particular that the beneficiary remains a corporate officer of the SCOR Group until April 28, 2024 inclusive, except as otherwise stated by the plan;
(2) that the Group’s ethical principles as described in its Code of Conduct are respected. In the event of a breach of the Code of Conduct, for instance in the event of fraud, the beneficiary will lose all of his stock options (clawback policy);
(3) that the corporate social responsibility (CSR) training obligation is met;
In addition to mandatory conditions (1), (2) and (3), the exercise of all the stock options allocated is subject to the fulfilment of performance conditions. Half of the options will be exercisable provided that SCOR’s average ROE over three years (from January 1, 2020 to December 31, 2022) is equal to the average of SCOR’s strategic target ROE (the “Target ROE”) over the same period.
If the observed average ROE is lower or higher than the Target ROE, the options will be exercisable according to the sliding scale set out in the table below:
<table>
<tr><th>Ratio between the observed average ROE and the Target ROE</th><th>Proportion of the options that can be exercised under this criterion</th></tr>
<tr><td>From 100%</td><td>100%</td></tr>
<tr><td>Between 80% and 99.99%</td><td>90%</td></tr>
<tr><td>Between 70% and 79.99%</td><td>70%</td></tr>
<tr><td>Between 60% and 69.99%</td><td>50%</td></tr>
<tr><td>Between 50% and 59.99%</td><td>25%</td></tr>
<tr><td>Below 50%</td><td>0%</td></tr>
</table>
In any case, if the observed average ROE is lower than 5%, the proportion of the options that could be exercised under this criterion will be 0%.
The remaining half of the options will be exercisable from April 29, 2024, provided that SCOR’s average solvency ratio over three years (from January 1, 2020 to December 31, 2022) is at least equal to the average of SCOR's strategic target solvency ratio over the same period (the "Target Solvency Ratio").
If the observed average solvency ratio is lower or higher than the Target Solvency Ratio*, the options will be exercisable according to the linear scale set out in the table below:
<table>
<tr><th>Difference between the average solvency ratio and the Target Solvency Ratio</th><th>Proportion of the options that can be exercised under this criterion</th></tr>
<tr><td>Higher than or equal to 0 percentage points</td><td>100%</td></tr>
<tr><td>Between 0 and up to -35 percentage points</td><td>Linear sliding scale</td></tr>
<tr><td>Lower than or equal to -35 percentage points</td><td>0%</td></tr>
</table>
* If the strategic plan sets a target or "optimal" range, the lower end of this range is considered for calculation purposes as being the Target Solvency Ratio.
</td></tr>
</table>

Compensation components due or awarded for the financial year ended December 31, 2020	Amounts or accounting valuation	Description
		The achievement of the performance conditions is assessed by the Compensation and Nomination Committee. In accordance with the authorization by the Shareholders' Meeting of April 26, 2019 in its 24th resolution, the Board of Directors decided at its April 28, 2020 meeting, on a proposal of the Compensation and Nomination Committee at its April 24, 2020 meeting, to allocate performance shares to the Chairman and Chief Executive Officer and to the other members of the Executive Committee. Under the plan, the Chairman and Chief Executive Officer was allocated 125,000 performance shares. The performance shares will vest as from April 29, 2023, provided that the beneficiary remains a corporate officer of the SCOR Group until April 28, 2023 inclusive, except as otherwise stated by the plan. All of the shares are subject to the same conditions as those for the stock options. The stock options and performance shares allocated to the executive corporate officer in 2020 represent 0.120% of the share capital, 9.53% of the total allocations in 2020, and 60% of his overall compensation. SCOR strives to ensure that each stock option and performance share allocation has a neutral impact in terms of dilution. In particular, its policy is to systematically neutralize, as far as possible, the potential dilutive impact that could result from the issuance of new ordinary shares following the exercise of stock options, by covering the exposure resulting from the issuance of stock options through the purchase of ordinary shares under its share buy-back program and by cancelling the treasury shares thus acquired as the options are exercised. Moreover, the shares allocated under the performance share plans are existing shares held in treasury by the Company as part of its share buy-back program and not newly created shares. Thus, there is no capital dilution due to the allocation of stock options and performance shares. Lastly, in compliance with the recommendations of the AFEP-MEDEF corporate governance code applicable to the executive corporate officer, the Chairman and Chief Executive Officer has made a formal commitment not to use hedging instruments on the stock options (including the shares resulting from the exercise thereof) and/or performance shares allocated to him, for the entire term of his office.
Directors' compensation	EUR 64,000	In 2020, the Chairman and Chief Executive Officer received compensation for his office as Chairman of the Board of Directors in the form of a fixed portion in the amount of EUR 28,000 and a variable portion equal to EUR 3,000 per meeting of the Board of Directors and per meeting of the Committees of which he is a member. In 2020, he took part in eight meetings of the Board of Directors, three meetings of the Strategic Committee and one meeting of the Crisis Management Committee, for a variable portion of EUR 36,000.
Benefits	EUR 6,950 In addition to the deferred amount, an amount of EUR 126,453 was paid by the Company in 2020 with regard to social security schemes and individual health coverage	As the Company representative, the Chairman and Chief Executive Officer is granted a company car with a shared driver. The insurance, maintenance, fuel and all costs related to the driver are paid by the Company. The Chairman and Chief Executive Officer also benefits from a health insurance policy under the terms of a contract dated September 16, 1988. Moreover, in accordance with the decision taken by the Board of Directors on March 21, 2006 (and reiterated on December 12, 2008, May 4, 2011 and July 30, 2014), the Chairman and Chief Executive Officer benefits from specific life insurance in an amount equivalent to three years of his fixed and variable compensation. The above individual insurance policy has been taken out by the Company and supplements the "all causes" death or permanent disability insurance policy for senior executives, dated June 30, 1993 and renewed or renegotiated annually. The latest version is compliant with the mandatory collective supplementary welfare plan specific to SCOR, which is applicable to an objective category of employees whose annual gross base compensation is equal to or more than three times the social security ceiling. The individual and collective "all causes" death insurance policies are renewed or renegotiated on an annual basis so that the Chairman and Chief Executive Officer will benefit from any policies that may replace the existing ones. Moreover, the Chairman and Chief Executive Officer benefits from a death or permanent disability insurance in case of an accident, also taken out for the senior executives of the Company and applicable since January 1, 2006. This collective insurance is renewed or renegotiated on an annual basis so that the Chairman and Chief Executive Officer will benefit from any policies that may replace the existing one.

Compensation components due or awarded for the financial year ended December 31, 2020	Amounts or accounting valuation	Description
Severance pay*	No amount is payable in respect of the financial year ended	In its 5th resolution and in accordance with the provisions of Article L. 225-42-1 of the French Commercial Code, the Ordinary and Extraordinary Shareholders' Meeting of April 26, 2018 approved the commitments made by the Board of Directors to the Chairman and Chief Executive Officer.
Non-competition indemnity*	N/A	There is no non-competition clause.
Supplementary pension plan*	No amount is payable in respect of the financial year ended	In its 4th resolution and in accordance with the provisions of Article L. 225-42-1 of the French Commercial Code, the Ordinary and Extraordinary Shareholders' Meeting of April 26, 2018 approved the following commitments made by the Board of Directors to the Chairman and Chief Executive Officer. As the plan has been closed to new entrants since June 30, 2008, only senior executives based in France and employed by the Group before this date benefit from this supplementary pension plan. As he joined SCOR in 2002, the Chairman and Chief Executive Officer is entitled to a guaranteed pension of 50% of his reference compensation, less any pension benefits acquired under other mandatory collective pension plans. Moreover, the amount paid under the SCOR plan may under no circumstances exceed 45% of the reference compensation, pursuant to the AFEP-MEDEF corporate governance code. It should be noted that, given his seniority within the Company, the Chairman and Chief Executive Officer has reached the ceiling of 45% set by the plan. Accordingly, he has not acquired any additional rights since 2011. Consequently, the legal provision which limits the annual increase in potential rights to 3% of the compensation of the beneficiary has no practical implications in his case. Since 2014, he has had the option of exercising his rights under this plan in the event of retirement. The guaranteed pension amount is calculated according to a reference compensation based on the average contractual annual gross compensation paid by SCOR SE over the last five years and considered to constitute "wages and salaries" under French tax law. In order to benefit from the supplementary pension plan, the Chairman and Chief Executive Officer must still be a corporate officer or employee of the Company when he retires. As at December 31, 2020, the commitments made by SCOR to the Chairman and Chief Executive Officer in respect of the defined benefit supplementary pension plan represent an estimated annual gross pension amount of EUR 996,697. This amount represents 41.0% of his reference compensation, which corresponds to the average of his annual gross compensation over the five last years, including the fixed and variable portions. This represents a decrease compared to the estimated annual gross pension as at December 31, 2019, which was EUR 1,066,769. No retirement benefit (or commitment) has been paid to the Chairman and Chief Executive Officer in 2020. The provision recognized in respect of the commitment to the Chairman and Chief Executive Officer under the supplementary pension plan totals EUR 26.3 million. This amount breaks down as follows: EUR 21.2 million excluding employer social security contributions and EUR 5.1 million corresponding to employer social security contributions. The EUR 1.6 million increase in the provision *versus* December 31, 2019 notably reflects the recognition of an additional year of supplementary rights pursuant to the IAS 19 rules.

* *Components of compensation due or awarded in respect of the financial year which are or have been submitted to the Shareholders' Meeting in accordance to the rules applicable to related party agreements and commitments.*

Description of the Chairman and Chief Executive Officer's objectives

Category	2020 objectives – Description	Achieved result	Achievement rate
Profitability (Weighting: 50%)	Achieving profitability in line with the objective set out in the strategic plan	The achieved ROE for 2020 is 3.8%. The target ROE for 2020 is 800 basis points above the 5-year risk-free rate, or 8.48%. Thus, the achieved ROE/target ROE ratio is 44.2%. Although SCOR was profitable in 2020, no variable compensation will be paid in respect of this objective as a result of the application of the minimum threshold of 50% of the target ROE introduced by the Board of Directors in 2020 as part of changes to the Chairman and Chief Executive Officer's compensation policy to take into account the opinions expressed by the shareholders through their votes at the Shareholders' Meetings and as part of the active shareholder dialogue with them.	0%
Solvency (Weighting: 10%)	Maintaining a solvency ratio equal to or higher than the lower limit of the optimal range defined in the strategic plan	The solvency ratio, as defined by the internal model, is estimated at 220% at end-2020, or 35 percentage points above the lower limit of the strategic plan (185%), giving an achievement rate of 135% under the pre-defined formula. The Board of Directors highlighted SCOR's remarkable performance in maintaining its solvency at a very high level despite the impact of Covid-19 on its business.	135%
Strategy (Weighting: 15%)	Achievement of the Quantum Leap strategic plan	The Quantum Leap strategic plan was launched in mid-2019, before the start of the Covid-19 pandemic. Above all, the health crisis has been a human tragedy because of the number of victims all over the world. Economically, the reinsurance sector has been heavily impacted. Excess mortality, particularly in the United States, has resulted in high claims in life reinsurance. In damages and liability reinsurance, several lines of business have been affected, such as those that cover the cancellation of events, credit and surety, and operating losses. The effects of the pandemic on financial markets have also been very marked, with in particular a decline in interest rates that is weighing on the return on invested assets. In this new environment, SCOR delivered the following performances: • ROE of 3.8% (normalized ROE [(1)] of 10.6%), compared to a target of 8.48%; • Solvency ratio estimated at 220% at end-2020, compared to an optimal range of 185% - 220%; • Non-life: annual growth in premiums of 2.4% at constant exchange rates (normalized annual growth [(2)] at constant exchange rates of 5.6%), compared to an assumption of 4% - 8%, and net combined ratio of 100.2% (normalized net combined ratio [(3)] of 95.7%), compared to an assumption of 95% - 96%; • Life: annual growth in premiums of 1.4% at constant exchange rates, compared to an assumption of 3% - 6%, and net technical margin of 5.8% (3.7% negative impact due to Covid-19), compared to an assumption of 7.2%-7.4%; • Investments: 2.8% return on assets, compared to an assumption of 2.4% - 2.9%; • Cost ratio of 4.5%, compared to an assumption of 5%. First, the Board of Directors noted that the achievement of the ROE and solvency ratio objectives was covered by the Chairman and Chief Executive Officer's first two objectives. In a context marked by the impact of Covid-19, it noted that SCOR's growth remained positive both in life and in non-life, with this impact being reason for the difference versus the plan. In terms of technical profitability, it noted that the SCOR's well-managed underwriting policy, and in particular the low exposure to the risk of event cancellations, had helped to limit the amount of claims. Similarly, it noted the resilience of the Group's asset portfolio, including in the spring of 2020. Lastly, in the current context, it welcomed the Group's cost control efforts, which kept costs significantly lower than the Quantum Leap assumption.	75%

(1) Normalized for the expense due to natural disasters (taking into account a natural disaster budget of 7%) and the cost of the Covid-19 pandemic (excluding impairment of the equity portfolio)
(2) Normalized due to the effects of the Covid-19 pandemic.
(3) Normalized for the expense due to natural disasters (taking into account a natural disaster budget of 7%) and the cost of the Covid-19 pandemic.

Category	2020 objectives – Description	Achieved result	Achievement rate
		From a qualitative perspective, the Board of Directors noted the progress made by the Group in implementing the strategic plan's ambitions, particularly in terms of technology, even beyond the plan's objectives. For example, the Group had 61 robotized processes at end-2020, compared to 13 at the launch of Quantum Leap. Significant progress was also made in automating the processing of the information exchanged with clients and brokers (e-processing), with 61% of all e-processed messages now automated from start to finish. The Board of Directors noted that SCOR's migration strategy to the public cloud was proceeding on schedule, with larger gains than originally envisaged. SCOR's use of artificial intelligence continues to grow, and it now incorporates services provided to clients, such as Vitae, an innovative biometric risk assessment tool that improves the medical underwriting process and facilitates access to insurance for people with increased medical risks. SCOR also took a significant step forward in its cyber risk management by integrating CyberCube into its Cat Platform, as well as in the granular management of its life reinsurance portfolio with the deployment of the hELIOS tool.	
Risk management/ Fighting climate change (Weighting: 10%)	Assessment of global warming-related risks for SCOR (outside-in analysis) and publication of the results in a climate report aligned with the recommendations of the Task-Force on Climate-related Financial Disclosures (TCFD)	SCOR released its first climate report, aligned with the recommendations of the Task-Force on Climate-related Financial Disclosures (TCFD), on May 25, 2020. The report reflects the extensive work carried out by SCOR in recent months to assess global warming-related risks. The Board of Directors noted the quality of the report and considered that the objective had been achieved. SCOR also published its report on sustainable investment on May 14, 2020, incorporating the results of its studies on the impact of global warming on its investment portfolio, based in particular on the scenarios of the Dutch central bank (see "risk and risk management: Case study | Using public and free tools to assess climate change"). Several aspects of the report were highlighted as good practice by the French financial markets authority (*Autorité des marchés financiers* – AMF) in its December 2020 report, "TCFD climate reporting in the financial sector". Beyond the information in these two reports, SCOR conducted a large-scale study, mobilizing dozens of natural disaster modelling experts in its teams and involving the review of several thousand scientific publications, to assess the impacts of global warming on the probability and intensity of different types of natural disasters, and the impact on its portfolio in terms of damages and agricultural risk coverage over 5 to 10 years. The Board of Directors highlighted the strong interest in this work. The Board of Directors also noted that the "Insuring Our Future: 2020 Scorecard on Insurance, Fossil Fuels and Climate Change" report, published by 19 organizations from 11 countries and ranking 30 leading insurers, identifies SCOR, alongside a large insurance group, as a leader in divestment from the coal insurance industry. Based on all of the above, the Board of Directors found that the objective had been significantly exceeded, justifying the maximum achievement rate.	150%

Category	2020 objectives – Description	Achieved result	Achievement rate
Corporate Social Responsibility/Human capital management (Weighting: 15%)	Strengthening of the Group's talent pool, in particular through training and active management of careers and skills and the preparation of systematic succession plans for key positions in the Group	In 2020, SCOR pursued a dynamic training and active careers and skills management policy. In terms of training, amid the widespread use of remote working for most of the year in the Group's various locations around the world, the strategic focus in previous years on developing a digital training offering proved particularly relevant. The online "My Learning Platform" provided unlimited access to 15,000 online courses and video tutorials taught by experts covering technical subjects, business expertise and professional efficiency. In 2020, SCOR employees completed 1,800 courses and watched 47,000 video tutorials. Thanks to the implementation of a fully digitalized onboarding process, new employees were able to receive training in reinsurance and in other essential subjects like compliance, without having to be physically present in the offices. As a result, the number of training courses attended by employees increased by 51% in 2020. In terms of active careers and skills management, the active careers management approach facilitated more than 140 internal mobilities in 2020, despite Covid-19. In addition, 70% of employees were covered by Leadership & Organization Reviews, where the focus was on succession planning for all employees up to three levels below the Chairman and Chief Executive Officer as well as for those identified as occupying a key position. During the very unusual period of the unprecedented crisis, SCOR put its employees and the preservation of its talent pool at the center of its priorities, by anticipating government decisions to best protect their health, providing them with computer equipment (screens, etc.) to ensure they have a comfortable working environment at home, setting up a psychological support system, regularly asking for their feedback via pulse surveys and setting up local support actions. In the survey carried out between April and July 2020, the support proposed by the Group in the face of the health crisis was judged very positively, gaining a score of 81/100. The Board of Directors praised the resilience and exemplary engagement of all the teams during the crisis, as well as the actions taken by management to protect and develop the Group's talent pool, and considered that the initial objective, which did not take the context into account, had been significantly exceeded, justifying the maximum achievement rate.	150%

Stock options and performance shares

In accordance with the AFEP-MEDEF corporate governance code, the following tables present for the executive corporate officer the stock options allocated and exercised during the financial year as well as the performance shares allocated and that became available during the financial year.

Stock options allocated to the executive corporate officer during the financial year by the issuer or by another company of the Group

	Plan date	Type of options (purchase or subscription)	Number of options allocated during the period	Valuation of options as per method used in the consolidated financial statements *(in EUR)*	Exercise price	Period of exercise	Performance conditions
Denis Kessler	April 28, 2020	Subscription	100,000	259,000	21.43	April 29, 2024 April 28, 2030	Yes, see above

Stock options exercised by the executive corporate officer during the year

	Number of options exercised during the period	Plan date	Exercise price
Denis Kessler	0	N/A	N/A

Performance shares allocated to the executive corporate officer during the year by the issuer or by another company of the Group

	Plan date	Number of shares allocated during the period	Valuation of shares as per method used in the consolidated financial statements *(in EUR)*	Vesting date	Date of ownership transfer	Performance conditions
Denis Kessler	April 28, 2020	125,000	2,748,750	April 29, 2023	April 29, 2023	Yes, see above

Performance shares that became available for the executive corporate officer during the year

	Number of shares that became available during the period	Plan date	Vesting conditions
Denis Kessler	93,750	February 21, 2017	Presence condition until February 21, 2020 and performance conditions

Achievement of performance conditions

In 2020, the Compensation and Nomination Committee acknowledged the partial achievement of the performance conditions attached to the February 21, 2017 performance share plan, bringing the vesting rate to 75%. In addition to the performance conditions described below, the presence of the beneficiary in the Group until February 21, 2020 and compliance with the Group's ethical principles as described in the Code of Conduct of the SCOR Group was required.

Performance conditions – February 21, 2017 plan

	Achieved result	Achievement rate
Ratio between the observed average ROE over 2017-2019 and the average target ROE	65.0%	50%
Difference between the average solvency ratio over 2017-2019 and the average of the target solvency ratio	+33 percentage points	100%

In 2020, the Compensation and Nomination Committee acknowledged the achievement of the performance conditions attached to the March 10, 2017 stock option plan, bringing the vesting rate to 75%. In addition to the performance conditions described below, the presence of the beneficiary in the Group until March 10, 2021 and compliance with the Group's ethical principles as described in the Code of Conduct of the SCOR Group are required.

Performance conditions – March 10, 2017 plan

	Achieved result	Achievement rate
Ratio between the observed average ROE over 2017-2019 and the average target ROE	65.0%	50%
Difference between the average solvency ratio over 2017-2019 and the average of the target solvency ratio	+33 percentage points	100%

Compensation ratios

The table below shows the changes in the compensation paid or awarded to the executive corporate officer, the average compensation paid or awarded on a full-time equivalent basis to Group employees other than the executive corporate officer, the median compensation paid or awarded on a full-time equivalent basis to Group employees other than the executive corporate officer, and the performance of the Group over the past five years.

	2016	2017	2018	2019	2020
Compensation [(3)] of the executive corporate officer (1)	8,222,750	6,619,600	6,456,770	6,800,900	5,027,690
Average compensation [(3)] paid or awarded on a full-time equivalent basis to Group employees other than the executive corporate officer (2)	144,111	139,146	141,608	145,085	133,500
Ratio (1)/(2)	57	48	46	47	38
Median compensation [(3)] paid or awarded on a full-time equivalent basis to Group employees other than the executive corporate officer (3)	100,267	98,616	103,390	102,583	101,549
Ratio (1)/(3)	82	67	62	66	50
Average compensation [(3)] paid or awarded on a full-time equivalent basis to employees of SCOR SE and its branches [(1)] other than the executive corporate officer (4)	121,001	125,426	127,704	128,044	117,106
Ratio (1)/(4)	68	53	51	53	43
Median compensation [(3)] paid or awarded on a full-time equivalent basis to employees of SCOR SE and its branches [(1)] other than the executive corporate officer (5)	77,491	80,084	85,150	82,109	85,378
Ratio (1)/(5)	106	83	76	83	59
Gross written premiums *(in million EUR)*	13,826	14,789	15,258	16,341	16,368
Consolidated net income – Group share *(in million EUR)*	603	286	322	422	234
Return on equity (ROE)	9.5%	4.5%	5.5%	7.0%	3.8%
Solvency ratio	225%	213%	215%	226%	220% [(2)]

(1) Following the nomenclature of SCOR SE companies and its branches as of December 31, 2020. The scope of SCOR SE and its branches, which employ 616 employees in France and 369 employees internationally, is representative of SCOR's various trades, workforce and payroll in France.

(2) Estimated ratio.

(3) The components of the compensation are the fixed compensation, the variable compensation paid in year Y in respect of year Y-1, the exceptional compensation paid in year Y, and the long-term incentives (LTIs) (stock options, performance shares and other long-term compensation instruments awarded during year Y). The valuations of the LTIs correspond to actuarial estimates of the free share and stock option allocations made during the reference year, in line with the AFEP-MEDEF code, and not to paid compensation. The value is calculated according to the same assumptions as those used in the Group's financial statements (IFRS 2).

2.2.1.3. COMPENSATION AND NUMBER OF SHARES HELD BY DIRECTORS

The Shareholders' Meeting of June 16, 2020 decided to maintain the annual maximum aggregate amount of directors' compensation at EUR 1,550,000. On the proposal of the Compensation and Nomination Committee and within the limit of the amount agreed by the Shareholders' Meeting, the Board of Directors at its meetings held on February 21, 2017, October 23, 2018 and May 25, 2020 set the terms and conditions for the allocation of the compensation so as to encourage the attendance of the directors and to be compliant with the AFEP-MEDEF corporate governance code which stipulates that directors' compensation should consist primarily of a variable portion.

In accordance with the AFEP-MEDEF corporate governance code, the directors should be shareholders themselves and hold a significant number of shares in relation to the compensation awarded. According to the Board's Internal Charter, a significant number of shares corresponds to an amount of EUR 10,000 at the time of purchase of the shares. The latter provisions do not apply to the directors representing employees.

The Board of Directors decided to allocate the compensation as follows:

- a fixed portion in an annual amount of EUR 28,000, payable at the end of each quarter. For non-French resident directors, an additional EUR 10,000 per year is allocated;
- a variable portion based on the effective presence of the directors at meetings of the Board of Directors and its Committees, in an amount equal to EUR 3,000 per Board or Committee meeting they attend, except for the Chairs of the Audit Committee, Risk Committee, Compensation and Nomination Committee, Corporate Social and Societal Responsibility and Environmental Sustainability Committee, Crisis Management Committee and Non-Executive Directors' Sessions, who receive an amount equal to EUR 6,000 for each meeting they chair.

Moreover, the non-executive members of the Board of Directors, who are individuals, except for the directors representing employees, received an amount of EUR 10,000 on September 3, 2020, which they invested in SCOR shares.

Except for the Chairman and Chief Executive Officer and the directors representing employees, the members of the Board are not entitled to Company stock option plans or free share allocation plans, nor to any variable compensation other than the compensation related to their attendance at meetings.

No pension contributions (or commitments) have been made on behalf of the directors, except for the Chairman and Chief Executive Officer, in the exercise of their duties.

Directors' Compensation

The compensation paid to the directors for 2019 and 2020 breaks down as follows:

	2020		2019	
In EUR	**Amounts awarded in 2020**	**Amounts paid in 2020**	**Amounts awarded in 2019**	**Amounts paid in 2019**
Mr. Denis Kessler (1)	64,000	61,000	76,000	76,000
Mr. Fabrice Brégier	83,000	80,000	49,000	49,000
Mrs. Lauren Burns Carraud (2)	33,154	30,154	N/A	N/A
Mrs. Fiona Camara	58,000	55,000	33,000	33,000
Mr. Adrien Couret (3)	7,260	4,260	N/A	N/A
Mrs. Vanessa Marquette	147,000	141,000	138,000	138,000
Mr. Bruno Pfister	156,000	156,000	165,000	165,000
Mr. Augustin de Romanet	176,000	161,000	140,000	140,000
Holding Malakoff Humanis, represented by Mr. Thomas Saunier	58,000	55,000	58,000	58,000
Mrs. Kory Sorenson	120,000	117,000	125,000	125,000
Mr. Claude Tendil	116,000	110,000	110,000	110,000
Mrs. Natacha Valla (2)	42,000	39,000	N/A	N/A
Mrs. Zhen Wang	84,000	84,000	99,000	99,000
Mrs. Fields Wicker-Miurin	159,000	153,000	156,000	156,000
Mrs. Marguerite Bérard (4)	17,000	17,000	83,000	83,000
Mr. Vincent Foucart (4)	38,000	38,000	76,000	76,000
Mr. Jean-Marc Raby (5)	63,740	63,740	74,000	74,000
TOTAL	**1,422,154**	**1,365,154**	**1,382,000**	**1,382,000**

(1) Pursuant to the decision made by the Board of Directors held on March 21, 2006, the Chairman and Chief Executive Officer receives compensation along with the other members of the Board of Directors of the Company, based on the same terms and conditions.
(2) Director appointed by the Shareholders' Meeting of June 16, 2020 or director whose term of office began at the close of the Shareholders" Meeting of June 16, 2020.
(3) Director whose term of office began on November 6, 2020.
(4) Director whose term of office ended at the close of Shareholders' Meeting of June 16, 2020.
(5) Director whose term of office ended on November 5, 2020.

The amount of compensation paid to the directors for 2020 and the amount of compensation awarded to them for 2020 differs due to exceptional meetings held in December 2020.

Mrs. Burns Carraud and Mrs. Camara, who are directors representing employees, also have an employment contract and are compensated accordingly. However, the amount is not disclosed for reasons of confidentiality.

Moreover, some of the directors are, or have been, members of the Boards of Directors of Group subsidiaries and received compensation for 2020 and/or 2019 as follows:

	2020		2019	
SCOR UK COMPANY LTD				
Fields Wicker-Miurin	GBP	6,500	GBP	27,500
SCOR REINSURANCE COMPANY				
Kory Sorenson	USD	18,000	USD	27,000
SCOR GLOBAL LIFE AMERICAS REINSURANCE COMPANY				
Kory Sorenson	USD	18,000	USD	27,000
SCOR GLOBAL LIFE USA REINSURANCE COMPANY				
Kory Sorenson	USD	18,000	USD	27,000

Number of shares held by directors

Article 10 ("Administration") of SCOR SE's bylaws requires that directors own at least one share of the Company during the term of their directorship. In addition, the Board of Directors' Internal Charter states that for reasons of good corporate governance and to ensure that their interests are aligned with those of the Company, each director is invited to personally hold a significant number of shares. Except for the directors representing employees, each director therefore undertakes to hold a number of shares with a value of at least EUR 10,000 by the end of the first year of their directorship.

Directors and Officers	Number of shares as at 12/31/2020
Mr. Denis Kessler	1,639,790
Mr. Fabrice Brégier	694
Mrs. Lauren Burns Carraud	2,286
Mrs. Fiona Camara	225
Mr. Adrien Couret (1)	-
Mrs. Vanessa Marquette	1,897
Mr. Bruno Pfister	1,587
Mr. Augustin de Romanet	1,897
Holding Malakoff Humanis, represented by Thomas Saunier	5,484,767
Mrs. Kory Sorenson	4,087
Mr. Claude Tendil	5,954
Mrs. Natacha Valla	428
Mrs. Zhen Wang	940
Mrs. Fields Wicker-Miurin	2,679
TOTAL	**7,147,231**

(1) Director whose term of office began on November 6, 2020.

2.2.1.4. CORPORATE OFFICERS' COMPENSATION POLICY

In accordance with Article L. 22-10-8 of the French Commercial Code, the following paragraphs present the components of the compensation policy applicable to all of the Group's corporate officers (directors and the Chairman and Chief Executive Officer), which will be submitted for approval by the Shareholders' Meeting held to approve the financial statements for the financial year ended December 31, 2020.

This compensation policy is based on the principles described below, which are consistent with the principles set forth in the overall compensation policy in force within the SCOR Group. This policy is rigorously applied by the Compensation and Nomination Committee as part of its work.

The compensation policy for the Group's corporate officers is adopted by the Board of Directors and reviewed annually in light of the recommendations of the Compensation and Nomination Committee, based on a precise analysis of all of its components.

The compensation policy takes into account the corporate interest of the Company and its subsidiaries and contributes to the business strategy as well as to the sustainability of the Company by allocating a variable portion to the directors subject to effective attendance at meetings of the Board of Directors or of its Committees, and variable to the Chairman and Chief Executive Officer subject to the achievement of performance objectives. The compensation policy encourages the active contribution of corporate officers to the Group's business, by rewarding either their effective participation in meetings of the Board of Directors and its Committees, or their direct contribution to the Group's performance.

In addition, the review of the corporate officers' compensation policy takes into account the opinions expressed by shareholders through their votes at Shareholders' Meetings as well as *via* the active dialogue maintained with them by the Company, including discussions in the presence of the Lead Director. The compensation and employment conditions of the Company's employees are also an integral part of the process of determining and reviewing the compensation policy. They are considered as part of the analysis of the consistency of the compensation structure implemented by the Company. The compensation policy is established in accordance with the measures implemented by the Company to prevent conflicts of interest. Therefore, the Chairman and Chief Executive Officer is not a member of the Compensation and Nomination Committee and does not attend the discussions of the Board of Directors relating to his compensation.

The compensation policy is established in compliance with the legal and regulatory provisions and following the recommendations of the AFEP-MEDEF corporate governance code.

Pursuant to the Act of July 3, 2008 implementing European Union Directive 2006/46/EC of June 14, 2006, SCOR refers to the AFEP-MEDEF corporate governance code in preparing the report to be issued in accordance with Article L. 225-37 of the French Commercial Code.

The compensation conditions of the corporate officers are made public annually, through the documents disclosed for the Shareholders' Meeting.

The changes in relation to the compensation policy for the Chairman and Chief Executive Officer presented in 2020 – are specifically identified in the relevant sections.

2.2.1.4.1. Directors' compensation policy

The Shareholders' Meeting sets the maximum aggregate amount of the compensation for the directors.

The Shareholders' Meeting of the Company of June 16, 2020 decided to maintain the annual maximum aggregate amount of directors' compensation at EUR 1,550,000.

On the proposal of the Compensation and Nomination Committee and within the limit of the amount agreed by the Shareholders' Meeting, the Board of Directors at its meetings held on February 21, 2017, October 23, 2018, May 25, 2020 and February 23, 2021 set the terms and conditions for the allocation of the compensation so as to encourage the attendance of the directors and to be compliant with the AFEP-MEDEF corporate governance code which stipulates that directors' compensation should consist primarily of a variable portion.

The directors' individual compensation is allocated as follows, within the limit of the annual maximum aggregate amount set by the Shareholders' Meeting:

- a fixed portion in an annual amount of EUR 28,000, payable at the end of each quarter. For non-French resident directors, an additional EUR 10,000 per year is allocated. It should be noted that the Board of Directors at its meeting on February 23, 2021, decided, given the health crisis, to suspend this allocation to non-French resident directors for the financial year 2021;
- a variable portion based on the effective presence of the directors at meetings of the Board of Directors and its Committees, in an amount equal to EUR 3,000 per Board or Committee meeting they attend, except for the Chairs of the Audit Committee, Risk Committee, Compensation and Nomination Committee, Corporate Social and Societal Responsibility and Environmental Sustainability Committee, Crisis Management Committee and Non-Executive Directors' Sessions, who receive an amount equal to EUR 6,000 for each meeting they chair.

Moreover, the non-executive members of the Board of Directors, who are individuals, except for the directors representing employees, receive an amount of EUR 10,000 each year to invest in SCOR shares.

Except for the Chairman and Chief Executive Officer and the directors representing employees, the members of the Board of Directors are not entitled to Company stock option plans or free share allocation plans, nor to any variable compensation other than the compensation related to their attendance at meetings.

No pension contributions (or commitments) are made on behalf of the directors, except for the Chairman and Chief Executive Officer, in the exercise of their duties.

Lastly, the directors representing employees have an employment contract under which they receive compensation in accordance with the principles of the Group's overall compensation policy. They also fall under the policy presented above as part of their duties as directors representing employees.

It is also reminded that, as stated in the press release of December 16, 2020, the Board of Directors will propose to the 2021 Shareholders' Meeting to appoint Benoît Ribadeau-Dumas as a director (see section 2.1.1.2 above). Since January 1st, 2021, Benoît Ribadeau-Dumas has been Deputy Chief Executive Officer of SCOR SE and, as such, has joined the Group's Executive Committee. As Deputy Chief Executive Officer, he has a permanent employment contract with the Company, whose compensation (variable portion) has been set in accordance with the principles of the Group's compensation policy and is eligible for the Company stock option plans and free share allocation plans. His employment contract is subject to the legal requirements regarding notice and termination, it being specified that, like all other members of the Group's Executive Committee (other than the Chairman and Chief Executive Officer), Benoît Ribadeau-Dumas benefits from the severance pay described in section 2.2.2.1. As of his appointment as a director, he will also, in this capacity, be subject to the compensation policy set out above.

This compensation policy shall be applicable for the current fiscal year, i.e. fiscal year 2021, and shall remain in force until the next Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2021.

2.2.1.4.2. Compensation policy for Denis Kessler as Chairman and Chief Executive Officer for 2021

Set out below is the compensation policy for the Chairman and Chief Executive Officer of SCOR SE for 2021, which will be submitted for approval by the shareholders in accordance with the provisions of Article L. 22-10-8 II of the French Commercial Code.

In accordance with the law, the payment of the Chairman and Chief Executive Officer's variable and exceptional compensation is subject to approval by the Ordinary Shareholders' Meeting, under the conditions set out in Article L. 22-10-34 II of the French Commercial Code.

In compliance with the recommendations of the AFEP and MEDEF, corporate governance code, Denis Kessler does not have an employment contract with the Company.

For information on the duration of the term of office of Denis Kessler and his conditions of dismissal, please see Section 2.1.5.1 – Corporate officers.

Governance

The Board of Directors of SCOR SE decided, at its December 12, 2008 meeting, to apply the recommendations of the AFEP (*Association Française des Entreprises Privées,* the French association of large companies) and MEDEF (*Mouvement des Entreprises de France*, the French business confederation) to the compensation of the executive corporate officer of SCOR, considering that they are in line with SCOR's corporate governance principles.

As part of the preparation of the compensation policy for the Chairman and Chief Executive Officer for 2021, the Compensation and Nomination Committee and the Board of Directors paid particular attention to taking into account the votes of the shareholders on the compensation policy at the Shareholders' Meeting of June 16, 2020 as well as the opinions expressed by certain shareholders as part of the active shareholder dialogue with them.

In a context marked by a dispute with Covéa (see Section 4.6.25 – Litigation of the 2019 URD) as well as by an activist opposition, the approval rates for the resolutions relating to the total compensation and benefits of the Chairman and Chief Executive Officer were 78.04% for the resolution relating to the previous financial year and 68.94% for the resolution relating to the compensation policy.

Taking note of these results, and while considering the particular circumstances that led to them, the Compensation and Nomination Committee carried out an in-depth review of the compensation policy, based on a detailed presentation by the General Secretariat and the Lead Independent Director of the opinions expressed by the shareholders before and after the Shareholders' Meeting. This presentation was submitted to the Committee at its July 2020 meeting and was then updated for its November 2020 and February 2021 meetings.

At these meetings, the Compensation and Nomination Committee noted that several recent changes to the compensation of the executive corporate officer effectively met the views expressed by some shareholders. In particular:

- the replacement in 2020 of the linear scale for calculating the portion of variable annual compensation relating to the target ROE by a tiered scale that is systematically less advantageous, particularly in the event that the achieved ROE is below the target ROE (minimum threshold raised from 30% to 50% of the target), which has introduced a high level of requirement. As an illustration, when the new scale is applied to the annual variable compensation to be paid in 2021 for 2020, no payment is made under this criterion;
- the addition of a performance condition based on SCOR's Total Shareholder Return (TSR) compared to a panel of peers in the resolutions on performance shares and stock options submitted to the Shareholders' Meeting, which allows for a better alignment of interests with the shareholders.

The above changes form an integral part of the compensation policy proposed for the executive compensation policy for 2021.

Principles and rules for determining the Chairman and Chief Executive Officer's compensation

The compensation policy for the Chairman and Chief Executive Officer is set by the Board of Directors and reviewed annually in light of the recommendations of the Compensation and Nomination Committee.

This compensation policy is based on the principles described below, which are consistent with the principles set out in the SCOR Group's overall compensation policy and rigorously applied by the Compensation and Nomination Committee as part of its work, both in creating and updating the compensation policy submitted to the Board for the Chairman and Chief Executive Officer and in making proposals about the compensation to be granted.

During their deliberations on his personal situation, in which the Chairman and Chief Executive Officer does not take part, the Compensation and Nomination Committee and the Board of Directors ensure that the compensation policy for the Chairman and Chief Executive Officer is in line with the corporate interest and business strategy of the Company and contributes to its sustainability.

Exhaustiveness

Each component comprising the compensation and benefits is analyzed individually and then collectively, in order to reach an appropriate balance between fixed and variable, individual and collective and short- and long-term components, including the benefits payable at the end of his term of office under the supplementary pension plan.

Compliance

The compensation policy was established in accordance with the recommendations of the AFEP-MEDEF corporate governance code as revised in January 2020.

Talent management and alignment of interests

The compensation policy constitutes a tool that enables the Group to attract, motivate and retain talents at the highest level, and to meet the expectations of shareholders and other stakeholders, notably in terms of transparency and the link between compensation and performance.

The compensation policy for the Chairman and Chief Executive Officer is aligned with the compensation policy applied to the Group's employees. For all Partners within the Group around the world, the components comprising their compensation follow a similar structure and include several dimensions: a fixed portion and a variable portion, a portion that is paid immediately and a portion that is deferred, and an individual portion and a collective portion.

The Group's compensation policy favors performance shares and stock options over cash compensation, which distinguishes SCOR from most of its peers. This policy allows maximum alignment with the interests of shareholders, during the performance measurement period (three or six years) and beyond, through the holding of SCOR shares over time. In particular, it encourages long-term performance. It also allows costs to be kept under control, since taxation and employer charges on performance shares are, in France, lower than those on cash compensation.

The performance conditions, both for the collective portion of the variable annual compensation and for the performance shares and stock options, are perfectly aligned with SCOR's strategic objectives: profitability and solvency.

The performance condition based on solvency is consistent with the Group's risk appetite and notably avoids encouraging excessive risk-taking.

The individual objectives for the Chairman and Chief Executive Officer are proposed each year by the Compensation and Nomination Committee and set by the Board of Directors with the ambition of guaranteeing the resilience of the Company and the creation of value for shareholders. Individual objectives related to corporate social responsibility are also set for the Chairman and Chief Executive Officer.

Comparability and competitiveness

According to a decision by the Board of Directors, changes to the Chairman and Chief Executive Officer's compensation are determined in the light of benchmark analyses.

Consequently, market studies are regularly conducted by an external company for the Compensation and Nomination Committee, in order to ensure the competitiveness of the amount and structure of the Chairman and Chief Executive Officer's compensation compared to a panel of peers including the main global reinsurers selected by premium income and for which information on the pay of top management is available (Alleghany, Arch Capital Group, Axis Capital Holdings, Everest Re, Great West Lifeco, Hannover Re, Munich Re, Reinsurance Group of America and Swiss Re). The benchmark study was conducted by Mercer in 2020 based on available data for the previous year. The Chairman and Chief Executive Officer's total compensation for 2019 was equal to 91% of the median.

Structure of the Chairman and Chief Executive Officer's compensation

The structure of the Chairman and Chief Executive Officer's compensation is in line with market practice and is mainly composed of cash compensation, including a fixed portion and a variable annual portion, as well as variable long-term compensation and a supplementary pension plan.

Fixed compensation

Determination

The fixed compensation of the Chairman and Chief Executive Officer, payable in 12 monthly installments, is determined on the basis of:
- the level and complexity of his responsibilities;
- his career path, professional experience and expertise;
- market analyses with regard to comparable functions (external competitiveness);
- consistency with regard to other Group functions (internal equality).

Changes

The Board of Directors has decided that the fixed compensation of the Chairman and Chief Executive Officer may only change in the event of a significant change in his scope of responsibility or a discrepancy in terms of the positioning of his compensation *versus* the market. In these specific situations, any adjustment to the fixed compensation, along with the motives behind such adjustment, will be made public.

For 2021, the Board of Directors decided at its February 23, 2021 meeting that the fixed compensation would remain at EUR 1,200,000. This amount has been unchanged since January 1, 2008.

Recruitment

The Board of Directors has decided that, should a new Chief Executive Officer be appointed, these same principles will apply.

Compensation of the Chairman and Chief Executive Officer in his capacity as a director

As a director of SCOR SE, the Chairman and Chief Executive Officer receives directors' compensation, which is allocated under the conditions set out in Section 2.2.1.4.1 – Directors' compensation policy.

It should be noted that the Chairman and Chief Executive Officer does not receive compensation for his other directorships in SCOR Group subsidiaries.

Variable annual compensation

Objective

The variable compensation is designed to encourage the Chairman and Chief Executive Officer to achieve the annual performance objectives set by the Board of Directors on the proposal of the Compensation and Nomination Committee, in line with the Company's strategy. In accordance with the AFEP-MEDEF corporate governance code, the potential amount of variable compensation is expressed as a percentage of the fixed compensation.

More specifically, the variable portion depends on financial and personal objectives representing the overall expected performance, and there is no minimum guaranteed amount.

Structure of the variable compensation

The target variable annual portion of the Chairman and Chief Executive Officer's compensation is based on transparent and demanding objectives tailored to the Group's sector of activity.

It is determined as follows:
- 50% on the basis of the achievement of financial objectives, set at the beginning of each year by the Board of Directors on the recommendation of the Compensation and Nomination Committee; and
- 50% on the basis of the achievement of personal objectives (quantitative or qualitative), set at the beginning of each year by the Board of Directors on the recommendation of the Compensation and Nomination Committee.

The personal objectives are mainly set based on the following categories:
- Solvency;
- Strategy;
- Risk management;
- Corporate Social Responsibility (CSR).

Each year, the Board of Directors examines, and then validates, the number, description and weight of the personal objectives.

At the end of each year, and for each objective, the achieved result compared to the expected target is communicated, with a justification for the achievement rate.

Under the conditions set out below, the Board of Directors enjoys a discretionary power in the application of the compensation policy for the Chief Executive Officer's variable annual compensation, in order to ensure that the latter correctly reflects the Group's performance. In the event that new circumstances or events – unforeseeable when the compensation policy was determined – occur during the financial year, which significantly impact – either upwards or downwards – the level of achievement of the performance criteria attached to the variable compensation, the Board of Directors may decide, on a proposal from the Compensation Committee, to use this discretionary power, on the condition of continuing to respect the principles set in the compensation policy and providing shareholders with a clear, precise and full explanation of its decision. This discretionary power would only apply to a limited portion of the annual compensation and could increase or decrease the theoretical amount achieved, in application of the performance criteria, for the financial year (with a range of maximum of plus or minus 20%), without this amount ever exceeding the overall ceiling set in the compensation policy.

Performance thresholds

The target variable annual compensation represents 100% of the fixed compensation.

In accordance with the compensation policy applicable to all Partners within the Group, a multiplier may be applied to the financial objectives (capped at a maximum of 130% of the target) and the personal objectives (capped at a maximum of 150% of the target) attached to the annual variable compensation of the Chairman and Chief Executive Officer in the event of outperformance, increasing the ceiling on the variable annual compensation of the Chairman and Chief Executive Officer to 140% of his target variable annual compensation.

In order to take into account the shareholder votes on the compensation policy as well as the opinions expressed by certain shareholders, the Board of Directors has decided in 2020 to make the calculation of the portion of variable annual compensation related to the financial objective more demanding, and to pay it in accordance with the table below:

Ratio between the observed ROE and the Target ROE	Proportion of the target paid
From 130%	**130%**
Between 120% and 129.99%	120%
Between 110% and 119.99%	110%
Between 100% and 109.99%	**100%**
Between 90% and 99.99%	90%
Between 80% and 89.99%	80%
Between 70% and 79.99%	70%
Between 60% and 69.99%	50%
Between 50% and 59.99%	25%
Below 50%	**0%**

The new calculation method is systematically more demanding than the method set out in the compensation policy applicable to the Group's Partners, which provides for a linear payment equal to the achieved ROE/target ROE ratio, with a floor at 30% and a ceiling at 130%, and which was also applied until 2019 (as part of the calculation of annual variable compensation due related to 2018) to the Chairman and Chief Executive Officer.

Moreover, the Group policy states that an additional exceptional bonus ("Exceptional Contribution Bonus" – ECB) may be awarded in recognition of participation in and high contribution to the success of specific strategic projects. The ECB may reach a maximum of 25% of the target variable annual compensation of the Chairman and Chief Executive Officer.

Therefore, the total variable annual compensation of the Chairman and Chief Executive Officer may not exceed 165% of his target variable annual compensation or, consequently, 165% of his fixed annual compensation.

Payment conditions

The variable compensation for year "Y" is paid during year "Y+1". In accordance with the applicable regulatory provisions, the payment of the variable annual compensation is subject to the approval of the Shareholders' Meeting.

Termination of duties

In order to take into account the shareholder votes on the compensation policy and the opinions expressed by certain shareholders, the Board of Directors has taken the following decisions about the compensation arrangements in the event that the Chairman and Chief Executive Officer leaves during the year:

Should the Chairman and Chief Executive Officer leave during the current year:

- his variable compensation for the previous year will be payable during the current year;
- in the event of dismissal, the amount of his variable compensation for the current year will be determined by the Board of Directors *prorata temporis* to his presence within the Group, without applying any other specific provision;
- no variable portion will be paid for the current financial year in the event of dismissal for misconduct.

Recruitment

The Board of Directors has decided that, in the event that a new Chief Executive Officer is appointed, these same principles will apply, it being specified that if the appointment is made during the current year, the amount due will be prorated based on new Chief Executive Officer's presence within the Group. Nevertheless, if an appointment is made during the second half of the year, performance will be assessed at the discretion of the Board of Directors on the proposal of the Compensation and Nomination Committee.

Moreover, the Board of Directors may also decide to allocate an amount designed to compensate the new Chief Executive Officer – if hired from a company outside the Group – for any loss of variable annual compensation due to their departure from their previous employer, it being specified that the payment of such compensation is subject to the approval of shareholders, in accordance with Article L. 22-10-34 of the French Commercial Code.

Exceptional compensation

No exceptional compensation has been paid by the Company over the past few years.

The Board of Directors has decided that the Chairman and Chief Executive Officer will not receive any exceptional compensation for the financial year ending December 31, 2021.

Long-term variable compensation

The Board of Directors considers that long-term variable compensation, which is a significant component of the compensation of all the Group's Partners (around 25% of the workforce), is particularly well suited to the office of Chairman and Chief Executive Officer, given the expected level of his direct contribution to the long-term, overall performance of the Company. This compensation policy favors stock options and performance shares over variable cash compensation, thereby promoting a strong alignment of the interests of the beneficiaries with those of the shareholders, both during the performance measurement period and beyond, through the holding of the shares.

At its February 23, 2021 meeting, the Board of Directors decided that a maximum of 125,000 performance shares and 100,000 stock options could be allocated to the Chairman and Chief Executive Officer in 2021.

The performance shares would vest three years after the allocation date (provided the beneficiary is still with the Group) and would be subject to performance conditions over three calendar years, *i.e.* 2021, 2022 and 2023 for the plans allocated in 2021.

The stock options would be exercisable at the earliest four years after the allocation date (provided the beneficiary is still with the Group) and would be subject to performance conditions over three calendar years, *i.e.* 2021, 2022 and 2023 for the plans allocated in 2021.

Performance conditions

The Board of Directors has decided that all stock option and performance share allocations made to the Chairman and Chief Executive Officer should be subject to performance conditions that are aligned with the main strategic objectives of SCOR as set out below.

These performance conditions are identical to those applicable to other Group beneficiaries and depend on demanding levels and full transparency, with the results measured based on public data.

Each year, the Board of Directors, on the recommendation of the Compensation and Nomination Committee, confirms or determines the performance conditions along with their weight, targets and achievement levels, based on the authorizations granted by the Shareholders' Meeting. All of these conditions are made public every year in this document.

For 40% of the allocation:

- Achievement over the performance measurement period (three years) of an average ROE equal to the average of SCOR's strategic target ROE over the same period (the "Target ROE").
- If the observed average ROE is lower or higher than the Target ROE, the shares will vest/the stock options will be exercisable according to the sliding scale set out in the table below:

Ratio between the observed average ROE and the Target ROE	Proportion of the shares that will vest/the options that can be exercised under this criterion
From 100%	**100%**
Between 80% and 99.99%	90%
Between 70% and 79.99%	70%
Between 60% and 69.99%	50%
Between 50% and 59.99%	25%
Below 50%	**0%**

In any case, if the observed average ROE is lower than 5%, the proportion of the shares that will vest/the stock options that could be exercised under this criterion will be 0%.

For 40% of the allocation:

- Achievement over the performance measurement period (three years) of an average solvency ratio that is at least equal to the average of SCOR's strategic target solvency ratio over the same period (the "Target Solvency Ratio" (1));
- If the observed average solvency ratio is lower or higher than the Target Solvency Ratio, the shares will vest/the stock options will be exercisable according to the linear scale set out in the table below:

Difference between the average solvency ratio and the Target Solvency Ratio	Proportion of the shares that will vest/the options that can be exercised under this criterion
Higher than or equal to 0 percentage points	100%
Between 0 and up to -35 percentage points	Linear sliding scale
Lower than or equal to -35 percentage points	0%

For the remaining 20% of the allocation:

- SCOR's ranking within a panel of peers (2) based on the average Total Shareholder Return (TSR) (3) (assuming that dividends are reinvested) of each company over three years (from January 1, 2021 to December 31, 2023).

The shares will vest/the stock options will be exercisable according to the table below:

SCOR's ranking within a panel of peers based on the TSR achieved over the reference period	Proportion of the shares that will vest/the options that can be exercised under this criterion
1st to 4th	100%
5th	50%
6th to 9th	0%

(1) *If the strategic plan sets a target or "optimal" range, the lower end of this range is considered for calculation purposes as being the Target Solvency Ratio.*
(2) *The peers in the panel include: Allianz, Aviva, Axa, Generali, Hannover Re, Munich Re, Swiss Re, Zurich Insurance Group. In the event that one of the peers is no longer listed, the Board of Directors will define an appropriate substitute that will replace the outgoing peer for the entire reference period.*
(3) *In order to limit the impact of currency movements on share prices, the TSR will be measured in euros for all of the companies in the panel.*

The achievement of these performance conditions will be assessed by the Compensation and Nomination Committee and validated by the Board of Directors.

In addition, notwithstanding the total or partial achievement of the performance conditions described above, the vesting of the shares and the right to exercise the stock options would be subject, in any event, to compliance by all the beneficiaries with the Group's ethical principles as described in the Group's Code of Conduct (the "Group Code of Conduct"). The Group Code of Conduct covers mandatory aspects of corporate responsibility, including: demonstrating integrity, protecting data and privacy, combating corruption, strictly complying with sanctions and embargos, preventing money laundering, ensuring transparency, promoting equal opportunities at work, encouraging ethical issues to be notified *via* a whistleblowing procedure, and promoting and respecting the principles of the United Nations Global Compact. In the event of a breach of the Code of Conduct, for instance in the event of fraud, no shares will vest, and no stock options could be exercised (clawback policy).

In addition, notwithstanding the total or partial achievement of the performance conditions described above, the vesting of the shares and the right to exercise all or some of the options would be subject, in any event, to the fulfilment of the corporate social responsibility (CSR) training obligation.

Presence condition

Other than in specific cases [(1)], the vesting of the performance shares and the right to exercise the stock options are subject to the Chairman and Chief Executive Officer remaining with the Group until the end of the vesting period.

In order to take into account the shareholder votes on the compensation policy as well as the opinions expressed by certain shareholders, the Board of Directors, on the proposal of the Compensation and Nomination Committee, has decided to abolish the full waiver of the presence condition in the event of forced departure for reasons other than misconduct or underperformance, and to apply a *prorata* calculation (see "Severance pay" below).

Allocation ceiling

In accordance with the authorizations by the Shareholders' Meeting, the stock options and performance shares allocated to the Chairman and Chief Executive Officer cannot exceed 10% of the total allocations.

The maximum allocations for 2021 decided by the Board of Directors at its meeting on February 23, 2021 comply with this ceiling:
- the allocation of 125,000 performance shares represents 4.2% of the performance shares authorized by the Shareholders' Meeting;
- the allocation of 100,000 stock options represents 6.7% of the stock options authorized by the Shareholders' Meeting.

Holding obligation

The Board of Directors has decided that the Chairman and Chief Executive Officer must hold as registered shares at least 10% of the shares resulting from the exercise of his stock options and at least 10% of his performance shares throughout his term of office.

Moreover, the Chairman and Chief Executive Officer has made a formal commitment not to use hedging instruments on the stock options and/or performance shares, or shares from exercised options, that have been allocated to him, throughout his term of office.

Recruitment

The Board of Directors has decided that, in the event that a new Chief Executive Officer is appointed, these same principles will apply, it being specified that a specific allocation may be made to compensate the new Chief Executive Officer for any loss of variable long-term compensation due to his/her departure from his/her previous employer.

Multi-year compensation

The Board of Directors has decided not to use such a long-term compensation system that involves a cash payment, preferring to focus instead on share-based instruments that strengthen the alignment of interests with shareholders.

Nevertheless, such a system may be envisaged if regulatory developments or any other circumstance make it too restrictive or impossible for the Company to use share-based instruments.

Severance pay

Since 2011, the Chairman and Chief Executive Officer benefits from a severance pay scheme that was last reviewed by the Board of Directors at its meeting on February 21, 2018 and approved by the Ordinary and Extraordinary Shareholders' Meeting of April 26, 2018 in its 5th resolution.

In the event of the termination of his term of office, the Chairman and Chief Executive Officer would be allocated benefits determined as follows:

(i) in the event of dismissal for misconduct, non-renewal of his term of office as Chief Executive Officer, resignation (other than due to forced departure as set out in paragraphs (ii) and (iii) below) or following a notably negative performance by the Company (non-achievement of the performance condition (C_n) as described below), no severance pay would be due;

(ii) in the event of forced departure or dismissal prior to the twelve (12) months preceding the end of his term of office as Chief Executive Officer, typically for divergent views on the Group's strategy, the Chief Executive Officer would receive severance pay equal to the sum of the fixed and variable components of his gross annual compensation paid in the twenty-four (24) months preceding the date of his departure from the Group. No severance pay would be due if the performance condition (C_n) defined below is not met. In the event of forced departure or dismissal during the twelve (12) months preceding the end of his term of office, no severance pay would be due;

(iii) in the event of forced departure or dismissal resulting from an unsolicited or non-recommended offer by the Board of Directors of the Company resulting in a change of control of the Group, the Chief Executive Officer would receive severance pay equal to the sum of the fixed and variable components of his annual gross compensation paid in the twenty-four (24) months preceding the date of his departure from the Group. No severance pay would be due if the performance condition (C_n) defined below is not met.

(1) *Death, disability or retirement.*

Moreover, in the cases referred to in paragraphs (ii) and (iii) above, and excluding the case referred to in paragraph (i), the rights to the performance shares and options allocated to the Chairman and Chief Executive Officer before his departure would be maintained *prorata temporis* to his presence within the Group during the vesting period while remaining subject, in their entirety, to the performance conditions of each of the plans.

This rule, which is more restrictive than that approved by the Ordinary and Extraordinary Shareholders' Meeting of April 26, 2018, was decided by the Board of Directors in order to take into account the shareholder votes on the compensation policy as well as the opinions expressed by certain shareholders.

The performance condition (C_n), approved by the Board of Directors on the recommendation of the Compensation and Nomination Committee, will be met if both criteria below are fulfilled:

- (A) SCOR's average ROE for the three financial years preceding the date of departure of the Chief Executive Officer exceeds 50% of the average of SCOR's strategic target ROE (as defined in the strategic plan) calculated over the same period (the "Target ROE");
- (B) SCOR's average solvency ratio for the three financial years preceding the date of departure of the Chief Executive Officer exceeds the average of SCOR's strategic target solvency ratio (as defined in the strategic plan) calculated over the same period (the "Target Solvency Ratio"), it being specified that, if the strategic plan sets a target or "optimal" range, the lower end of this range is considered for calculation purposes as being the Target Solvency Ratio.

The purpose of these criteria is to ensure alignment with successive strategic plans, particularly the "Quantum Leap" strategic plan, by incorporating their objectives and thus being representative of the Chairman and Chief Executive Officer's impact on the Group's performance.

The Board of Directors, on the recommendation of the Compensation and Nomination Committee, will assess whether or not the performance condition (C_n) has been met.

Lastly, in the event of the termination of his duties, no non-competition clause applies to the Chairman and Chief Executive Officer.

Recruitment

The Board of Directors has decided that, in the event of the appointment of a new Chief Executive Officer, the conditions of his/her severance pay will not be more favorable than those currently in force.

Supplementary pension plan

Since he joined the Group in 2002, and like all the senior executives based in France and employed by the Group as at June 30, 2008, the Chairman and Chief Executive Officer is entitled to a guaranteed pension of 50% of his reference compensation, less any pension benefits acquired under other mandatory collective pension plans. Moreover, the amount paid under the SCOR plan may under no circumstances exceed 45% of the reference compensation, pursuant to the AFEP-MEDEF corporate governance code. It should be noted that, given his seniority within the Company, the Chairman and Chief Executive Officer has reached the ceiling of 45% set by the plan. Consequently, the legal provision which limits the annual increase in potential rights to 3% of the compensation of the beneficiary has no practical implications in his case.

The guaranteed pension amount is calculated according to a reference compensation based on the average contractual annual gross compensation paid by SCOR SE over the last five years and considered to constitute "wages and salaries" under French tax law. In order to benefit from the supplementary pension plan, the Chairman and Chief Executive Officer must still be a corporate officer or employee of the Company when he retires.

This plan was approved by the Board of Directors at its meeting of February 21, 2018 and by the Ordinary and Extraordinary Shareholders' Meeting of April 26, 2018 in its 4th resolution.

Other benefits

As the Company representative, the Chairman and Chief Executive Officer is granted a company car with a shared driver. The insurance, maintenance, fuel and all costs related to the driver are paid by the Company. The Chairman and Chief Executive Officer also benefits from a health insurance policy under the terms of a contract dated September 16, 1988.

Moreover, in accordance with the decision taken by the Board of Directors on March 21, 2006 (and reiterated on December 12, 2008, May 4, 2011 and July 30, 2014), the Chairman and Chief Executive Officer benefits from specific life insurance in an amount equivalent to three years of his fixed and variable compensation.

The above individual insurance policy has been taken out by the Company and supplements the "all causes" death or permanent disability insurance policy for senior executives, dated June 30, 1993, and renewed or renegotiated annually. The latest version is compliant with the mandatory collective supplementary welfare plan specific to SCOR, which is applicable to an objective category of employees whose annual gross base compensation is equal to or more than three times the social security ceiling. The individual and collective "all causes" death insurance policies are renewed or renegotiated on an annual basis so that the Chairman and Chief Executive Officer will benefit from any policies that may replace the existing ones.

Moreover, the Chairman and Chief Executive Officer benefits from death or permanent disability insurance in case of an accident, also taken out for the senior executives of the Company and applicable since January 1, 2006. This collective insurance is renewed or renegotiated on an annual basis so that the Chairman and Chief Executive Officer will benefit from any policies that may replace the existing one.

Deputy Chief Executive Officer

In the event of the appointment of one or more Deputy Chief Executive Officers, the compensation components, principles and criteria set out in the compensation policy and the benefits granted to the Chairman and Chief Executive Officer would also apply to the Deputy Chief Executive Officers. It would be the responsibility of the Board of Directors, on the recommendation of the Compensation and Nomination Committee, to adapt the objectives, performance levels, parameters and structure, it being specified that the target amounts expressed as percentages of the fixed compensation may not be higher than those of the Chairman and Chief Executive Officer.

Non-Executive Chairman

In the event of the appointment of a Non-Executive Chairman, the compensation principles set out in the compensation policy of the Chairman and Chief Executive Officer would be used as a reference. It would be the responsibility of the Board of Directors, on the recommendation of the Compensation and Nomination Committee, to adapt the structure to align it with market practices and the recommendations of the AFEP-MEDEF corporate governance code (Article 24.2). It is important to note that the Non-Executive Chairman may not be awarded variable compensation, performance shares or stock options.

2.2.2. COMPENSATION OF THE EXECUTIVE COMMITTEE MEMBERS OTHER THAN THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

2.2.2.1. PRINCIPLES AND RULES SET FOR THE DETERMINATION OF THE COMPENSATION AND BENEFITS OF THE EXECUTIVE COMMITTEE MEMBERS (OTHER THAN THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER)

Governance

The structure of the compensation of the Executive Committee members is mainly composed of cash compensation, including a fixed portion and a variable annual portion, as well as variable long-term compensation in the form of stock options and performance shares.

The Compensation and Nomination Committee is informed about the compensation policy the Executive Committee members and makes proposals to the Board of Directors about the conditions and amount of the stock options and performance shares allocated to the members of the Executive Committee.

The variable portion of the compensation depends on the achievement of the Group's ROE objective, and on the achievement of individual objectives.

The members of the Executive Committee do not receive compensation in respect of their directorships in companies in which SCOR holds more than 20% of the capital.

Each member of the Executive Committee benefits from the use of a vehicle (or equivalent car allowance) for business purposes.

If a member of the Executive Committee were dismissed (except for serious or gross misconduct) or decided to resign within a 12-month period following a change of control, he/she would receive an indemnity equal to the sum of the fixed and variable compensation and non-exceptional cash benefits paid by the Group during the two years preceding his/her departure. However, this indemnity will not be payable if SCOR's average solvency ratio over the three financial years preceding the date of departure is less than the average of SCOR's strategic target solvency ratio (as defined in the strategic plan) calculated over the same period (the "Target Solvency Ratio") (it being specified that, if the strategic plan defines a target or "optimal" range, the lower end of this range will be considered for calculation purposes as the Target Solvency Ratio). The concept of "change of control" referred to above includes any significant capital change in SCOR, in particular one that may lead to a change in the composition of the Board of Directors or a change in the Chief Executive Officer of SCOR. Moreover, the rights to the performance shares and options allocated before their departure would be maintained while remaining subject, in their entirety, to the performance conditions of each of the plans.

Pension benefits

As is the case for all senior executives employed in France, the members of the Executive Committee who joined SCOR before June 30, 2008 and are employed in France, are entitled to a guaranteed pension plan that is notable conditional on a minimum of five years of service with the Group. The amount of the guaranteed pension is calculated based on their average compensation over the last five years. The plan was closed to employees hired after June 30, 2008.

Executive Committee members that are not employed in France benefit from the collective pension schemes in place in their entity and do not have any specific plan except for the member with a Swiss contract who benefits from a specific guaranteed pension plan similar to the one granted to the Executive Committee members employed in France and hired before June 30, 2008.

For Executive Committee members under French contracts and hired before June 30, 2008 or under a Swiss contract, the amount of the additional pension guaranteed by the Group varies from 5% to 50% (with maximum growth of 5% per year) of their average compensation over the last five years, depending on their seniority in the Group at retirement, less any pension benefits acquired under other mandatory collective pension plans. Moreover, the additional pension may under no circumstances exceed 45% of the average compensation over the last five years.

The total commitment of the Group in respect of defined benefit pension plans in France, Germany, the United States, the United Kingdom and Switzerland for the Executive Committee members (including the Chairman and Chief Executive Officer) amounts to EUR 46 million as at December 31, 2020, *i.e.* 10% of the total commitment of the Group in respect of pension plans, which represents EUR 475 million.

2.2.2.2. COMPENSATION OF THE EXECUTIVE COMMITTEE MEMBERS (OTHER THAN THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER) FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

The following table presents the aggregate gross compensation due and paid to the members of the Executive Committee (including and excluding the executive corporate officer) for 2020, 2019 and 2018:

	2020		2019		2018	
In EUR	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid
Fixed compensation	3,745,296	4,427,524	4,919,592	4,689,552	4,674,450	4,632,784
Variable compensation	2,306,630	3,352,875	3,809,103	3,341,432	3,861,159	3,486,675
Allowances	81,675	81,898	70,530	70,530	65,106	65,106
Gross compensation of the Executive Committee members excluding the executive corporate officer (1)	**6,133,601**	**7,862,298**	**8,799,225**	**8,101,514**	**8,600,715**	**8,184,565**
Denis Kessler	2,011,000	2,019,940	2,360,200	2,460,400	2,454,400	2,390,020
TOTAL EXECUTIVE COMMITTEE	**8,144,601**	**9,882,238**	**11,159,425**	**10,561,914**	**11,055,115**	**10,574,585**

(1) *Executive Committee members include Laurent Rousseau and Brona Magee since 2018, Jean-Paul Conoscente since 2019 and Ian Kelly since 2020. Benjamin Gentsch and Simon Pearson left the Executive Committee in 2018, Victor Peignet left the Executive Committee in 2019 and Mark Kociancic in 2020.*

For information on stock options and performance shares held by the members of the Executive Committee, see Section 2.2.3 – Stock options and performance shares.

2.2.3. STOCK OPTIONS AND PERFORMANCE SHARES

2.2.3.1. STOCK OPTIONS HELD BY THE MEMBERS OF THE EXECUTIVE COMMITTEE AND THE EXECUTIVE CORPORATE OFFICER IN OFFICE AS AT DECEMBER 31, 2020

The table below presents the stock option plans allocated to the Executive Committee members and the executive corporate officer in office as at December 31, 2020:

	Number of stock options allocated	Plan date	Exercise price *(in EUR)*	Exercise period			Exercisable options	Options exercised
Denis Kessler	125,000	03/18/2010	18.40	03/19/2014	to	03/18/2020	-	125,000
	125,000	03/22/2011	19.71	03/23/2015	to	03/22/2021	125,000	-
	125,000	03/23/2012	20.17	03/24/2016	to	03/23/2022	125,000	-
	100,000	03/21/2013	22.25	03/22/2017	to	03/21/2023	100,000	-
	100,000	03/20/2014	25.06	03/21/2018	to	03/20/2024	100,000	-
	100,000	03/20/2015	29.98	03/21/2019	to	03/20/2025	100,000	-
	25,000	03/10/2016	31.58	03/11/2020	to	03/10/2026	21,250	-
	100,000	03/10/2017	33.78	03/11/2021	to	03/10/2027	-	-
	100,000	03/08/2018	35.10	03/09/2022	to	03/08/2028	-	-
	100,000	03/07/2019	38.66	03/08/2023	to	03/07/2029	-	-
	100,000	04/28/2020	21.43	04/29/2024	to	04/28/2030	-	-
Total	**1,100,000**						**571,250**	**125,000**
Frieder Knüpling	32,000	03/18/2010	18.40	03/19/2014	to	03/18/2020	-	32,000
	40,000	03/22/2011	19.71	03/23/2015	to	03/22/2021	-	40,000
	40,000	03/23/2012	20.17	03/24/2016	to	03/23/2022	-	40,000
	40,000	03/21/2013	22.25	03/22/2017	to	03/21/2023	20,000	20,000
	40,000	03/20/2014	25.06	03/21/2018	to	03/20/2024	40,000	-
	40,000	03/20/2015	29.98	03/21/2019	to	03/20/2025	40,000	-
	50,000	03/10/2016	31.58	03/11/2020	to	03/10/2026	42,500	-
	50,000	03/10/2017	33.78	03/11/2021	to	03/10/2027	-	-
	40,000	03/08/2018	35.10	03/09/2022	to	03/08/2028	-	-
	48,000	03/07/2019	38.66	03/08/2023	to	03/07/2029	-	-
	48,000	04/28/2020	21.43	04/29/2024	to	04/28/2030	-	-
Total	**468,000**						**142,500**	**132,000**
Ian Kelly	4,000	03/18/2010	18.40	03/19/2014	to	03/18/2020	-	4,000
	10,400	11/05/2020	23.31	11/06/2024	to	11/06/2030	-	-
Total	**14,400**						**-**	**4,000**
Paolo De Martin	48,000	03/18/2010	18.40	03/19/2014	to	03/18/2020	-	48,000
	48,000	03/22/2011	19.71	03/23/2015	to	03/22/2021	48,000	-
	48,000	03/23/2012	20.17	03/24/2016	to	03/23/2022	48,000	-
	48,000	03/21/2013	22.25	03/22/2017	to	03/21/2023	48,000	-
	60,000	03/20/2014	25.06	03/21/2018	to	03/20/2024	60,000	-
	60,000	03/20/2015	29.98	03/21/2019	to	03/20/2025	60,000	-
	60,000	03/10/2016	31.58	03/11/2020	to	03/10/2026	51,000	-
	60,000	03/10/2017	33.78	03/11/2021	to	03/10/2027	-	-
	48,000	03/08/2018	35.10	03/09/2022	to	03/08/2028	-	-
	48,000	03/07/2019	38.66	03/08/2023	to	03/07/2029	-	-
	48,000	04/28/2020	21.43	04/29/2024	to	04/28/2030	-	-
Total	**576,000**						**315,000**	**48,000**

	Number of stock options allocated	Plan date	Exercise price *(in EUR)*	Exercise period			Exercisable options	Options exercised
Jean-Paul Conoscente	6,000	03/18/2010	18.40	03/19/2014	to	03/18/2020	-	6,000
	5,000	03/22/2011	19.71	03/23/2015	to	03/22/2021	3,000	2,000
	5,000	03/23/2012	20.17	03/24/2016	to	03/23/2022	5,000	-
	5,000	03/21/2013	22.25	03/22/2017	to	03/21/2023	5,000	-
	3,750	03/20/2014	25.06	03/21/2018	to	03/20/2024	3,750	-
	3,375	03/20/2015	29.98	03/21/2019	to	03/20/2025	3,375	-
	3,000	03/10/2016	31.58	03/11/2020	to	03/10/2026	2,550	-
	2,250	12/01/2017	34.75	12/02/2021	to	12/01/2027	-	-
	3,294	12/22/2018	40.81	12/23/2022	to	12/22/2028	-	-
	40,000	03/07/2019	38.66	03/08/2023	to	03/07/2029	-	-
	40,000	04/28/2020	21.43	04/29/2024	to	04/28/2030	-	-
Total	**116,669**						**22,675**	**8,000**
Romain Launay	10,000	03/23/2012	20.17	03/24/2016	to	03/23/2022	-	10,000
	5,000	03/21/2013	22.25	03/22/2017	to	03/21/2023	155	4,845
	3,750	03/20/2014	25.06	03/21/2018	to	03/20/2024	3,750	-
	6,000	03/20/2015	29.98	03/21/2019	to	03/20/2025	6,000	-
	40,000	03/10/2016	31.58	03/11/2020	to	03/10/2026	34,000	-
	40,000	03/10/2017	33.78	03/11/2021	to	03/10/2027	-	-
	32,000	03/08/2018	35.10	03/09/2022	to	03/08/2028	-	-
	32,000	03/07/2019	38.66	03/08/2023	to	03/07/2029	-	-
	32,000	04/28/2020	21.43	04/29/2024	to	04/28/2030	-	-
Total	**200,750**						**43,905**	**14,845**
François de Varenne	40,000	03/18/2010	18.40	03/19/2014	to	03/18/2020	-	40,000
	40,000	03/22/2011	19.71	03/23/2015	to	03/22/2021	-	40,000
	40,000	03/23/2012	20.17	03/24/2016	to	03/23/2022	-	40,000
	40,000	03/21/2013	22.25	03/22/2017	to	03/21/2023	-	40,000
	40,000	03/20/2014	25.06	03/21/2018	to	03/20/2024	40,000	-
	40,000	03/20/2015	29.98	03/21/2019	to	03/20/2025	40,000	-
	40,000	03/10/2016	31.58	03/11/2020	to	03/10/2026	34,000	-
	40,000	03/10/2017	33.78	03/11/2021	to	03/10/2027	-	-
	40,000	03/08/2018	35.10	03/09/2022	to	03/08/2028	-	-
	48,000	03/07/2019	38.66	03/08/2023	to	03/07/2029	-	-
	48,000	04/28/2020	21.43	04/29/2024	to	04/28/2030	-	-
Total	**456,000**						**114,000**	**160,000**
Laurent Rousseau	7,500	10/12/2010	17.79	10/13/2014	to	10/12/2020	-	7,500
	4,000	03/22/2011	19.71	03/23/2015	to	03/22/2021	-	4,000
	4,000	03/23/2012	20.17	03/24/2016	to	03/23/2022	-	4,000
	4,000	03/21/2013	22.25	03/22/2017	to	03/21/2023	-	4,000
	3,000	03/20/2014	25.06	03/21/2018	to	03/20/2024	3,000	-
	3,750	03/20/2015	29.98	03/21/2019	to	03/20/2025	3,750	-
	3,750	03/10/2016	31.58	03/11/2020	to	03/10/2026	3,188	-
	2,814	12/01/2017	34.75	12/02/2021	to	12/01/2027	-	-
	25,026	12/22/2018	40.81	12/23/2022	to	12/22/2028	-	-
	32,000	03/07/2019	38.66	03/08/2023	to	03/07/2029	-	-
	32,000	04/28/2020	21.43	04/29/2024	to	04/28/2030	-	-
Total	**121,840**						**9,938**	**19,500**

	Number of stock options allocated	Plan date	Exercise price *(in EUR)*	Exercise period			Exercisable options	Options exercised
Brona Magee	4,500	03/20/2015	29.98	03/21/2019	to	03/20/2025	4,500	-
	5,628	03/10/2016	31.58	03/11/2020	to	03/10/2026	4,784	-
	3,978	12/01/2017	34.75	12/02/2021	to	12/01/2027	-	-
	14,320	12/22/2018	40.81	12/23/2022	to	12/22/2028	-	-
	32,000	03/07/2019	38.66	03/08/2023	to	03/07/2029	-	-
	32,000	04/28/2020	21.43	04/29/2024	to	04/28/2030	-	-
Total	**92,426**						**9,284**	**-**
TOTAL	**3,146,085**						**1,228,552**	**511,345**

The Registration Documents published by the Company in previous years show the information related to the plans for which the exercise period ended before 2020.

2.2.3.2. FREE SHARE ALLOCATIONS TO THE MEMBERS OF THE EXECUTIVE COMMITTEE AND THE EXECUTIVE CORPORATE OFFICER IN OFFICE AS AT DECEMBER 31, 2020

The table below presents the free share allocation plans allocated to the Executive Committee members and the executive corporate officer in office as at December 31, 2020:

	Plan	Share allocation rights	Number of shares vested	Share price at the transfer date *(in EUR)*	Effective vested value at the transfer date *(in EUR)*	Availability date
Denis Kessler	2016-2022 Long-Term Incentive Plan	75,000		-	-	02/24/2022
	2017 Plan	125,000	93,750	36.75	3,445,313	02/22/2020
	2018 Plan	125,000		-	-	02/22/2021
	2019 Plan	125,000		-	-	02/20/2022
	2020 Plan	125,000		-	-	04/29/2023
Total		**575,000**	**93,750**		**3,445,313**	
Frieder Knüpling	2013-2021 Long-Term Incentive Plan	40,000		-	-	03/06/2021
	2017 Plan (1)	50,000	37,500	36.75	1,378,125	02/22/2020
	2017-2023 Long-Term Incentive Plan (1)	50,000		-	-	02/22/2023
	2018 Plan (1)	50,000		-	-	02/22/2021
	2018 Plan	30		-	-	12/24/2021
	2019 Plan	60,000		-	-	02/20/2022
	2019-2025 Long-Term Incentive Plan	30,000		-	-	02/20/2025
	2020 Plan	60,000		-	-	04/29/2023
Total		**340,030**	**37,500**		**1,378,125**	
Ian Kelly	2012-2020 Long-Term Incentive Plan	5,000	4,750	23.50	111,625	07/27/2020
	2017 Plan (1)	2,000	1,750	29.04	50,820	02/22/2020
	2017-2023 Long-Term Incentive Plan (1)	2,000		-	-	02/22/2023
	2018 Plan	3,440		-	-	12/23/2021
	2018 Plan	150		-	-	12/24/2021
	2019 Plan	4,000		-	-	10/24/2022
	2020 Plan	13,000		-	-	11/06/2023
Total		**29,590**	**6,500**		**162,445**	
Paolo De Martin	2013-2021 Long-Term Incentive Plan	48,000		-	-	03/06/2021
	2017 Plan (1)	60,000	45,000	36.75	1,653,750	02/22/2020
	2018 Plan (1)	60,000		-	-	02/22/2021
	2018 Plan	30		-	-	12/24/2021
	2019 Plan	60,000		-	-	02/20/2022
	2019-2025 Long-Term Incentive Plan	30,000		-	-	02/20/2025
	2020 Plan	60,000		-	-	04/29/2023
Total		**318,030**	**45,000**		**1,653,750**	
Jean-Paul Conoscente	2016-2022 Long-Term Incentive Plan	4,000		-	-	02/24/2022
	2017 Plan (1)	3,000	2,250	29.04	65,340	12/02/2020
	2017-2023 Long-Term Incentive Plan (1)	1,000		-	-	12/02/2023
	2018 Plan (1)	4,242		-	-	12/23/2021
	2018 Plan	150		-	-	12/24/2021
	2019 Plan	50,000		-	-	02/20/2022
	2019-2025 Long-Term Incentive Plan	25,000		-	-	02/20/2025
	2020 Plan	50,000		-	-	04/29/2023
Total		**137,392**	**2,250**		**65,340**	
Romain Launay	2014-2022 Long-Term Incentive Plan	5,000		-	-	03/05/2022
	2017 Plan	40,000	30,000	36.75	1,102,500	02/22/2020
	2018 Plan	40,000		-	-	02/22/2021
	2018 Plan	30		-	-	12/24/2021
	2019 Plan	40,000		-	-	02/20/2022
	2019-2025 Long-Term Incentive Plan	20,000		-	-	02/20/2025
	2020 Plan	40,000		-	-	04/29/2023
Total		**185,030**	**30,000**		**1,102,500**	

	Plan	Share allocation rights	Number of shares vested	Share price at the transfer date *(in EUR)*	Effective vested value at the transfer date *(in EUR)*	Availability date
François de Varenne	2016-2022 Long-Term Incentive Plan	40,000		-	-	02/24/2022
	2017 Plan	40,000	30,000	36.75	1,102,500	02/22/2020
	2018 Plan	50,000		-	-	02/22/2021
	2018 Plan	30		-	-	12/24/2021
	2019 Plan	60,000		-	-	02/20/2022
	2019-2025 Long-Term Incentive Plan	30,000		-	-	02/20/2025
	2020 Plan	60,000		-	-	04/29/2023
Total		**280,030**	**30,000**		**1,102,500**	
Laurent Rousseau	2013-2021 Long-Term Incentive Plan	4,000		-	-	03/06/2021
	2016-2022 Long-Term Incentive Plan	5,000		-	-	02/24/2022
	2017 Plan	3,752	2,814	29.04	81,719	12/02/2020
	2017-2023 Long-Term Incentive Plan	1,250		-	-	12/02/2023
	2018 Plan	31,252		-	-	12/23/2021
	2018 Plan	30		-	-	12/24/2021
	2019 Plan	40,000		-	-	02/20/2022
	2019-2025 Long-Term Incentive Plan	20,000		-	-	02/20/2025
	2020 Plan	40,000		-	-	04/29/2023
Total		**145,284**	**2,814**		**81,719**	
Brona Magee	2014-2022 Long-Term Incentive Plan	6,000		-	-	03/05/2022
	2017 Plan (1)	5,304	3,978	29.04	115,521	12/02/2020
	2017-2023 Long-Term Incentive Plan (1)	1,500		-	-	02/12/2023
	2018 Plan (1)	17,870		-	-	12/23/2021
	2018 Plan	30		-	-	12/24/2021
	2019 Plan	40,000		-	-	02/20/2022
	2019-2025 Long-Term Incentive Plan	20,000		-	-	02/20/2025
	2020 Plan	40,000		-	-	04/29/2023
Total		**130,704**	**3,978**		**115,521**	
TOTAL		**2,141,090**	**251,792**		**9,107,212**	

(1) Shares allocated in non-qualified plans.

The Registration Documents published by the Company in previous years show the information related to the plans covering shares delivered before 2020.

2.2.3.3. POTENTIAL VOLUME OF NEW SHARES FROM OUTSTANDING PLANS AND AUTHORIZATIONS AS AT DECEMBER 31, 2020

See Section 5.2.3 – Potential share capital.

2.2.3.4. EMPLOYEE PROFIT SHARING PLANS

See Section 4.6 – Notes to the consolidated financial statements, Note 15 – Employee benefits and other provisions and Appendix B – 5 – Notes to the corporate financial statements, Section 5.3.6 – Employee share ownership plans.

Stock option plans

Pursuant to the provisions of Article L. 225-184 of the French Commercial Code, the information provided in this section constitutes the special report of the Board of Directors on stock option allocations, in order to inform the Shareholders' Meeting of transactions completed under the provisions of Articles L. 22-10-56 to L. 22-10-58 of the same code.

On April 26, 2019, the Shareholders' Meeting authorized the Company's Board of Directors, in its 23rd resolution, under the provisions of Articles L. 225-177 to L. 225-186-1 of the French Commercial Code, on the proposal of the Compensation and Nomination Committee, on one or more occasions, to allocate employees of the Company and of companies or groups related to the Company within the meaning of Article L. 225-180 of the French Commercial Code, as well as the executive corporate officer, options giving the right to subscribe to new ordinary shares of the Company to be issued as part of a capital increase, as well as options giving the right to purchase ordinary shares of the Company bought back by the Company as authorized by the law and within the limit of a number of options giving right to a maximum of one million five hundred thousand (1,500,000) shares. This authorization was given for a period of 24 months from April 26, 2019 and superseded and cancelled the unused portion of the previous authorization of April 26, 2018.

On June 16, 2020, the Shareholders' Meeting authorized the Company's Board of Directors, in its 27th resolution, under the provisions of Articles L. 225-177 to L. 225-186-1 of the French Commercial Code, on the proposal of the Compensation and Nomination Committee, on one or more occasions, to allocate employees of the Company and of companies or groups related to the Company within the meaning of Article L. 225-180 of the French Commercial Code, as well as the executive corporate officer, options giving the right to subscribe to new ordinary shares of the Company to be issued as part of a capital increase, as well as options giving the right to purchase ordinary shares of the Company bought back by the Company as authorized by the law and within the limit of a number of options giving right to a maximum of one million five hundred thousand (1,500,000) shares. This authorization was given for a period of 24 months from June 16, 2020 and superseded and cancelled the unused portion of the previous authorization of April 26, 2019.

Moreover, SCOR strives to ensure that each stock option allocation has a neutral impact in terms of dilution. In particular, its policy is to systematically neutralize, as far as possible, the potential dilutive impact that could result from the issuance of new ordinary shares following the exercise of stock options, by covering the exposure resulting from the issuance of stock options through the purchase of ordinary shares under its share buy-back program and by cancelling the treasury shares thus acquired as the options are exercised. Thus, there is no capital dilution due to the allocation of stock options.

April 28, 2020 stock option plan

Pursuant to a decision taken by the Board of Directors on April 28, 2020 following a proposal from the Compensation and Nomination Committee at its April 24, 2020 meeting, in accordance with the authorization granted to the Board of Directors by the Ordinary and Extraordinary Shareholders' Meeting of April 26, 2019, on April 28, 2020, 100,000 stock options were allocated to the Chairman and Chief Executive Officer and 328,000 stock options were allocated to other members of the Executive Committee.

See Section 2.2.3.1 of this document for details of the stock options allocated to the members of the Executive Committee.

The exercise price is calculated without a discount, based on the average opening price of SCOR's shares on Euronext Paris over the 20 trading days preceding the allocation date.

The stock options can be exercised on one or more occasions from the beginning of the exercise period on April 29, 2024 until April 28, 2030 inclusive. After this date, the exercise rights will expire.

The stock options allocated will be exercisable provided:

(1) that the beneficiary remains an employee or corporate officer of the SCOR Group until April 28, 2024 inclusive, except as otherwise provided by the plan;

(2) that the Group's ethical principles as described in its Code of Conduct are respected;

(3) that the annual corporate social responsibility (CSR) training obligations are met. This condition will be deemed met if a SCOR Group e-learning course on CSR-related topics is completed and the corresponding test is successfully passed.

In addition to mandatory conditions (1), (2) and (3), the exercise of all the stock options allocated is subject to the fulfilment of performance conditions.

Half of the options will be exercisable provided that SCOR's average ROE over three years (from January 1, 2020 to December 31, 2022) is equal to the average of SCOR's strategic target ROE (the "Target ROE") over the same period. If the observed average ROE is lower or higher than the Target ROE, the stock options will be exercisable according to the sliding scale set out in the table below:

Ratio between the observed average ROE and the Target ROE	Proportion of the options that can be exercised under this criterion
From 100%	**100%**
Between 80% and 99.99%	90%
Between 70% and 79.99%	70%
Between 60% and 69.99%	50%
Between 50% and 59.99%	25%
Below 50%	**0%**

In any case, if the observed average ROE is lower than 5%, the proportion of the stock options that could be exercised under this criterion will be 0%.

The remaining half of the options will be exercisable provided that SCOR's average solvency ratio over three years (from January 1, 2020 to December 31, 2022) is at least equal to the average of SCOR's strategic target solvency ratio target over the same period (the "Target Solvency Ratio" [(1)]). Nevertheless, if the average observed solvency ratio is lower or higher than the Target Solvency Ratio, the stock options will be exercisable according to the linear scale set out in the table below:

Difference between the average solvency ratio and the Target Solvency Ratio	Proportion of the options that can be exercised under this criterion
Higher than or equal to 0 percentage points	100%
Between 0 and up to -35 percentage points	Linear sliding scale
Lower than or equal to -35 percentage points	0%

The achievement of these performance conditions will be assessed by the Compensation and Nomination Committee and validated by the Board of Directors.

November 5, 2020 stock option plan

Pursuant to a decision taken by the Board of Directors on November 5, 2020 following a proposal from the Compensation and Nomination Committee at its November 4, 2020 meeting, in accordance with the authorization granted to the Board of Directors by the Ordinary and Extraordinary Shareholders' Meeting of June 16, 2020, 189,326 stock options were allocated on November 5, 2020 to 58 Partners (Executive Global Partners and Senior Global Partners), including one Comex member.

The Partners are executives, managers, key experts, and high potential employees formally identified across the Group. Partners are given specific responsibilities in terms of significant achievements, management of high impact projects for the Group and/or leadership roles. Therefore, they benefit from specific benefits in terms of information sharing, career development and compensation schemes. The Partners represent approximately 25% of the total number of employees in the Group.

The exercise price is calculated without a discount, based on the average opening price of SCOR's shares on Euronext Paris over the 20 trading days preceding the allocation date.

The stock options can be exercised on one or more occasions from the beginning of the exercise period on November 6, 2024 until November 5, 2030 inclusive. After this date, the exercise rights will expire.

The stock options allocated will be exercisable provided:

(1) that the beneficiary remains an employee or corporate officer of the SCOR Group until November 5, 2024 inclusive, except as otherwise provided by the plan;

(2) that the Group's ethical principles as described in its Code of Conduct are respected;

(3) that the annual corporate social responsibility (CSR) training obligations are met. This condition will be deemed met if a SCOR Group e-learning course on CSR-related topics is completed and the corresponding test is successfully passed.

In addition to mandatory conditions (1), (2) and (3), the exercise of all the stock options allocated is subject to the fulfilment of performance conditions.

(1) If the strategic plan sets a target or "optimal" range, the lower end of this range is considered for calculation purposes as being the Target Solvency Ratio.

40% of the options will be exercisable provided that SCOR's average ROE over three years (from January 1, 2020 to December 31, 2022) is equal to the average of SCOR's strategic target ROE (the "Target ROE") over the same period. If the observed average ROE is lower or higher than the Target ROE, the options will be exercisable according to the sliding scale set out in the table below:

Ratio between the observed average ROE and the Target ROE	Proportion of the options that can be exercised under this criterion
From 100%	**100%**
Between 80% and 99.99%	90%
Between 70% and 79.99%	70%
Between 60% and 69.99%	50%
Between 50% and 59.99%	25%
Below 50%	**0%**

In any case, if the observed average ROE is lower than 5%, the proportion of the stock options that could be exercised under this criterion will be 0%.

40% of the options will be exercisable provided that SCOR's average solvency ratio over three years (from January 1, 2020 to December 31, 2022) is at least equal to the average of SCOR's strategic target solvency ratio over the same period (the "Target Solvency Ratio" [1]). Nevertheless, if the observed average solvency ratio is lower or higher than the Target Solvency Ratio, the stock options will be exercisable according to the linear scale set out in the table below:

Difference between the average solvency ratio and the Target Solvency Ratio	Proportion of the options that can be exercised under this criterion
Higher than or equal to 0 percentage points	100%
Between 0 and up to -35 percentage points	Linear sliding scale
Lower than or equal to -35 percentage points	0%

20% of the options will be exercisable depending on SCOR's ranking within a panel of peers [2] based on the average Total Shareholder Return (TSR) [3] of each company over three years (from January 1, 2020 to December 31, 2022).

The options will be exercisable according to the table below:

SCOR's ranking within a panel of peers based on the TSR achieved over the reference period	Proportion of the options that can be exercised under this criterion
1st to 4th	100%
5th	50%
6th to 9th	0%

The achievement of these performance conditions will be assessed by the Compensation and Nomination Committee and validated by the Board of Directors.

Summary of the 2019 and 2020 stock option plans

The table below presents the total number of stock options allocated in 2019 and 2020 by category of beneficiary within the Group:

	Total number of stock options allocated in 2020	Total number of beneficiaries in 2020	Total number of stock options allocated in 2019	Total number of beneficiaries in 2019
Corporate officer (1)	100,000	1	100,000	1
Members of the Executive Committee	338,400	9	328,000	8
Partners	178,926	58	148,140	53
TOTAL	**617,326**	**68**	**576,140**	**62**

(1) Chairman and Chief Executive Officer.

A table showing the features of the SCOR stock option plans can be found in Section 4.6 – Notes to the consolidated financial statements, Note 17.2 – Stock option plans.

Achievement of the performance conditions in 2020

In 2020, the Compensation and Nomination Committee acknowledged the partial achievement of the performance conditions attached to the March and December 2017 stock option plans as described in the 2017 Registration Document, bringing the vesting rate to 75%. In addition to the performance conditions described below, compliance with the Group's ethical principles as described in the Code of Conduct of the SCOR Group was required.

(1) If the strategic plan sets a target or "optimal" range, the lower end of this range is considered for calculation purposes as being the Target Solvency Ratio.
(2) The peers in the panel include: Allianz, Aviva, AXA, Generali, Hannover Re, Munich Re, Swiss Re, Zurich Insurance Group. In the event that one of the peers is no longer listed, the Board of Directors will define an appropriate substitute that will replace the outgoing peer for the entire reference period.
(3) In order to limit the impact of currency movements on share prices, the TSR will be measured in euros for all companies in the panel.

Performance condition	Achieved result	Achievement rate
Ratio between the observed average ROE over 2017-2019 and the average target ROE	65.0%	50%
Difference between the average solvency ratio over 2017-2019 and the average of the target solvency ratio	+33 percentage points	100%

Stock option plans currently in force within the Group

The option plans allocated since the financial year ended December 31, 2005 are stock subscription option plans.

No options have been allocated by a related company as defined by Article L. 225-180 of the French Commercial Code.

The exercise of the stock options allocated since 2008 is subject, as applicable, to the satisfaction of performance conditions. Thus, half of the options awarded under the March 23, 2009 plan and all the options awarded since the March 18, 2010 plan are subject to performance conditions. All the options allocated since the March 23, 2009 plan to the Chairman and Chief Executive Officer are subject to the satisfaction of performance conditions.

It should be noted that it is not possible to exercise the stock options during the 30 days before the publication of the annual, half-year or quarterly financial statements, or during the 15 days before the publication of SCOR's quarterly financial information.

Stock options allocated to the ten non-officer employees receiving the greatest number of stock options and stock options exercised by the ten employees having exercised the highest number of stock options	Number of stock options allocated/exercised	Weighted average exercise price *(in EUR)*	Plans
Number of stock options allocated during the financial year by the issuer and by any company included in the scope of allocation of the options to the ten employees of the issuer and of any company included in such scope, who received the highest number of stock options (aggregate information)	309,900	21.61	April 28, 2020 November 5, 2020
Number of stock options of the issuer and of the abovementioned companies exercised during the financial year, by the ten employees of the issuer or such companies, who exercised the highest number of stock options (aggregate information)	98,750	19.26	March 18, 2010 March 22, 2011 September 1, 2011 March 23, 2012 March 20, 2014 March 20, 2015

For additional information on the stock options plans currently in force within the Group see Appendix B – 5. – Notes to the corporate financial statements, Section 5.3.5 – Stock options.

Free share allocation plans

Pursuant to the provisions of Article L. 225-197-4 of the French Commercial Code, the information provided in this section constitutes the special report of the Board of Directors on the allocation of existing free shares in order to inform the Shareholders' Meeting of transactions completed under the provisions of Articles L. 22-10-59 to L. 22-10-60 of the same code.

On April 26, 2019, the Shareholders' Meeting authorized the Company's Board of Directors, in its 24th resolution, under the provisions of Articles L. 225-197-1 to L. 225-197-6 of the French Commercial Code, on the proposal of the Compensation and Nomination Committee, on one or more occasions, to allocate employees of the Company and of companies or groups related to the Company within the meaning of Article L. 225-197-2 of the French Commercial Code, as well as corporate officers as defined under Article L. 225-197-1-II of the French Commercial Code, free allocations of existing, fully paid-up ordinary shares of the Company, and resolved that the Company's Board of Directors would determine the identity of the beneficiaries of the allocations as well as the rights and conditions attached to the conditional entitlement to receive the shares.

The Shareholders' Meeting also decided that (i) the total number of free shares allocated pursuant to this authorization, under the conditions and, if applicable, subject to the fulfillment of the performance conditions set by the Board of Directors further to a proposal from the Compensation and Nomination Committee, may not exceed 3,000,000 shares, and (ii) the allocation of the shares to their beneficiaries will be definitive only after a vesting period of a minimum of three years.

This authorization was given for a period of 24 months from the date of the Shareholder's Meeting, *i.e.* until April 26, 2021, and superseded and cancelled the unused portion of the previous authorization granted by the Ordinary and Extraordinary Shareholders' Meeting of April 26, 2018 in its 24th resolution.

On June 16, 2020, the Shareholders' Meeting authorized the Company's Board of Directors, in its 28th resolution, under the provisions of Articles L. 225-197-1 to L. 225-197-6 of the French Commercial Code, on the proposal of the Compensation and Nomination Committee, on one or more occasions, to allocate employees of the Company and of companies or groups related to the Company within the meaning of Article L. 225-197-2 of the French Commercial Code, as well as the corporate officers as defined under Article L. 225-197-1-II of the French Commercial Code, free allocations of existing, fully paid-up ordinary shares of the Company, and resolved that the Company's Board of Directors would determine the identity of the beneficiaries of the allocations as well as the rights and conditions attached to the conditional entitlement to receive the shares.

The Shareholders' Meeting also decided that (i) the total number of free shares allocated pursuant to this authorization under the conditions and, if applicable, subject to the fulfillment of the performance conditions set by the Board of Directors further to a proposal from the Compensation and Nomination Committee, may not exceed 3,000,000 shares, and (ii) the allocation of the shares to their beneficiaries will be definitive only after a vesting period of a minimum of three years.

This authorization was given for a period of 24 months from the date of the Shareholder's Meeting, *i.e.* until June 15, 2022, and superseded and cancelled the unused portion of the previous authorization granted by the Ordinary and Extraordinary Shareholders' Meeting of April 26, 2019 in its 24th resolution.

Moreover, the resolutions provide that each performance share allocation should have a neutral impact in terms of dilution. Accordingly, the performance shares allocated under the plans are existing shares held in treasury by the Company as part of its share buy-back program, and not newly created shares. Thus, there is no capital dilution due to the allocation of performance shares.

April 28, 2020 performance share plan

Pursuant to a decision taken by the Board of Directors on April 28, 2020 following a proposal from the Compensation and Nomination Committee at its April 24, 2020 meeting, in accordance with the authorization granted to the Board of Directors by the Ordinary and Extraordinary Shareholders' Meeting of April 26, 2019, 125,000 performance shares were allocated on April 28, 2020 to the Chairman and Chief Executive Officer and 410,000 performance shares were allocated to other members of the Executive Committee.

See Section 2.2.3.2 of this Universal Registration Document for details of the performance shares allocated to the members of the Executive Committee.

The plan rules provide for a vesting period of three years for all beneficiaries.

The shares allocated to the Chairman and Chief Executive and the Executive Committee members will vest provided:

(1) that the beneficiary remains an employee or corporate officer of the SCOR Group until April 28, 2023 inclusive, except as otherwise provided by the plan;

(2) that the Group's ethical principles as described in its Code of Conduct are respected;

(3) that the annual corporate social responsibility (CSR) training obligations are met. This condition will be deemed met if a SCOR Group e-learning course on CSR-related topics is completed and the corresponding test is successfully passed.

In addition to mandatory conditions (1), (2) and (3), the vesting of the shares is also subject to the fulfilment of performance conditions.

Half of the shares will vest provided that SCOR's average ROE over three years (from January 1, 2020 to December 31, 2022) is equal to the average of SCOR's strategic target ROE (the "Target ROE") over the same period. If the observed average ROE is lower or higher than the Target ROE, the shares will vest according to the sliding scale set out in the table below:

Ratio between the observed average ROE and the Target ROE	Proportion of the shares that will vest under this criterion
From 100%	**100%**
Between 80% and 99.99%	90%
Between 70% and 79.99%	70%
Between 60% and 69.99%	50%
Between 50% and 59.99%	25%
Below 50%	**0%**

In any case, if the observed average ROE is lower than 5%, the proportion of the shares that will vest under this criterion will be 0%.

The remaining half of the shares will vest provided that SCOR's average solvency ratio over three years (from January 1, 2020 to December 31, 2022) is at least equal to the average of SCOR's strategic target solvency ratio over the same period (the "Target Solvency Ratio" [(1)]). If the observed average solvency ratio is lower or higher than the Target Solvency Ratio, the shares will vest according to the linear scale set out in the table below:

Difference between the average solvency ratio and the Target Solvency Ratio	Proportion of the shares that will vest under this criterion
Higher than or equal to 0 percentage points	100%
Between 0 and up to -35 percentage points	Linear sliding scale
Lower than or equal to -35 percentage points	0%

The achievement of these performance conditions will be assessed by the Compensation and Nomination Committee and validated by the Board of Directors.

November 5, 2020 performance share plan

Pursuant to a decision taken by the Board of Directors on November 5, 2020 following a proposal from the Compensation and Nomination Committee at its November 4, 2020 meeting, in accordance with the authorization granted to the Board of Directors by the Ordinary and Extraordinary Shareholders' Meeting of June 16, 2020, 1,188,385 performance shares were awarded on November 5, 2020 to Partners and specific Non-Partners of the Group including one Comex member (832 employees).

The performance shares allocated are subject to a vesting period of three years. In addition, 664,074 of these performance shares are subject to a two-year holding period following the vesting period.

The shares allocated will be vested provided:

(1) that the beneficiary remains an employee or corporate officer of the SCOR Group until November 5, 2023 inclusive, except as otherwise provided by the plan;

(2) that the Group's ethical principles as described in its Code of Conduct are respected;

(3) that the annual corporate social responsibility (CSR) training obligations are met. This condition will be deemed met if a SCOR Group e-learning course on CSR-related topics is completed and the corresponding test is successfully passed.

In addition to mandatory conditions (1), (2) and (3), the vesting of the shares is also subject to the fulfilment of performance conditions.

(1) *If the strategic plan sets a target or "optimal" range, the lower end of this range is considered for calculation purposes as being the Target Solvency Ratio.*

40% of the shares will vest provided that SCOR's average ROE over three years (from January 1, 2020 to December 31, 2022) is equal to the average of SCOR's strategic target ROE (the "Target ROE") over the same period. If the observed average ROE is lower or higher than the Target ROE, the shares will vest according to the sliding scale set out in the table below:

Ratio between the observed average ROE and the Target ROE	Proportion of the shares that will vest under this criterion
From 100%	**100%**
Between 80% and 99.99%	90%
Between 70% and 79.99%	70%
Between 60% and 69.99%	50%
Between 50% and 59.99%	25%
Below 50%	**0%**

In any case, if the observed average ROE is lower than 5%, the proportion of the shares that will vest under this criterion will be 0%.

40% of the shares will vest provided that SCOR's average solvency ratio over three years (from January 1, 2020 to December 31, 2022) is at least equal to the average of SCOR's strategic target solvency ratio over the same period (the "Target Solvency Ratio" [(1)]). If the observed average solvency ratio is lower or higher than the Target Solvency Ratio, the shares will vest according to the linear scale set out in the table below:

Difference between the average solvency ratio and the Target Solvency Ratio	Proportion of the shares that will vest under this criterion
Higher than or equal to 0 percentage points	100%
Between 0 and up to -35 percentage points	Linear sliding scale
Lower than or equal to -35 percentage points	0%

20% of the shares will vest depending on SCOR's ranking within a panel of peers [(2)] based on the average Total Shareholder Return (TSR) [(3)] of each company over three years (from January 1, 2020 to December 31, 2022).

The shares will vest according to the table below:

SCOR's ranking within a panel of peers based on the TSR achieved over the reference period	Proportion of the shares that will vest under this criterion
1st to 4th	100%
5th	50%
6th to 9th	0%

The achievement of these performance conditions will be assessed by the Compensation and Nomination Committee and validated by the Board of Directors.

November 5, 2020 Long-Term Incentive Plan

Pursuant to a decision taken by the Board of Directors on November 5, 2020 following a proposal from the Compensation and Nomination Committee at its November 4, 2020 meeting, in accordance with the authorization granted to the Board of Directors by the Ordinary and Extraordinary Shareholders' Meeting of June 16, 2020, 68,280 performance shares were awarded on November 5, 2020 to Partners and specific Non-Partners of the Group (67 employees) under a Long-Term Incentive Plan (LTIP).

The plan rules provide for a vesting period of six years for all beneficiaries.

The shares allocated will vest provided:

(1) that the beneficiary remains an employee or corporate officer of the SCOR Group until November 5, 2026 inclusive, except as otherwise provided by the plan;

(2) that the Group's ethical principles as described in its Code of Conduct are respected;

(3) that the annual corporate social responsibility (CSR) training obligations are met. This condition will be deemed met if a SCOR Group e-learning course on CSR-related topics is completed and the corresponding test is successfully passed.

In addition to mandatory conditions (1), (2) and (3), the vesting of the shares is also subject to the fulfilment of performance conditions.

(1) If the strategic plan sets a target or "optimal" range, the lower end of this range is considered for calculation purposes as being the Target Solvency Ratio.
(2) The peers in the panel include: Allianz, Aviva, AXA, Generali, Hannover Re, Munich Re, Swiss Re, Zurich Insurance Group. In the event that one of the peers is no longer listed, the Board of Directors will define an appropriate substitute that will replace the outgoing peer for the entire reference period.
(3) In order to limit the impact of currency movements on stock prices, the TSR will be measured in euros for all companies in the panel.

40% of the shares will vest provided that SCOR's average ROE over six years (from January 1, 2020 to December 31, 2025) is equal to the average of SCOR's strategic target ROE (the "Target ROE") over the same period. If the observed average ROE is lower or higher than the Target ROE, the shares will vest according to the sliding scale set out in the table below:

Ratio between the observed average ROE and the Target ROE	Proportion of the shares that will vest under this criterion
From 100%	**100%**
Between 80% and 99.99%	90%
Between 70% and 79.99%	70%
Between 60% and 69.99%	50%
Between 50% and 59.99%	25%
Below 50%	**0%**

In any case, if the observed average ROE is lower than 5%, the proportion of the shares that will vest under this criterion will be 0%.

40% of the shares will vest provided that SCOR's average solvency ratio over six years (from January 1, 2020 to December 31, 2025) is at least equal to the average of SCOR's strategic target solvency ratio over the same period (the "Target Solvency Ratio" (1)). If the observed average solvency ratio is lower or higher than the Target Solvency Ratio, the shares will vest according to the linear scale set out in the table below:

Difference between the average solvency ratio and the Target Solvency Ratio	Proportion of the shares that will vest under this criterion
Higher than or equal to 0 percentage points	100%
Between 0 and up to -35 percentage points	Linear sliding scale
Lower than or equal to -35 percentage points	0%

20% of the shares will vest depending on SCOR's ranking within a panel of peers (2) based on the average Total Shareholder Return (TSR) (3) of each company over six years (from January 1, 2020 to December 31, 2025). The shares will vest according to the table below:

SCOR's ranking within a panel of peers based on the TSR achieved over the reference period	Proportion of the shares that will vest under this criterion
1st to 4th	100%
5th	50%
6th to 9th	0%

(1) If the strategic plan sets a target or "optimal" range, the lower end of this range is considered for calculation purposes as being the Target Solvency Ratio.
(2) The peers in the panel include: Allianz, Aviva, AXA, Generali, Hannover Re, Munich Re, Swiss Re, Zurich Insurance Group. In the event that one of the peers is no longer listed, the Board of Directors will define an appropriate substitute that will replace the outgoing peer for the entire reference period.
(3) In order to limit the impact of currency movements on stock prices, the TSR will be measured in euros for all companies in the panel.

The achievement of these performance conditions will be assessed by the Compensation and Nomination Committee and validated by the Board of Directors.

The table below presents the total number of shares allocated in 2019 and 2020 within the Group, all types of plans included:

	Total number of LTIP shares allocated in 2020	Total number of beneficiaries of LTIP in 2020	Total number of shares allocated in 2020 (excluding LTIP)	Total number of beneficiaries in 2020 (excluding LTIP)	Total number of LTIP shares allocated in 2019	Total number of beneficiaries of LTIP in 2019	Total number of shares allocated in 2019 (excluding LTIP)	Total number of beneficiaries in 2019 (excluding LTIP)
Corporate officer [1]	-	-	125,000	1	-	-	125,000	1
Members of the Executive Committee	-	-	423,000	9	205,000	8	410,000	8
Partners	62,540	58	1,079,630	640	89,038	71	842,252	636
Non-Partners	5,740	9	95,755	191	2,760	12	48,548	182
TOTAL	**68,280**	**67**	**1,723,385**	**841**	**296,798**	**91**	**1,425,800**	**827**

(1) Chairman and Chief Executive Officer.

Achievement of the performance conditions in 2020

In 2020, the Compensation and Nomination Committee acknowledged the partial achievement of the performance conditions attached to the February and December 2017 performance share plans as described in the 2017 Registration Document, bringing the vesting rate to 75% for Executive Global Partners and Senior Global Partners and 87.5% for the other beneficiaries. In addition to the performance conditions described below, compliance with the Group's ethical principles as described in the Code of Conduct of the SCOR Group was required.

Performance condition	Achieved result	Achievement rate
Ratio between the observed average ROE over 2017-2019 and the target ROE	65.0%	50%
Difference between the average solvency ratio over 2017-2019 and the average of the target solvency ratio	+33 percentage points	100%

In 2020, the Compensation and Nomination Committee acknowledged the partial achievement of the performance conditions attached to 2014 Long-Term Incentive Plan, bringing the vesting rate to 95%. In addition to the performance conditions described below, compliance with the Group's ethical principles as described in the Code of Conduct of the SCOR Group was required.

Performance condition	Achieved result	Achievement rate
Ratio between the observed average ROE over 2014-2019 and the target ROE	84.3%	90%
Difference between the average solvency ratio over 2014-2019 and the average of the target solvency ratio	+30 percentage points	100%

The following table shows the free share allocation plans currently in force within the Group.

It should be noted that the source of the shares to be allocated under these plans is treasury stock.

The plans for which the shares have vested and for which the holding period ended before December 31, 2019 are not presented below.

Date of Shareholders' Meeting	Date of Board of Directors meeting	Total number of shares allocated	Of which to corporate officers	Date of share acquisition	End of the holding period	Number of shares vested as of December 31	Number of shares cancelled as of December 31	Number of shares outstanding as of December 31
June 16, 2020	November 5, 2020	524,311 (2)	-	11/06/2023	11/06/2023	-	-	524,311
		664,074 (2)	-	11/06/2023	11/06/2025	-	-	664,074
		68,280 (2)	-	11/06/2026	11/06/2026	-	-	68,280
April 26, 2019	April 28, 2020	535,000 (2)	125,000	04/29/2023	04/29/2023	-	60,000	475,000
	October 23, 2019	91,798 (2)	-	10/23/2025	10/23/2025	-	-	91,798
		890,800 (2)	-	10/23/2022	10/23/2022	-	17,600	873,200
April 26, 2018	February 19, 2019	205,000 (2)	-	02/20/2025	02/20/2025	-	30,000	175,000
		535,000 (2)	125,000	02/20/2022	02/20/2022	-	60,000	475,000
	October 23, 2018	75,455	-	12/24/2021	12/24/2021	-	8,097	67,358
		174,468 (1)	-	12/24/2021	12/24/2021	-	22,700	151,768
		29,954 (2)	-	12/23/2024	12/22/2024	-	2,140	27,814
		66,642 (1) (2)	-	12/23/2024	12/22/2024	-	7,794	58,848
		315,702 (2)	-	12/23/2021	12/22/2021	-	24,328	291,374
		525,380 (1) (2)	-	12/23/2021	12/22/2021	-	38,102	487,278
April 27, 2016	February 21, 2018	275,000 (2)		02/22/2021	02/21/2021	-	-	275,000
		200,000 (1) (2)	-	02/22/2021	02/21/2021	-	90,000	110,000
	October 24, 2017	84,842 (2)	-	12/02/2023	12/01/2023	-	9,480	75,362
		150,346 (1) (2)	-	12/02/2023	12/01/2023	-	18,446	131,900
		266,868 (2)	-	12/02/2020	12/01/2020	200,464	66,404	-
		469,404 (1) (2)	-	12/02/2020	12/01/2020	345,429	123,975	-
	February 21, 2017	50,000 (1) (2)	-	02/22/2023	02/21/2023	-	-	50,000
		265,000 (2)	125,000	02/22/2020	02/21/2020	198,750	66,250	-
		240,000 (1) (2)	-	02/22/2020	02/21/2020	127,500	112,500	-
December 18, 2015	February 23, 2016	181,060 (2)	75,000	02/24/2022	02/23/2022	-	3,752	177,308
		76,672 (1) (2)	-	02/24/2022	02/23/2022	-	4,004	72,668
	December 18, 2015	30,752 (2)	-	12/19/2021	12/18/2021	-	8,000	22,752
		75,680 (1) (2)	-	12/19/2021	12/18/2021	-	3,000	72,680
May 6, 2014	March 4, 2015	40,000 (2)	-	03/06/2021	03/05/2023	-	40,000	-
April 25, 2013	March 4, 2014	88,500 (2)	-	03/05/2022	03/04/2022	-	14,500	74,000
		31,500 (2)	-	03/05/2020	03/04/2022	-	5,850	25,650
May 3, 2012	March 5, 2013	232,500 (2)	-	03/06/2021	03/05/2021	-	14,500	218,000
		85,500 (2)	-	03/06/2019	03/05/2021	76,475	9,025	-
	July 26, 2012	57,500 (2)	-	07/27/2018	07/26/2020	54,625	2,875	-
		51,000 (2)	-	07/27/2020	07/26/2020	-	12,050	38,950

(1) Shares allocated under non-qualified plans.

(2) Vesting subject to performance conditions. The performance shares allocated before the Extraordinary Shareholders' Meeting of December 18, 2015 are subject, for half or all of the allocation, depending on the employee's level of responsibility within the organization, to performance conditions relating to the solvency ratio, the net combined ratio of SCOR Global P&C, the technical margin of SCOR Global Life and the ROE. Since the Extraordinary Shareholders' Meeting of December 18, 2015 and until the Ordinary Shareholders' Meeting of June 16, 2020, the performance conditions relate to the ROE and the solvency ratio. Since the Ordinary and Extraordinary Shareholders' Meeting of June 16, 2020, the performance conditions relate to the ROE, the solvency ratio and SCOR's ranking within a panel of peers based on the average Total Shareholder Return (TSR) over a reference period. The performance shares allocated between 2011 and the Shareholders' Meeting of June 16, 2020 as part of LTIP plans are subject to performance conditions relating to the ROE and the solvency ratio. The performance conditions are assessed over a two-year period for performance shares allocated before the Extraordinary Shareholders' Meeting of December 18, 2015, over a three-year period for performance shares allocated since the Extraordinary Shareholders' Meeting of December 18, 2015, and over a six-year period for all LTIP performance shares.

See also Section 4.6 – Notes to the consolidated financial statements, Note 17 – Stock options and share allocations.

Since the implementation of free share plans in the Group in 2004, a total of 26,541,732 shares have been allocated under all the various types of plans.

During 2020, a total of 184,594 rights to free shares vested to the ten employees of the Company and of any company included in its scope receiving the highest number of shares under free share allocation plans. For French tax residents, the rights related to the performance share plans of March 4, 2014, February 21, 2017 and December 1, 2017 for which the shares were transferred to the beneficiaries on March 5, 2020, February 22, 2020 and December 2, 2020. For non-French tax residents, the rights related to the performance share plans of July 26, 2012, February 21, 2017 and December 1, 2017 for which the shares were transferred to the beneficiaries on July 27, 2020, February 22, 2020 and December 2, 2020.

Employee savings plan

All employees with a French employment contract (excluding corporate officers) have the possibility to invest in the employee savings plan. An agreement specifies the principle, financing, and conditions of the plan. The employee savings plan has five mutual investment funds, one of which is entirely dedicated to SCOR employees. An employer's contribution is paid into two of the funds. Sums may be transferred into the funds in several different ways: sums received from profitsharing plans or any other voluntary contributions.

On June 16, 2020, the Ordinary and Extraordinary Shareholders' Meeting, in its 25th resolution, delegated its authority to the Company's Board of Directors in order to increase the share capital by issuing ordinary shares reserved for employees of the Company and of French and foreign companies related to the Company within the meaning of Article L. 225-180 of the French Commercial Code, who are members of savings plans and/or mutual funds. This new authorization supersedes the authorization granted by the Shareholders' Meeting of April 26, 2019.

As at the date of this Universal Registration Document, the Company's Board of Directors has not exercised this delegation of authority, which was granted for a period of 18 months as from the date of the Ordinary and Extraordinary Shareholders' Meeting of June 16, 2020.

2.2.4. SUMMARY OF TRANSACTIONS IN SECURITIES BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES AND CLOSELY ASSOCIATED PERSONS AS DEFINED IN ARTICLE L. 621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE *(CODE MONÉTAIRE ET FINANCIER)*

The table below presents all acquisitions, sales, subscriptions or exchanges of SCOR SE shares as well as all transactions involving securities linked to SCOR SE carried out by directors, the executive corporate officer and persons discharging managerial responsibilities in 2020.

	Transactions carried out in 2020 for an amount greater than EUR 20,000
Mr. Denis Kessler	Acquisition of 93,750 shares for a total amount of EUR 3,445,313 21,250 options becoming exercisable for a total amount of EUR 0
Mr. Fabrice Brégier	N/A
Mrs. Lauren Burns Carraud	N/A
Mrs. Fiona Camara	N/A
Mr. Jean-Paul Conoscente	Acquisition of 2,250 shares for a total amount of EUR 65,340 Sale of 1,767 shares for a total amount of EUR 44,069 2,550 options becoming exercisable for a total amount of EUR 0 Exercise of 1,000 purchase options for a total amount of EUR 18,400
Mr. Adrien Couret	N/A
Mr. Paolo De Martin	Acquisition of 45,000 shares for a total amount of EUR 1,653,750 51,000 options becoming exercisable for a total amount of EUR 0
Mrs. Vanessa Marquette	N/A
Mr. Bruno Pfister	N/A
Mr. Augustin de Romanet	N/A
Holding Malakoff Humanis represented by Mr. Thomas Saunier	N/A
Mrs. Kory Sorenson	N/A
Mr. Claude Tendil	N/A
Mrs. Natacha Valla	N/A
Mrs. Zhen Wang	N/A
Mrs. Fields Wicker-Miurin	N/A
Mrs. Marguerite Bérard *	N/A
Mr. Vincent Foucart *	Sale of 21,755 shares for a total amount of EUR 634,714 1,913 options becoming exercisable for a total amount of EUR 0 Exercise of 5,250 purchase options for a total amount of EUR 142,635
Mr. Jean-Marc Raby **	N/A

* *Director whose term of office ended at the close of the Shareholders' Meeting of June 16, 2020.*
** *Director whose term of office ended on November 5, 2020.*

2.3. RELATED PARTY TRANSACTIONS

2.3.1. RELATED PARTY TRANSACTIONS AND AGREEMENTS

Related party transactions

For details on transactions entered into by Group companies with related parties as defined by the standards adopted under EC regulation no. 297/2008, please see Section 4.6, Note 23 – Related party transactions.

Regulated related party agreements

Regulated related party agreements within the meaning of Articles L. 225-38 *et seq.* of the French Commercial Code are discussed in the Statutory Auditors' special report in Section 2.3.2 – Statutory Auditors' special report on related party agreements and commitments.

Regulated related party commitments that were approved in previous financial years and remained in force during the past financial year are described in Section 2.3.2 of the Universal Registration Document filed on March 13, 2020.

Related party agreements

In accordance with Article L. 22-10-10 of the French Commercial Code, no agreements were entered into during 2020 either directly or through a third party between, on the one hand, the Chief Executive Officer of SCOR SE, one of its directors or one of its shareholders holding a fraction of the voting rights greater than 10% and, on the other hand, another company directly or indirectly controlled by SCOR SE within the meaning of Article L. 233-3 of the French Commercial Code, unless such agreements were entered into in the ordinary course of business at arm's length conditions.

Description of the procedure referred to in Article L. 22-10-12 of the French Commercial Code

In accordance with Article L. 22-10-12 of the French Commercial Code, enacted further to the implementation of French law no. 2019-486 of May 22, 2019 on business growth and transformation (known as the "PACTE law"), the Board of Directors introduced a procedure for regularly assessing whether agreements entered into in the ordinary course of business at arm's length conditions continue to qualify as such.

The procedure sets out the criteria adopted by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) for classifying agreements as agreements entered into in the ordinary course of business at arm's length conditions.

According to the procedure, the Group Legal Department, with the assistance of other departments (*e.g.* the Finance, Treasury and Operating Departments), conducts an annual review of the agreements entered into in the ordinary course of business at arm's length conditions in order to verify whether they continue to meet the applicable criteria to qualify as such. The Statutory Auditors may take part in the review. The Audit Committee and the Board of Directors are informed of the results of the review. If an agreement is no longer held to meet the criteria for classification as an agreement entered into in the ordinary course of business at arm's length conditions, the Board of Directors will review the agreement to decide whether it should remain in force. As applicable, the agreement will be authorized by the Board of Directors, notified to the Statutory Auditors and mentioned in their special report on related party agreements, and submitted for approval to the next General Shareholders' Meeting.

In accordance with the procedure, the Company reviewed at the end of 2020 all ongoing agreements and ensured that they continued to meet the criteria for classification as agreements entered into in the ordinary course of business at arm's length conditions.

The result of the review was communicated to the Audit Committee and the Board of Directors.

2.3.2. STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the annual General Meeting of SCOR SE,

In our capacity as statutory auditors of your Company, we hereby report on regulated agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with article R. 225-31 of the French commercial code (code de commerce), to evaluate the benefits resulting from these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with articles R. 225-31 of the French commercial code (code de commerce) and R. 322-7 of the French insurance code (code des assurances) concerning the implementation, during the year ended December 31, 2020, of the agreements already approved by the Annual General Meeting of shareholders.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) relating to this type of engagement.

Agreements submitted for approval to the Annual General Meeting

We hereby inform you that we have not been notified of any agreement authorized and entered into during the year ended December 31, 2020 to be submitted to the Annual General Meeting for approval in accordance with Articles L225-38 of the French Commercial code (code de commerce) and R. 322-7 of the French insurance code (code des assurances).

Agreements previously approved by the Annual General Meeting

We hereby inform you that we have not been notified of any agreements previously approved by the Annual General Meeting, whose implementation continued during the year ended on December 31, 2020.

Paris-La Défense et Courbevoie, February 23, 2021

The Statutory Auditors - *French original signed by*

KPMG S.A.		MAZARS	
Pierre PLANCHON	Antoine ESQUIEU	Maxime SIMOEN	Guillaume WADOUX

2.4. ADDITIONAL INFORMATION

The following information, which is required to be included in the report on corporate governance pursuant to Article L. 22-10-11 of the French Commercial Code, is displayed in Section 5 of this Universal Registration Document: share capital structure of the Company, restrictions to the exercise of the voting rights and the transfer of shares pursuant to the articles of association or provisions of the agreements brought to the knowledge of the Company, direct or indirect shareholding interests in the Company of which it is aware, list of the persons holding titles comprising special control rights and description thereof, agreements between the shareholders of which the Company is aware likely to trigger restrictions to the transfer of shares and the exercise of voting rights, rules applicable to the modification of the articles of association of the Company, powers of the Board in particular with respect to the issuance or the redemption of shares, and agreements entered into by the Company which are modified or terminated in the case of a change of control of the Company.

2.5. AUDIT REPORT ON THE CORPORATE GOVERNANCE REPORT

See Appendix B – Unconsolidated corporate financial statements of SCOR SE – Section 6 – Certification of audit of historical financial information.

03

RISK FACTORS AND RISK MANAGEMENT MECHANISMS

3.1. MAIN RISKS

Section 3 presents the information relative to the risks of SCOR Group and in this respect meets the accounting standards requirements relating to the nature and the extent of the risks arising from financial instruments and insurance and reinsurance contracts. Some information required by accounting standards IFRS 7 – Financial instruments: Disclosures and IFRS 4 – Insurance contracts is included in this section. Sections 3.1.2 to 3.1.5 on underwriting, market, credit and liquidity risks as well as Sections 3.2.2 and 3.2.4 to 3.2.6 on the management of those risks must be read as being part of the notes to the audited consolidated financial statements.

The Group regularly conducts reviews of the risks that could have a material adverse effect on its activity, its financial situation or its results (or capacity to reach objectives). However, the risks described below are not the only risks that SCOR faces. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial, may also materially adversely affect our business, financial condition, results of operations or cash flows. SCOR may also change its view of the relative importance of risk factors at any time, particularly if new external or internal facts come to light. With this in mind, this section outlines the management's current view of SCOR's main risks and main risk management mechanisms currently in place.

The Group has identified the following risk categories:

- strategic risks;
- underwriting risks related to the P&C and Life reinsurance businesses;
- market risks;
- credit risks;
- liquidity risks;
- operational risks.

Within each of these categories, specific risks are listed in a decreasing order of importance in terms of likelihood of occurrence and negative impact, after taking into account mitigation measures implemented by the Group.

If the risks disclosed in this section were to occur, they could potentially have a significant impact on SCOR's business, present and future revenues, net income, cash flows, financial position, and potentially, on its share price.

The risks SCOR is exposed to are identified and assessed through various ERM mechanisms, applied for each risk as relevant and appropriate. Risks are measured by SCOR using its internal model, as approved by the ACPR and Central Bank of Ireland (CBI) for use under Solvency II. The internal model provides the Solvency Capital Requirement (SCR) of the Group, based on the value at risk of the Group's Eligible Own Funds (EOF) at the 99.5th percentile over a one-year horizon (0.5% VaR). The SCR by risk category is provided in the following table:

SCR by Risk *In EUR million*	**0.5% VaR as at December 31, 2020**
Underwriting risks related to P&C (re)insurance business	3,663
Underwriting risks related to Life (re)insurance business	3,652
Market risks	2,298
Credit risks	1,038
Operational risks	424
Required capital before diversification	**11,075**
Diversification	(5,923)
Taxes	(753)
SCR	**4,399**

SCOR is exposed to other risks which, given their nature, are not or only implicitly modelled within the internal model, including strategic, liquidity and emerging risks.

Strategic risks are not expected to have an immediate impact on the solvency requirement of the Group over a one-year time horizon. However, if they were to occur, they could have a material impact on SCOR. For example, SCOR could be exposed to financial risks, if it would occur that SCOR is downgraded following an internal or external event. This could significantly limit its ability to underwrite new business and, in turn, significantly impact the Group's income over a given period until the situation is resolved.

- SCOR is exposed to liquidity risks arising from both short-term and long-term liquidity needs. The company considers that it has sufficient liquid assets to cover the expected liquidity needs, collateral requirements and extreme events if necessary. For further information on liquidity risks, see Section 3.1.5 – Liquidity risks.

All risks described in Section 3 are managed through a variety of mechanisms in SCOR's ERM (Enterprise Risk Management) Framework and the most important of these are described in Section 3.2 – Management of main risks.

SCOR's ERM framework is further described in Section 3.3 – Internal control and risk management procedures which contains a description of the Group risk management procedures as well as the role and function of each administrative and management body and team involved in risk management and related control functions.

Although risk management mechanisms have been designed and rolled out across the Group in order to prevent all risks from having a significant impact, there is no guarantee that these mechanisms achieve their intended objective. Many of SCOR's methods for managing risks and exposures are based on observed historical market behavior, statistics based on historical models, or expert judgment. As a result, these methods may not fully predict future exposures, which may be significantly greater than estimated, particularly in unstable or volatile markets and environments. Other risk management methods depend upon the evaluation of information regarding markets, clients, natural catastrophes or other matters that is publicly available or otherwise accessible to SCOR. This information may not always be accurate, complete, up-to-date or properly evaluated. Therefore, the Group cannot exclude the possibility of SCOR's risk exposure exceeding set risk tolerance limits due to an incorrect estimation of these risk exposures.

SCOR may also be exposed to emerging risks, which include new threats or constantly changing current risks with a high degree of uncertainty. They may arise from the numerous changes to the environment in which the Group operates, such as changes in professional practices, or in legal, jurisdictional, regulatory, social, political, economic, financial and environmental conditions.

Emerging risks may adversely affect SCOR's reinsurance business due to either a change in interpretation of the contracts leading to extensions of covers beyond what policyholders had expected (*e.g.* due to the inapplicability or interpretation of certain clauses) or by increasing the frequency and/or severity of claims. Such risks may also lead to higher fluctuations than expected in macroeconomic indicators such as interest rates and price level, or disruptions in financial markets, further impacting SCOR's business. In addition, emerging risks may also have a direct impact on SCOR's operations, for instance by generating unexpected additional expenses.

Specifically, climate change creates a number of challenges for the re/insurance industry and therefore for SCOR. Climate change is likely to interact with the risks associated with SCOR's strategy, underwriting, investments and operations through physical climate risks (*e.g.* effects of broad climate trends or "chronic" risks and the frequency and/or severity of natural catastrophes or "acute" risks), the creation of transition risks (through the shift towards a low-carbon economy) and through the potential to negatively impact the Group's reputation.

Uncertainties related to the evolution of the Covid-19 crisis and its impact on SCOR's risk profile

On March 11, 2020, the World Health Organization (WHO) declared the Covid-19 outbreak a global pandemic. The Group adopted early and strict prevention measures to protect the health of its employees and has been active in regularly sharing its knowledge and expertise on the pandemic. Thanks to the resilience of its operational capability, the Group has been able to continuously serve its clients during this on-going crisis.

Whilst progress has been made for containing the spread of the virus over the course of 2020, *e.g.* through safety or lock-down measures, various countries across the world experienced second and third waves. While the situation is expected to improve following the successful development of vaccines, uncertainty remains regarding availability, efficacy, effectiveness and take-up rate of the vaccines. Therefore, the pace of a successful containment of the pandemic, the shape of the economic recovery, and resulting effects on future (re)insurance loss developments remain difficult to predict.

The main material impacts on SCOR's risk profile due to the Covid-19 pandemic originate from underwriting risks related to the Property & Casualty (P&C) and Life reinsurance businesses, and from the risks associated with SCOR's invested assets portfolio. The operational implications of the progressive closure of SCOR's offices as the virus has spread across the globe, have been mitigated to a large extent by the successful implementation of SCOR's Business Continuity Plan (BCP). The BCP has provided the required IT infrastructure and support for SCOR's activities to be continued by employees working from home, whenever and wherever deemed necessary. Increased external cyber-attacks have been observed since the start of the pandemic, though no attempts against SCOR have been successful.

The full impact of the Covid-19 crisis on SCOR's business and results can still not be accurately assessed at this stage, given the uncertainty related both to the magnitude and duration of the Covid-19 pandemic resulting from the considerable difficulty in working on sound hypotheses related to:

- the duration of the pandemic, its impact on health on the short and long term;
- the availability, efficacy, effectiveness and take-up rate of the vaccines;
- the response of government bodies world-wide;
- the potential judicial actions or social influences;
- the coverage and interpretation of SCOR's contracts under these circumstances; and
- the assessment of the net claim estimate and impact of claim mitigation actions.

Based on data currently available, information received from cedents to date and the results of the models used, SCOR currently estimates the total cost of the Covid-19 pandemic in 2020 for Life, P&C and Investments at EUR 640 million, net of retrocession and before tax. The impact is comprised of the following:

- EUR 314 million estimated impact, net of retrocession and before tax, on the Life side, with the main exposure arising in the United States (EUR 283 million). A further EUR 31 million of Covid-19 related claims (net of retrocession and before tax) have been booked in other markets in 2020. Within the overall booked amount, the actual Covid-19 related claims received stand at EUR 187 million. The Covid-19 pandemic is estimated to have a manageable impact on SCOR Global Life's portfolio over the next 12 months, even though uncertainty remains. The ultimate outcome is still subject to significant variation, partly due to the development of the virus with new strains, combined with the level of application of containment measures and roll-out of vaccination particularly in the U.S. The outcome on SCOR Global Life's portfolio will also be affected by any divergence in the impact of the virus on lives reinsured with SCOR Global Life, including the infection fatality rate, compared to the impact on the general population, particularly in the US;
- EUR 284 million estimated impact (including reserves for potential claims), net of retrocession and reinstatement premiums and before tax, on the P&C side, mainly arising from Credit, Surety & Political risks and from Property Business Interruption. Within this amount, the actual Covid-19 related claims received stand at EUR 104 million. SCOR estimates Covid-19 claims to be manageable. The January 2021 renewals led to a clarification of terms and conditions, *i.e.* to exclude Covid-19 from the events insured;
- EUR 42 million, before tax and excluding amounts attributable to non-controlling interest, in impairment charges on its invested assets portfolio. SCOR has benefited from the defensive nature and high quality of its investment portfolio when the Covid-19 pandemic started.

Please refer to Section 1.3.5.1 – Covid-19 and to Section 4.6 – Notes to the consolidated financial statements, Note 2 – Significant events of the year and Covid-19 for detailed information.

In addition, the global spread of Covid-19, which is still ongoing has created significant uncertainties which might affect SCOR, and which pose material risks to its risk profile.

In the current environment, there are a number of uncertainties that affect how the pandemic continues to develop and therefore its ultimate impact on people and the wider economy. These uncertainties fall into two main areas: epidemiological and medical uncertainties and social and economic uncertainties.

There are uncertainties that relate to:

- the ongoing transmission rate of the virus (depending on *e.g.* effectiveness of lockdown/social distancing/"track and tracing" measures, whether individuals develop lasting immunity to the virus following infection or vaccination, the emergence of more contagious virus strains, or the speed of the roll-out of the vaccine to the general population);
- the number of deaths resulting from infection with Covid-19 (related to *e.g.* the fatality rate of the virus and new mutations and the ability to provide effective treatments and/or vaccine development);
- the excess mortality from related factors other than deaths from infection with Covid-19 *e.g.* mortality from people that were prevented from receiving healthcare (including preventative screening for other conditions) and mortality related to the economic shock;
- potential further lockdown measures: following an easing of lockdown measures and encouragement to return to normal activities by many countries mid of 2020, new and severe additional waves of infection have emerged towards the end of 2020, leading many countries to impose new and stricter lockdown measures and social distancing requirements to slow the spread of the virus. However, it is impossible to know to what extent people will continue to observe social distancing and sanitary rules during everyday interactions. It is therefore possible that on-going waves worsen, take longer to disperse or that further waves of infection occur in many countries, with the necessity of imposing further lockdown measures. Therefore, although the immediate economic impacts of imposing lockdowns are severe, it is more difficult to predict the extent and persistency of these measures over time and thus the longer-term economic impacts;
- future support to the economy: the scope, quantum, and pace of government and central bank support to the economy are much larger than in previous crises. While the fiscal and monetary policies should limit the number of defaults and therefore enable a quicker post-crisis recovery, it is uncertain whether these measures will be sufficient to tackle the full spectrum of the economic consequences from the Covid-19 crisis, particularly in the event of future infection waves and lockdowns, and to what extent these measures will be maintained. Uncertainties on the sustainability of this support could inhibit investment, innovation, and productivity, and destabilize financial markets. Whilst consensus forecasts are more optimistic than in June, given a better than anticipated rebound of the activity in the second and third quarter, the delay or ineffectiveness of the vaccine roll-outs could result in an increasing share of the negative shock on GDP level and growth rate becoming permanent.

As Covid-19 affects SCOR's risk profile across the risk categories identified by SCOR, the related risks for SCOR are addressed within the next sections. SCOR may be exposed to a number of other risks over the medium-term as the pandemic develops and as related consequences come to light.

3.1.1. STRATEGIC RISKS

Strategic risks can be defined as the risks related to losses arising from an unsuccessful strategy or objectives. Strategic risks can arise as a consequence of either the strategy itself (such as the accumulation of risks or development in lines of business or less known markets), from external risks (such as an adverse economic environment), or from internal risks (such as certain causes of operational risk). Therefore, many of the risks discussed throughout Section 3, in addition to emerging risks, could also impact the success of the strategy.

Despite the Covid-19 downside impacts on the overall economy in 2020, SCOR is expected to be fully capable to pursue its strategy as defined within its current strategic plan, Quantum Leap, which runs from July 1, 2019 to December 31, 2021.

The main strategic risks to which SCOR is exposed are described below.

3.1.1.1. RISKS RELATED TO THE MACROECONOMIC ENVIRONMENT AFFECTING SCOR'S STRATEGY

The main risks are the uncertain economic environment due to the current Covid-19 pandemic and that may affect SCOR's growth, in both emerging and advanced economies, and the poor returns on financial markets exacerbating the adverse competitive environment.

A deterioration of financial markets and the global economy will have significant implications for SCOR's activities and results

The Group's results could be significantly affected by the economic and financial situations in Europe and other countries around the world. The threat of a global economic depression due to sanitary, cyclical and/or commercial reasons (*e.g.* the ongoing U.S – China trade war) remains, and a lasting macroeconomic deterioration could affect SCOR's activities and results. The current low interest rate environment is reaching previously unknown levels and, in the event that interest rates rise, the current exceptional level of indebtedness would become a source of major financial instability. Current monetary policy seems to have reached a point where any additional easing would probably have little significant economic effect. These trends could result in financial markets experiencing a period of very high volatility, with consequences including waves of corporate bankruptcies and potentially sovereign defaults in vulnerable regions, a fall in the value of the main asset classes (bonds, equity, real estate), and even a major liquidity crisis. In the absence of a quick and mass roll-out of vaccines against Covid-19 to the general population, the economic outlook remains negative. In addition, the current decline in the US economy, and continuing economic disparities between European countries might have further political and economic impacts. For further information on investments, see Section 1.3.9.2 – Net investment income and investment income on invested assets and Section 4.6 – Notes to the consolidated financial statements, Note 8 – Insurance business investments.

Impact on SCOR's investment activities

SCOR has a large investment portfolio. In the event of extreme prolonged market events, such as global credit crises, SCOR could incur significant losses in its investment portfolio. See Section 4.6 – Notes to the consolidated financial statements, Note 8 – Insurance business investments, which includes analyses of unrealized and realized investment losses.

Even in the absence of a market downturn, SCOR remains exposed to a substantial risk of losses due to market volatility. See Section 3.1.3 – Market risks.

The impact of the current health and economic crisis due to Covid-19 on the invested assets of the SCOR Group is presented in Section 3.1.3 – Market risks.

Impact on SCOR's reinsurance business

SCOR is also dependent upon customer behavior and premium growth. The Group's premiums could decline in the case of an unfavorable macroeconomic environment and its profit margins could erode. In an economic downturn, the demand for SCOR's and its clients' products could be adversely affected. Factors such as government and consumer spending, corporate investment, the volatility and strength of both debt and equity markets, and inflation, all affect the business and economic environment and ultimately, the size and profitability of SCOR's business. In addition, the ongoing low interest rate environment continues to stimulate the inflow of alternative capital, which has been contributing to the current soft market *i.e.* the reduction in (re)insurance premium rates.

The Group may also experience an elevated incidence of claims or be impacted by a decrease in demand for reinsurance and increased surrenders of policies from the cedents (see paragraph on lapse risk in Section 3.1.2.2 – Life reinsurance) that could affect the current and future profitability of its business. Although written premiums have seen steady growth in prior years, a prolonged economic crisis could result in lower written premiums in the future.

The impact of the current health and economic crisis due to Covid-19 on SCOR's reinsurance business is presented in Section 3.1.2 – Underwriting risks related to the P&C and Life reinsurance business.

SCOR is exposed to significant and protracted deviations of inflation from its trend

The Group's liabilities are exposed to a significant increase in the rate of inflation (prices and salaries) which would require an increase in the value of reserves, in particular in respect of P&C long-tail business, *e.g.* general liability (medical among others) and motor bodily injury claims. In addition, SCOR is exposed to claims inflation over and above general inflation and in particular to the inflation of court awards in respect of general liability and bodily injury claims. For further information on P&C long-tail risks, refer to Section 3.1.2.1 – P&C reinsurance.

SCOR's assets are also exposed to increased inflation or inflationary expectations, accompanied by a rise in the yield curve with a subsequent reduction in the market value of its fixed income portfolios. Increased inflation could also have a negative impact on the solvency of bond issuers; a widening of credit spreads would lead to a loss of value for the issuers' bonds. Finally, depending on the macroeconomic environment, an increase in inflation could also reduce the value of SCOR's equity portfolio. Any negative fluctuations in equity values or increase in the cost of claims would lead to a similar decrease in shareholders' equity.

Although the risk of inflation is less likely in the current macroeconomic environment, at least in the short term, the economy could experience a period of stagflation, combining a decline in activity with a surge in prices following the current explosion of money creation and public debt. In this case, underwriting volume would also be negatively impacted, and with it the net combined ratio, the net income and the net asset value of the Group.

The risk of deflation, defined as a fall in prices and usually associated with an economic slowdown, can also not be ruled out in the current environment, characterized by the imminent risk of depression and lack of room for maneuver in relation to economic policies.

A prolonged period of deflation could impact the Group in several ways. For example, the value of SCOR's invested assets would be impacted if deflation is associated with a variation of interest rates and corporate credit spreads. A further scenario could be that a fall in prices, leading to a decrease of premium for a given amount of risk, combined with a decrease in organic growth due to the economic slowdown, results in a drop in the volume of the newly acquired premiums.

In conclusion, both high inflation and a protracted episode of deflation could have a material adverse effect on SCOR.

3.1.1.2. RISKS RELATED TO LEGAL AND REGULATORY DEVELOPMENTS

SCOR is subject to comprehensive and detailed regulations and to the supervision of the insurance and reinsurance competent authorities in all countries in which it operates. Some of these authorities are considering or may in the future consider enhanced or new regulatory requirements. Such reinforced measures of control and higher capital requirements, intended to further strengthen the protection of policyholders and/or financial stability, could affect the calculation of the local solvency ratio and have a material adverse impact on the Group, including a restriction of underwriting capacity. Insurance and reinsurance supervisory authorities have broad administrative power over many aspects of the reinsurance industry and SCOR cannot predict the timing or form of any future regulatory initiatives.

Regulatory uncertainties stem from Brexit, future implementation of the US and EU Covered Agreement and protectionist trends as well as ongoing Solvency II reviews. As the Covid-19 crisis unfolds, other regulatory uncertainties also stem from the potential set-up of public/private "pandemic pools" for business interruption coverage.

EIOPA Solvency II reviews could lead to additional requirements for insurance and reinsurance undertakings. The Covid-19 crisis will likely increase risks for the Solvency II review with the regulatory impetus on systemic regulation, including recovery and liquidity planning. Restrictions on dividends could be extended, bearing in mind that over the course of 2020 EIOPA and the ACPR had called for no dividends distribution from regulated entities, which SCOR SE has complied with by the decision of its Board of Directors. Furthermore, following the exit of the United Kingdom from the European Union, the introduction of a new local regulatory framework could lead to additional requirements for SCOR.

The International Association of Insurance Supervisors (IAIS) is seeking implementation of its newly adopted holistic approach to evaluating and mitigating systemic risk in the insurance sector from 2020 onwards. This revised systemic framework could influence national and European regulations, and result in greater regulatory burdens, such as the establishment of recovery and resolution plans, and additional liquidity requirements.

In the meantime, the IAIS has been developing a common framework for internationally active insurance groups (IAIGs), the "ComFrame". It is the IAIS's intention to develop Insurance Capital Standards (ICSs) to be applied by all IAIGs with full implementation in 2025. This development could jeopardize the extent of recognition of diversification effects or the use of internal models and involve risks in terms of competition on a level playing field.

Similarly, changes in tax legislation and regulations, or in their interpretation, may have a negative impact on SCOR's performance, including financial results, and business model.

Additionally, SCOR's strategy might be impacted by future legal or regulatory developments related to climate change. Tighter regulatory controls and/or government legislation to significantly curb carbon emissions may place restrictions on the business that SCOR can underwrite (*e.g.* carbon intensive industries such as the coal industry in the first instance, but possibly extending to other non-renewable energy sectors over time).

The reinsurance sector has been exposed in the past, and may be exposed in the future, to involvement in legal proceedings, regulatory inquiries and actions by various administrative and regulatory authorities, as well as to regulation concerning certain practices used in the insurance sector.

More generally, adverse changes in laws or regulations or an adverse outcome of any legal proceeding could have an adverse impact on SCOR.

SCOR is involved in court, arbitration and other formal or informal dispute resolution proceedings in its normal course of business as well as the proceedings further described in Section 4.6 – Notes to the consolidated financial statements, Note 26 – Litigation. Based on its current assessment, SCOR considers that these proceedings should not pose a material risk to the Group.

For further information on risks related to current legislation and regulations and their impact on SCOR's operations, see Section 3.1.6.4 – Legal and regulatory risks in SCOR's operating environment.

3.1.1.3. RISKS RELATED TO THE VALUATION OF SCOR'S INTANGIBLE ASSETS AND DEFERRED TAX ASSETS

A significant portion of SCOR's assets consists of intangible assets, the value of which depends on its expected future profitability and cash flows. The valuation of intangible assets is largely based on subjective and complex judgments concerning items that are uncertain by nature. If a change were to occur in the assumptions underlying the valuation of its intangible assets (including goodwill, value of business acquired and deferred acquisition costs), SCOR would have to reduce their value, in whole or in part, thereby reducing shareholders' equity and its results.

The recognition of deferred tax assets, *i.e.* the likelihood of recognizing sufficient profits in the future to offset losses, depends on the performance of each entity concerned as well as applicable tax laws, regulatory requirements and accounting methods. The occurrence of events, such as operational earnings lower than currently projected or losses continuing over a longer period than originally planned or changes in tax legislation, regulatory requirements, or accounting methods could lead to the derecognition of part of the deferred tax assets for accounting and/or regulatory purposes.

Details of intangible assets, related impairment testing policy and recent acquisitions are included in Section 4.6 – Notes to the consolidated financial statements, Note 1 – Accounting principles and methods, Note 4 – Acquisitions and disposals, Note 6 – Goodwill, Note 7 – Value Of Business Acquired and Note 18 – Income taxes.

3.1.1.4. RISKS RELATED TO THE COMPETITIVE ENVIRONMENT

Reinsurance is a highly competitive sector. As is the case for all other reinsurers, SCOR's position in the reinsurance market is based on several factors, such as its financial strength as assessed by the rating agencies, its underwriting expertise, its reputation and experience in the lines written, the countries in which it operates, the premiums charged, as well as the quality of the proposed reinsurance products and services offered, particularly in terms of claims settlement and payment. The Group competes for business in the European, American, Asian and other international markets with numerous international and domestic reinsurance companies, some of which have a larger market share than SCOR, greater financial resources, state backing, and, in certain cases, higher ratings from the rating agencies.

Therefore, SCOR remains exposed to the risk of losing its competitive advantage. In particular, when available reinsurance capacity *via* traditional reinsurers or capital markets is greater than the demand from ceding companies. Its competitors, in particular (re)insurers benefiting from higher ratings than SCOR's or other competitors in alternative capital markets, may be better positioned to enter new contracts and gain market shares at SCOR's expense. Furthermore, competitors are currently promoting innovation, impacting all areas of the business, in addition to its products and services, and the underlying risks. If competitors are quicker at integrating innovative solutions into their business, products and services, or make choices which have a bigger impact on future reinsurance trends, SCOR might lose its competitive advantage.

Finally, the Group's reputation is sensitive to reinsurance sector information. It can be affected by adverse events concerning competitors but also by its own business activity, such as financial difficulties following a major market event. Loss of reputation due to internal risks would also weaken SCOR's competitive position.

There has been no significant M&A activity in 2020, but challenging business conditions, sub-par performance of some players, the continued convergence of alternative and traditional capital, the impact of Covid-19 as well as other challenges, could result in further mergers in the next few years.

Within the insurance industry, these consolidated entities may use their enhanced market power and broader capital base to negotiate price reductions for SCOR's products and services, and reduce their use of reinsurance, and as such, the Group may experience price declines and possibly write less business.

Within the reinsurance industry, such external growth activity could potentially enhance these players' competitive position, *e.g.* in terms of being able to offer greater capacity or broader product offerings, which could permit them to gain market shares at SCOR's expense.

Additionally, SCOR's strategy and competitive position might be impacted by climate change. Due to possible future pressures on certain carbon-intensive sectors to either reduce or suspend their operations, because of their impact on global carbon emissions linked to climate change, the demand for (re)insurance of these sectors may decline in the future. If SCOR has not sufficiently developed business (either client relations or expertise) in other sectors to replace this loss of revenue (*e.g.* in renewable energy sectors), SCOR may lose its competitive advantage in relation to its market peers.

3.1.1.5. DOWNGRADE RISK

Credit ratings are very important to all reinsurance companies, including SCOR, as ceding companies wish to reinsure their risks with companies that have a satisfactory financial position. For more details on the current rating of the Group, see Section 1.2.4 – Ratings information.

Impact on SCOR's reinsurance business

Some of SCOR's cedents' credit models or reinsurance guidelines face regulatory capital requirements or depend on their reinsurers' credit rating. If SCOR's rating deteriorates, cedents could be forced to increase their capital requirement in respect of their counterparty risk on SCOR. This could lead to a loss of competitive advantage for SCOR.

Consequently, the Group's reinsurance activities are sensitive to the way its existing and prospective clients perceive its financial strength, notably through its ratings.

Many of SCOR's reinsurance treaties, notably in the US and in Asia, and also increasingly in Europe, contain clauses concerning the financial strength of the Company and/or its operating subsidiaries, and provide the possibility of early termination for its cedents if the rating of the Company and/or its subsidiaries is downgraded. Early termination may also occur when the net financial position of the Company falls below a certain threshold, or if it carries out a reduction in share capital.

Impact on the Group's letters of credit

Many of the Group's reinsurance treaties contain a requirement to put in place letters of credit (LOC) as a general requirement or when triggered by a downgrade of SCOR or one of its subsidiaries. In certain circumstances, the cedent has the right to draw down on a LOC issued by a bank in SCOR's name.

Some LOCs issued by banks providing such facilities may be collateralized with securities. The value of the collateral can be different from the amount of the LOC. For some facilities, initial collateral requirements may be increased following a downgrade of SCOR's rating, impacting the Group's liquidity level. In the case of a LOC being drawn by a cedent, the bank has the right to request a cash payment from this collateral, up to the amount drawn by the cedent.

In the case of a large number of LOCs being drawn simultaneously, SCOR could encounter difficulties in providing the total amount of required cash or fungible assets, *i.e.* exposing itself to a liquidity risk.

Moreover, some of SCOR's facilities contain conditions about its financial situation which, if not met, constitute a default and might result in the suspension of the use of current credit facilities and/or a prohibition on obtaining new lines of credit or result in the need to negotiate new LOC facilities under adverse conditions.

For more details about the Group's lines of credit, see Section 1.3.6 – Financial position, liquidity and capital resources. For more details on liquidity risk, see Section 3.1.5 – Liquidity risks.

3.1.1.6. RISKS RELATED TO CAPITAL

SCOR's regulated legal entities must satisfy local regulatory capital requirements. There could potentially be some local regulatory constraints, which in certain circumstances could affect SCOR's ability to transfer capital from one legal entity to another, and in particular from one subsidiary or branch to another, or to the parent legal entity. This may have negative consequences for the legal entity concerned and could have a material adverse impact on SCOR.

In addition, ongoing regulatory developments and discussions on global standards may impact SCOR in the future. Please see Section 3.1.1.2 – Risks related to legal and regulatory developments for more information on these ongoing regulatory developments.

Disruptions, uncertainty or volatility in the capital and credit markets may also limit the Group's access to capital required to operate its business, most significantly its insurance operations. Such market conditions may limit its ability to:

- replace, in a timely manner, maturing debts;
- access the capital needed to grow its business;
- satisfy statutory and regulatory capital requirements and maintain a solvency ratio in line with its risk appetite framework.

As such, SCOR may be forced to delay raising capital, issue shorter term securities than it prefers, or bear an unattractive cost of capital which could decrease its profitability and significantly reduce its financial flexibility.

Disruptions to financial markets, and more particularly credit market conditions, could also affect SCOR's ability to access liquidity. Please see Section 3.1.5 – Liquidity risks, for further details.

For further information on changes in the macroeconomic environment that could impact SCOR, refer to Section 3.1.1.1 – Risks related to the macroeconomic environment affecting SCOR's strategy.

3.1.1.7. RISKS RELATED TO ACQUISITIONS

SCOR has made a number of acquisitions around the world. Acquisitions involve risks that could adversely affect its operating results, including the substantial amount of management time that may be diverted from operations to pursue and complete acquisitions. Acquisitions could also result in additional indebtedness, costs, contingent liabilities, impairment and amortization expenses related to goodwill and other intangible assets. In addition, acquisitions may expose SCOR to operational challenges and various risks.

A failure to successfully manage such operational challenges could adversely affect the Group.

The main acquisitions realized by SCOR are described in Section 1.2.2 – History and development of SCOR. Additionally, refer to Section 1.3.3 – Significant events of the year for more on the recent acquisition of AgroBrasil.

Specific risks relating to the acquired businesses are as follows:

- Integration of the acquired activities: integrations may take longer, be more expensive or more difficult than expected. The success of integrations may depend on operational and commercial planning, execution of systems and procedures, and on the retention of key employees. Difficulties could result in higher integration costs or fewer synergies than expected.
- Client relationships: it may be outside the control and influence of SCOR to retain certain client relationships and business volumes related to acquired businesses. Related earnings and efficiencies may be lower than expected, which may dilute the return on such acquisition related investments.
- Concentration of the business: in certain cases, *e.g.* SCOR's acquisition of Transamerica Re's mortality reinsurance portfolio from Aegon in 2011, SCOR may acquire a reinsurance portfolio from a company (the vendor) where not all underlying reinsurance agreements between cedents and the vendor are immediately novated. In such cases, SCOR could be at risk if the vendor becomes insolvent, since the vendor's cedents could reduce or terminate reinsurance premium payments.
- Unknown acquired risks: due notably to the size and complexities of acquisitions, there may be a risk that not all financial elements (including litigation related to prior periods) have been fully and/or correctly evaluated. Unknown or unexpected financial risks could emerge, which may have significant consequences on the initially estimated impact of the relevant acquisition on the combined Group.

3.1.2. UNDERWRITING RISKS RELATED TO THE P&C AND LIFE REINSURANCE BUSINESSES

3.1.2.1. P&C REINSURANCE

The main risks linked to the P&C reinsurance business (and insurance activity) underwritten by SCOR's P&C business unit are P&C long-tail risks, such as large liability losses, natural catastrophes, and other P&C short-tail risks, such as acts of terrorism, as well as other risks beyond its direct control, such as systemic crises or the cyclicality of the business.

P&C long-tail risks

Long-tail lines of business, such as all casualty lines (including general liability, professional liability and financial lines, and medical malpractice), inherent defect and construction warranty, motor (first and third-party liability) and workers' compensation, are exposed to material reserve deteriorations (or long-tail reserve deteriorations). This is due to the materiality of insured losses driven by man-made casualty loss events and to the long periods of time taken for claims materialization and settlement.

Long-tail reserve deteriorations is the risk that the P&C claim frequency and severity are higher than assumed in the calculation of the reserves. For casualty business, the frequency and severity of claims and the related amounts of indemnity paid can be affected by several factors. The most significant factors are claims inflation and the changing legal and regulatory environment, including changes in civil liability law and jurisprudence. Claims inflation is influenced by, but not directly linked to general inflation.

For further information on risks related to reserves, see Section 3.1.2.4 – Risks related to reserves.

The specific nature of the catastrophic casualty loss events to which SCOR is exposed can vary widely, from systemic liability events caused by the negative impacts of commonly used materials on human health (with asbestos as a typical example) to massive product liability losses emanating from items produced by a single manufacturer. Casualty events can also be triggered by a single disastrous event (*e.g.* Deepwater Horizon oil rig explosion), or events related to cyber fraud and data theft.

The amount of information available on casualty catastrophes is limited. In contrast to property catastrophes, which are short term in nature (limited number of days between insured event and loss emergence) and for which reasonable estimates of the size of the loss can be calculated, most casualty catastrophes emerge gradually and the full extent of the losses is often not known for decades.

Depending on the type of man-made event triggering these casualty losses, property lines of business may also be affected simultaneously, *e.g.* if the explosion at a large industrial site destroys the industrial facility, but also pollutes the surrounding environment and causes property damages and bodily injuries affecting the population in the vicinity of the explosion.

Natural catastrophes

SCOR's property business underwritten by the P&C business unit is exposed to multiple insured losses arising from single or multiple natural events, which can be catastrophic. Natural catastrophes, such as hurricanes, typhoons, windstorms, floods, hail, severe winter storms and earthquakes can generate material insured losses in property, engineering and possibly other lines of business.

The most material natural catastrophes to which SCOR is exposed include windstorms in Europe, hurricanes in North America, and earthquakes in North America and Japan.

In modeling losses, the natural catastrophe models focus on the property damage and consequential business interruption losses triggered when a natural catastrophe affects the insured's property. Sophisticated tools are used to model the underlying physical phenomena and their impact on SCOR's risk profile.

With respect to climate change, SCOR's P&C underwriting business could be exposed to physical climate risks, caused by changes in the frequency and severity of certain natural catastrophe events that are predicted in climate warming scenarios. Although scientific understanding of the causal mechanisms between climate warming and the occurrence of particular natural phenomena are still being established, catastrophe events that are potentially impacted include hurricane (including storm surge and pluvial flooding components), flood (both river flooding and pluvial flooding), heatwave, wildfire and drought. In the event that climate change causes an increase in the occurrence and/or severity of natural phenomena for which the Group provides protection, or has knock-on impacts on other business lines underwritten, claims frequency and/or severity on property, business interruption/contingent business interruption and agricultural lines of business could increase, with possible impacts on long-term profitability and ongoing insurability.

P&C other short-tail risks

SCOR's property business underwritten by the P&C business unit is exposed to multiple insured losses arising from single or multiple man-made events, which can be catastrophic. The short-tail lines of business mostly exposed to man-made catastrophe are Property (other than natural catastrophe), Marine, Credit and Surety, Aviation and Space.

Man-made catastrophes refer to negligent or deliberate human actions, *e.g.* a large explosion and/or fire at a major industrial site and acts of terrorism. These events can cause major damage to property and lives. Acts of terrorism often target large cities and illustrious landmarks such as international airports and governmental facilities. Cyber attacks can lead to business interruptions and damages to property and lives if critical safety systems (*e.g.* industrial control systems) are impacted by an event.

SCOR is exposed to single or multiple terrorist attacks through some P&C treaties and national terrorism pools. The US market in particular is exposed to significant terrorism risks due to the insurance obligation stipulated by law. However, federal aid is also provided by the Terrorism Risk Insurance Program Reauthorization Act ("TRIPRA") which was recently renewed until 2027 with no material changes in terms of scope and guarantees. Terrorism exposures are monitored on a worldwide basis as a fully integrated part of the Underwriting Management Framework. Underwriting guidelines stipulate the rules and procedures for terrorism risk for Reinsurance and Specialty Insurance. SCOR monitors this risk using a very conservative approach.

A terror event could also have an impact on SCOR's life portfolio. Although in past events the life claims incurred have been relatively small compared to the non-life claims, a terrorist act might claim a large number of insured lives.

The extent of the loss event and the affected lines of business will vary depending on the man-made event. Other factors could have an adverse impact, such as systemic crises, which could be generated by transition risks resulting from action to tackle climate change, cyclicality of the business and concentration risks related to its broker business.

Systemic crises

Historically, reinsurers have experienced significant fluctuations in operating income due to volatile and unpredictable developments, many of which are beyond the control of the reinsurer including general economic conditions, levels of capacity offered by the market, the level of competition with regards to pricing, and possible changes in regulations and societal attitudes regarding the support of industry sectors that contribute to climate change. In particular, some of SCOR's lines of business which are directly linked to financial activities, are more exposed to global economic recessions (*e.g.* the Global Financial Crisis), for example, global lines such as credit and surety or liability risk such as Errors & Omissions and Directors & Officers Liability. Those areas of SCOR's business that are most exposed to climate transition risks are those related to re/insurance of carbon-intensive industries.

Impact of Covid-19 pandemic on P&C risks

Although a number of material uncertainties remain, such that it is difficult to project with any degree of accuracy or certainty the potential impact on the P&C lines of business, those that are most at risk of being exposed to losses as a result of the pandemic are Credit & Surety and Property, particularly with respect to Business Interruption. The exposures from the Credit & Surety business originate from secondary economic impacts, mainly resulting from measures taken by governments to protect people's lives. While fiscal and monetary measures (including trade credit backstops) will help mitigate the impact on (re)insurance losses for Credit & Surety, the nature and effectiveness of these measures remains uncertain.

The potential exposure to Business Interruption losses remains uncertain, not least because the meaning and application of contract language is the subject to pending and potential future disputes and the legal and regulatory landscape remains unsettled and is continuing to evolve in the multiple jurisdictions in which SCOR operates. Ultimately, coverage under each contract must be determined by examining the facts of the claim, the contract language, and the applicable law. Legal disputes are expected to take several years to resolve.

Cyclicality of the business

P&C insurance and reinsurance businesses are cyclical. The primary consequences of market softening are a reduction in the volume of P&C reinsurance premiums on the market, an increase in competition within the reinsurance market, and also a preference for those operators who are most attentive to the specific needs of the cedents and the most capable of meeting them. This could potentially lead to a loss of competitive advantage for SCOR.

Beyond the general trends, the premium rate cycle affects certain geographic markets and/or certain lines of business in different ways and different extents, independently of each other.

Concentration risk related to its broker business

SCOR generates its P&C business both through brokers and through direct relationships with insurance company clients. The risk for SCOR is mainly the concentration of premiums written through a limited number of brokers. A significant reduction in the business generated through these brokers could potentially reduce premium volume and net income.

3.1.2.2. LIFE REINSURANCE

The main underwriting risks for SCOR's Life business unit are described below.

Long-term mortality deterioration

This risk refers to potential negative deviations in future mortality relative to current best-estimate assumptions, due to a higher-than-anticipated number of deaths (*i.e.* increased mortality rates) among the portfolio of lives reinsured by SCOR. This could result from inherent volatility, incorrect estimation of the expected claim level or an adverse long-term trend.

SCOR's long term mortality reserves are based on a number of assumptions and information provided by third parties, which, if incorrect and/or incomplete, could have an adverse effect on the Group. For further information on risks related to reserves, see Section 3.1.2.4 – Risks related to reserves.

Pandemic

In Life reinsurance, a severe pandemic is a major risk. In the past century, three major outbreaks of influenza occurred and claimed millions of lives. The occurrence of a similar event could cause large losses to SCOR due to an increased mortality far beyond the usual volatility. A lethal virus strain not only of influenza but of any other communicable disease could lead to a material increase in mortality rates and increased medical costs which could significantly affect SCOR's results.

Impacts of Covid-19 pandemic on Life risks

SCOR's most material Life risk exposure is from the reinsurance of long-term mortality, with the majority of this business concentrated in the U.S. The materiality of the Life claims originating from the Covid-19 pandemic is therefore related, to a large extent, to the ongoing development of the pandemic in the U.S. and, most importantly, the infection fatality rate of those lives reinsured by SCOR.

Covid-19 has particularly impacted older lives, people with pre-existing medical conditions, and those from lower socio-economic backgrounds. Although there is still uncertainty in relation to the overall outcome of the pandemic on SCOR's Life business, it should be noted that SCOR's exposure to the pandemic is mitigated by a number of factors. These include the effect of underwriting (which results in a healthier cohort of lives than the general population) and certain characteristics of the reinsured portfolio, which tends to cover higher socio-economic groups (who are likely to have better access to healthcare and are better able to adhere to containment measures) and to include proportionately fewer older lives than the general population.

Longevity

Longevity risk refers to the risk of a negative deviation from expected results due to the insured or annuitant living longer than assumed in the pricing or reserves. This risk could have an impact on longevity swaps, annuity and long-term care covers and on other longevity protection products.

Policyholder behavior risks

SCOR's Life business unit is also exposed to risks related to policyholder behavior, including risks such as lapsation and adverse selection.

Lapses refer to either non-payment of premiums by the policyholder or to policies which are terminated by the policyholder before the maturity date of the policy. Depending upon the product design, higher or lower policyholder lapses than assumed in the pricing or reserving may reduce the expected future income of the Life business unit.

Adverse selection refers to the problem of asymmetry of information between the insured and the insurer. An individual applying for life or health insurance cover usually has better knowledge about his or her own state of health than the insurer. The risk to the (re)insurer is of policyholders deliberately deciding among other things to:

- take out a policy in the knowledge that either their chance of claiming is high or higher than average;
- terminate a policy in the knowledge that their chance of claiming is low or lower than average ; or
- choose and exercise a policy option which increases the policyholder's expected benefit.

This might lead to a portfolio composition which differs from the one assumed during pricing and might imply lower than expected profits for both the direct insurer and the reinsurer.

Morbidity risks

Products such as critical illness, short-term and long-term disability and long-term care, which all contain morbidity risk, are subject to the risk of negative trends in health, as well as to the consequences of improved medical diagnoses capabilities which increase the number of claims due to conditions that otherwise would possibly have remained undetected. Medical progress may in the future enable better treatment, resulting in higher claims, since certain diseases would have otherwise led to a much shorter life expectancy of the insured. Products providing cover for medical expenses are in particular subject to the risk of higher than expected incidence and inflation of medical costs.

Additional risks

Other factors could have an adverse impact, whether related to policyholder behavior such as resale or purchase of policies by third parties with no insurable interest, or other risk factors such as risks related to product guarantees.

Climate change could also have impacts on the Life reinsurance business which could manifest both in adverse events and in long-term trends. For instance, increases in the frequency and severity of extreme heat events have the potential to negatively influence mortality and morbidity through, for example, the aggravation of cardiovascular and respiratory illnesses. Natural catastrophes, such as wildfires and hurricanes, may claim more lives with increasing severity. Over a longer time horizon, rising temperatures could change the patterns of disease distribution, for example through expansion in the geographic range of disease vectors such as mosquitos.

3.1.2.3. INTERDEPENDENCE AND ACCUMULATION RISKS BETWEEN SCOR'S AREAS OF BUSINESS

P&C and Life reinsurance activities take place in two different market environments. The two business units are subject to a range of external constraints and benefit from a high diversification effect. The overall balance between the two business areas within the Group therefore provides stability. However, in some cases, changes in the P&C and Life activities are linked to each other as well as to those of the financial markets. This exposes SCOR to possible accumulation of risks between its lines of business and/or asset classes.

Unforeseen events, such as natural catastrophes or man-made catastrophes, can make SCOR's claims experience vary significantly from one year to the next, which can have a significant impact on its profitability and financial position. These types of risk primarily affect Non-Life business areas. However, in cases where SCOR faces a large number of casualties, the possibility of the losses also affecting its Life's lines of business cannot be excluded. Similarly, unforeseen events such as terrorist attacks may materially impact the P&C business area, but also the Life business area, in the case of attacks resulting in many fatalities. Although in past events the Life claims incurred have been comparatively small in relation to the Non-Life claims incurred, a terrorist act might claim a large number of insured lives.

In the event of a very large natural catastrophe or terrorist attack, the losses generated in the P&C and Life business units could potentially accumulate, with losses on financial assets related to the potential reaction of markets (*i.e.* movements in interest rates, exchange rates, spreads and/or equity market prices). In the same way, a major pandemic event may cause financial market turmoil and/or have an economic impact.

The global and systemic impacts of Covid-19 in 2020 further highlights the complex and evolving interdependence and accumulation of risks across the risk universe.

In addition, depending on the frequency and nature of losses, the speed with which claims are made and the terms of the policies affected, it may be required to make large claim payments within a short period. SCOR may be forced to fund those obligations by liquidating investments in distressed market conditions, or by raising funds under unfavorable conditions. For further information on such risks, see Section 3.1.5 – Liquidity risks.

SCOR's ability to grow or maintain its portfolios in the P&C and Life reinsurance business units may also be subject to external factors which may be interconnected, such as economic and political risks. For instance, slowdowns in economic growth or recessions in the major markets may lead households and companies to take out less insurance, to suspend certain premium payments, or to terminate the insurance policies underlying the existing P&C and Life treaties earlier than anticipated. Similarly, the risk of social and political instability is particularly significant in emerging markets, in which both business units operate. These risks could lead to significantly reduced business growth in these target markets.

SCOR is also exposed to insurance risks in its investment portfolio either through publicly traded securities (*e.g.* CAT bonds), or Over-The-Counter (OTC) contracts (*e.g.* collateralized reinsurance). Such investments could be impacted by the occurrence of underwriting risks as described in the above paragraphs (*e.g.* natural catastrophe, mortality etc.) that could significantly result in changes in value, or even the full loss of the amount invested. In the case of publicly traded securities, these risks could also have a significant impact on the liquidity of these instruments.

3.1.2.4. RISKS RELATED TO RESERVES

The SCOR Group is required to maintain reserves to cover its estimated ultimate liability for losses and loss adjustment expenses with respect to reported and unreported claims, incurred as at the end of each accounting period, net of estimated related recoveries. Its reserves are established based on the information it receives from its cedent insurance companies, including their own reserving levels, as well as on the basis of its knowledge of the risks, the studies it conducts and the trends it observes on a regular basis. As part of the reserving process, SCOR reviews available historical data and tries to anticipate the impact of various factors, such as changes in laws and regulations, judicial decisions, social and political attitudes and trends in mortality and morbidity, and changes in general economic conditions.

If some information were incorrect and/or incomplete, this could have an adverse effect on the Group. The Group is then dependent on the reserves assessment made by the companies with which it does business.

As is the case for all other reinsurers, the inherent uncertainties in estimating reserves are compounded by the significant periods of time that often elapse between the occurrence of an insured loss, the reporting of the loss to the primary insurer and ultimately to SCOR.

Another factor of uncertainty resides in the fact that some of SCOR's activities are long-tail in nature, such as long-term care, whole Life products, longevity, worker's compensation, general liability or medical malpractice, etc. It has, in the past, been necessary for SCOR to revise estimated potential loss exposure on such lines of business.

For more information on exposure to this line of business, refer to Section 3.1.2.1 – P&C Reinsurance.

3.1.3. MARKET RISKS

Market risk is the risk that the fair value or future cash flows of a financial instrument fluctuates because of changes in market prices or macro-economic variables. This risk includes:

- interest rate risk;
- currency risk;
- equity risk;
- real estate risk, to which SCOR is exposed through its investments; and
- credit spread risk on these invested assets.

Market risks can be influenced by various over-arching factors, including political, macro-economic, monetary, societal and environmental trends. Environmental trends include risks linked to sustainability, including those as a consequence of climate change, which can impact any of the market risks listed above. Specifically, climate risks correspond to the risk that the value of assets could be negatively impacted by acute physical risks, risks linked to the transition to a low-carbon economy and the potential for risks to SCOR's reputation linked to investment choices.

Impact of Covid-19 on invested assets

It is currently too early to assess the final impact of Covid-19 on the global economy. The potential outcomes vary depending on the spread of the virus in worst-affected countries and the severity of lockdown measures imposed, the possibility of further waves of infections and the re-imposition of lockdown measures in countries where the rate of infection is currently under control, the speed and effectiveness of the vaccines roll-out and the impact of central bank stimuli and government actions to support their economies.

Based on current economic projections, the rate of downgrade and defaults is likely to increase compared to the situation pre-Covid-19, which exposes SCOR's invested assets portfolio to increased default and credit spread risk. However, as of now, the support from central banks strongly mitigates these risks. In light of the current macro-economic outlook due to Covid-19, SCOR's invested assets will also be exposed to other market risks, particularly interest rate risk, given the current low-interest rate environment.

3.1.3.1. INTEREST RATE RISKS

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument fluctuates because of changes in interest rates. Interest rate fluctuations have direct consequences on both the market value and the return on SCOR's investments as the level of unrealized capital gains or losses and the return on securities held in its portfolio both depend on the level of interest rates. Floating-rate instruments expose the Group to cash flow interest rate risk, whereas fixed interest rate instruments expose the Group to fair value interest rate risk.

Interest rates are very sensitive to a number of external factors, including monetary and budgetary policies, the national and international economic and political environment, and the risk aversion of economic actors.

During periods of declining interest rates, income from investments is likely to fall due to investment of net cash flows and reinvestments of redemptions at rates lower than those of the existing portfolio (dilutive effect of new investments). During such periods, there is therefore a risk that SCOR's return on equity objectives are not met. For callable bonds for which the issuer has an option to redeem earlier than the ultimate maturity, the probability of having to reinvest the early proceeds at lower interest rates is increased. The current low yield environment increases the potential materialization of this risk.

On the other hand, an increase in interest rates could lead to a fall in the market value of fixed income securities that SCOR holds. In the case of a need for cash, SCOR may be obliged to sell fixed income securities, possibly resulting in capital losses.

SCOR's reinsurance business may also be exposed to interest rate risk. The Group has certain Life insurance contracts which are sensitive to fluctuations in interest rates. However, for most discounted Life liabilities there is no accounting impact from a 100 basis point change in the interest rate because valuation interest rates are typically locked-in.

Finally, the interest rate risk depends on the duration mismatch between assets and liabilities. As such, changes in interest rates can affect the shareholders' equity and the solvency ratio of the Group.

Section 3.2.4.6 – Monitoring sensitivity to market risks provides an overview of the sensitivity of the Group's consolidated income and consolidated equity to interest rate risk for the previous three financial years. As at December 31, 2020, the impact on the Group's consolidated income and equity of a +100 basis points shift in interest rates is assessed to be EUR +23 million and EUR -415 million, respectively. The impact on the Group's consolidated income and equity of a -100 basis points shift in interest rates is assessed to be EUR -23 million and EUR +391 million, respectively.

3.1.3.2. CURRENCY RISKS

Currency risk is the risk of loss arising due to adverse changes in or volatility of foreign exchange rates. This would impact the value of SCOR's assets (*e.g.* through direct investments in assets denominated in various currencies) and liabilities (*e.g.* reinsurance treaties with liabilities denominated in specific currencies).

The following types of currency risk have been identified by SCOR:

- Transaction: fluctuations in exchange rates can have consequences on SCOR's reported net income because of the conversion results of transactions expressed in foreign currencies, the settlement of balances denominated in foreign currencies and the lack of perfect matching between monetary assets and liabilities in foreign currencies. In this case, and to reduce the impact of imperfect matching, SCOR uses derivative financial instruments in order to hedge against currency fluctuations on sensitive currencies, particularly in times of greater volatility on the capital markets. Nevertheless, a perfect matching of monetary assets and liabilities can never be achieved and a potential profit or loss impact due to fluctuations in exchanges rates can arise.
- Translation: SCOR publishes its consolidated financial statements in euros, but a significant part of its income and expenses, as well as of its assets and liabilities, are denominated in currencies other than the Euro. Consequently, fluctuations in the exchange rates used to convert these currencies into euros may have a significant impact on its reported net income and net equity from year to year.

SCOR's main non-French legal entities are located in Ireland, Switzerland, North America, the UK and Asia. The shareholders' equity of these entities is denominated mainly in Euros, US dollars, British pounds and Canadian dollars.

As a result, changes in the exchange rates used to convert foreign currencies into Euros, particularly the fluctuation of the US dollar against the Euro, have had and may have in the future, an adverse effect on the Group's consolidated shareholders' equity. SCOR does not fully hedge its exposure to this risk. The impact of the fluctuation in the exchange rates used to translate foreign currencies into Euros on its consolidated shareholders' equity is described in Section 4.5 – Consolidated statements of changes in shareholders' equity.

SCOR has issued debt instruments in currencies other than the Euro, currently Swiss Francs, and to the extent that these are not used as a hedge against foreign currency investments, it may be similarly exposed to fluctuations in exchange rates. Most debts are hedged. For more information on the forward sales and purchases and swaps of currencies used to hedge these risks see Section 4.6 – Notes to the consolidated financial statements, Note 8 – Insurance business investments. For more information on debts issued in different currencies, see Section 4.6 – Notes to the consolidated financial statements, Note 14 – Financial liabilities.

Some events, such as catastrophes, can have an impact on the matching of assets and liabilities in a currency, which can generate a temporary unmatched position which is not covered by currency contracts or hedges.

The Group recognized a net foreign exchange loss of EUR 13 million for the year ended December 31, 2020 (2019: gain of EUR 3 million and 2018: loss of EUR 13 million).

For currency translation risk, the following sensitivity analysis [1] considers the impact on equity of a 10% movement in the exchange rates of the Group's two largest translation risk currency exposures, USD and GBP relative to the EUR.

		Equity impact		
In EUR millions	**Currency movement**	**2020**	**2019**	**2018**
USD/EUR	10%	466	487	385
% of equity		7.6%	7.7%	6.6%
USD/EUR	(10)%	(466)	(487)	(385)
% of equity		(7.6)%	(7.7)%	(6.6)%
GBP/EUR	10%	26	28	25
% of equity		0.4%	0.4%	0.4%
GBP/EUR	(10)%	(26)	(28)	(25)
% of equity		(0.4)%	(0.4)%	(0.4)%

(1) *This analysis excludes the impact of hedging activity, and the presentation has been adjusted to 2020 disclosures.*

3.1.3.3. CREDIT SPREAD RISKS

Credit spread risk on invested assets is the risk of incurring a financial loss arising from the change in the market assessment of the counterparty risk of financial instruments or counterparties. Credit spread variations could have a direct impact on the market value of the fixed-income securities and loans, and as a consequence, on the realized or unrealized capital gains or losses of the fixed-income securities held in the portfolio.

3.1.3.4. EQUITY RISKS

Equity prices are likely to be affected by risks which affect the market as a whole (uncertainty on economic conditions in general, such as anticipated changes in growth, inflation, interest rate fluctuations, sovereign risk, etc.) and/or by risks which influence a single asset or a small number of assets (specific or idiosyncratic risk). This may lead to a decrease in prices of the equity held by SCOR and may impact its realized or unrealized gains and losses. A material or long-lasting decline in the prices of SCOR's equity holdings may also result in the impairment of its equity portfolio which would affect its net income.

The Group's exposure to the equity market results from direct purchases of stocks or investments in equity funds and in convex equity strategies such as convertible bonds.

Section 3.2.4.6 – Monitoring of sensitivity to market risks provides an overview of the sensitivity of the Group's consolidated income and consolidated equity to equity risk. As at December 31, 2020, the impact on the Group's consolidated income and equity of a +10% change in equity market values is assessed to be EUR +8 million and EUR +19 million, respectively. The impact on the Group's consolidated income and equity of a -10% change in equity market values is assessed to be EUR -8 million and EUR -17 million, respectively.

3.1.3.5. REAL ESTATE RISKS

Real estate risks, either for properties owned directly or through funds, are risks arising from a variation in the real estate market valuation or a change in rental market conditions, the two being closely linked.

Rental income from the property portfolio is exposed to the variation in the indices on which the rents are indexed (for instance, the Construction Cost Index in France) as well as risks related to the rental market (changes in supply and demand, changes in vacancy rates, impact on market rental values or rent renewals) and lessee default. On the other hand, the indexation may provide an attractive hedge against inflation.

The value of property assets is exposed to the risk of regulatory obsolescence of properties (regulatory developments related to the accessibility of buildings for people with a disability, on the reduction of energy consumption and the production of carbon dioxide, etc.) which would lead to losses of value in the event of a sale of the assets or to additional expenditure to restore the value of the property.

3.1.4. CREDIT RISKS

Credit risk is the risk of incurring a loss as a result of an unexpected change in the financial situation of a counterparty.

This includes Credit default risk which is the risk that one party to a financial instrument or other asset will cause a financial loss to the other party by unexpectedly failing to discharge, either partially or fully, an obligation. Credit risk also includes Credit migration risk, which is the risk of incurring a financial loss due to a change in the value of a contractual agreement following unexpected changes in the credit quality of our counterparties.

SCOR is mainly exposed to the following credit risks or the accumulation of such risks in a single counterparty, in the same sector of activity or the same country: from bond and loan portfolios, liabilities retroceded also called share of retrocessionaires in contract liabilities, deposits with cedents, future cash-flows from Life reinsurance treaties, cash deposits at banks and default of members of pools which SCOR is a member of. SCOR may also be exposed to credit risk through its Credit and Surety reinsurance portfolio.

3.1.4.1. CREDIT RISKS RELATED TO CASH AND INVESTED ASSETS

A deterioration in the financial situation of an issuer (sovereign, public or private) or borrower can, for example, lead to its insolvency and to the partial or total loss of coupons and of the principal invested or lead to a loss in value.

This risk applies also to loan transactions in which the Group invests. The borrower' solvency deterioration may lead to a partial or total loss of the coupons and the nominal invested by SCOR.

For information on the debt securities portfolio, see Section 4.6 – Notes to the consolidated financial statements, Note 8 – Insurance business investment. For information on the impacts of Covid-19 on SCOR's invested assets, see Section 3.1.3. – Market Risks.

SCOR is exposed to the risk of losing all or part of any cash deposited with banks in the event that such a bank is no longer able, due to insolvency, to honor its commitments (*e.g.* following liquidation). The current main risk for the Group is the significant concentration of deposits in a small number of banks. This risk is a direct result of the selection of the most stable banks.

3.1.4.2. CREDIT RISKS RELATED TO REINSURANCE CONTRACTS

Under most of its Life reinsurance contracts, SCOR expects to receive premiums from its cedents over several years. These often exceed expected future payments for claims, commissions, etc., meaning that SCOR expects to receive positive future cash flows.

Credit risk on future cash flows from Life reinsurance policies arises from two risk factors:

- the payment of future cash flows expected under Life reinsurance contracts requires that the cedent is financially sound. Therefore, SCOR risks a reduction in the value of its portfolio of Life contracts in the event of a deterioration in the financial strength of the cedent. This may lead to the impairment of SCOR's intangible assets, *i.e.* the value of business acquired (VOBA) and deferred acquisition costs (DAC);
- a reduction in the value of future cash flows could arise from material unexpected lapsation of policies following a deterioration of the cedent's credit rating or standing or an event which has a negative effect on the cedent's reputation.

SCOR transfers part of its risks to retrocessionaires *via* retrocession programs in exchange for the payment of premiums. The retrocessionaires then assume the losses related to claims covered by the retrocession contracts. If a retrocessionaire defaulted, or its financial situation deteriorated, SCOR could lose part or all of the coverage provided by its retrocessionaire whereas it would retain its liability towards the cedent for the payment of all claims covered under the reinsurance contract.

SCOR could also lose receivables from the defaulting retrocessionaire (receivables are due to a timing difference between statement accounts received and real payment due for positive balances of retrocessionaire accounts).

The retrocessionaires' share in the reserves broken down by retrocessionaires' credit rating is included in Section 4.6 – Notes to the consolidated financial statements, Note 16 – Net contract liabilities.

SCOR may be exposed to credit risk in relation to amounts deposited with ceding companies in respect of reinsurance reserves which cover its liabilities.

However, depositing these amounts does not a priori discharge the Group of its liability towards the cedent in cases where it is not able to recover all or part of these amounts in the event of a cedent default or a deterioration in the financial situation of that cedent. Hence, it is at least in principle, possible that the Group may remain liable for paying claims due under the reinsurance treaty without being able to offset all or part of the corresponding deposits.

3.1.4.3. OTHER CREDIT RISKS

For special and highly-technical risk categories such as terrorism, nuclear, aviation or pollution, SCOR chooses to participate in various market dedicated groups of insurers and reinsurers ("pools") aimed at pooling the relevant risks among the members of each group pools which offer best available expertise and risk sharing at market level. In the event of a total or partial default by one of the members of a group, it could be required to assume, in the event of joint liability of the members, all or part of the liabilities of the defaulting member.

3.1.5. LIQUIDITY RISKS

Liquidity risk is the risk of not having sufficient financial resources available to meet obligations as they fall due, or only being able to secure them at excessive cost.

SCOR needs liquidity to pay claims, operating expenses, interest payments and redemptions on its debts and declared dividends on its share capital. Without sufficient liquidity, the Group may be forced to curtail its operations, and business will suffer. In the case of catastrophe claims, in particular, it may need to settle amounts which exceed the amount of available liquidity in a reduced timeframe. SCOR's liquidity needs to cover catastrophe exposures is calibrated using the Group's gross (before retrocession) Nat Cat annual loss distributions, on top of other regular liquidity needs as listed above.

Liquidity needs may also arise from increased collateral requirements. Some of the facilities that SCOR uses to grant letters of credit to cedents require 100% collateral from SCOR, for example in case of default (non-compliance with financial covenants, a significant decrease in the Group's financial strength rating…), which would result in a deterioration of the Group's liquidity level. Also, cedents have the right to draw down on letters of credit issued by a bank in SCOR's name at any time, however the impact on their relationship with SCOR would be considered. The risk of this occurring would increase if cedents' concerns of SCOR not honoring its obligations increase. In a severe scenario for SCOR, multiple cedents could draw on letters of credit simultaneously, requiring SCOR to provide the total amount of required cash or fungible assets resulting in a liquidity strain for SCOR. Collateral arrangements are also used by SCOR when operating business in a jurisdiction or jurisdictions that demand a higher level of reserves than under IFRS. This is especially the case in the US for business falling under the NAIC Model Regulation XXX or Valuation of Life Insurance Policies Model Regulation, commonly referred to as Regulation XXX (or Triple X). Letters of Credit carry the risk of a duration mismatch, *i.e.* that short-term letters of credit are covering long-term business and might have to be renewed as less favorable conditions, creating additional cost.

Information on SCOR's letter of credit facilities, including related financial covenants, is included in Section 4.6 – Notes to the consolidated financial statements, Note 24 – Commitments received and granted.

The principal internal sources of the Group's liquidity are reinsurance premiums, cash flows from its investment portfolio and other assets, consisting mainly of cash or assets that are readily convertible into cash.

External sources of liquidity in normal markets include a variety of short and long-term instruments, such as repurchase agreements, commercial paper, medium and long-term debt, junior subordinated debt securities, capital securities and raising additional funds in the equity markets. For further information on SCOR's debt, including related financial covenants, see Section 4.6 – Notes to the consolidated financial statements, Note 14 – Financial liabilities.

SCOR's ability to access external sources of liquidity may be subject to adverse capital and credit market conditions.

Liquidity risks are increased when capital and credit markets experience extreme volatility or disruption, as SCOR may need to sell a significant portion of its assets quickly and on unfavorable terms, particularly if current internal resources do not satisfy its liquidity needs.

This risk may be increased due to the characteristics of certain assets held by SCOR, whose liquidity may be limited due to contractual or regulatory constraints (*e.g.* investments in corporate, real estate or infrastructure loans).

The availability of additional financing will depend on a variety of factors. These notably include market conditions, the general availability of credit, the volume of trading activities, the overall availability of credit to the financial services industry, SCOR's credit ratings and credit capacity, as well as the possibility that customers or lenders could develop a negative perception of SCOR's long- or short-term financial prospects if the Group incurs large investment losses or if the level of SCOR's business activity decreases due to a market downturn. Similarly, access to funds may be impaired if regulatory authorities or rating agencies take negative action that could penalize SCOR. The liquidity of several asset classes owned by SCOR may also be negatively impacted by changes to regulations or by non-conventional monetary policies. If so, these factors could prevent SCOR from successfully obtaining additional financing on favorable terms.

Maturity profiles

The table below includes the estimated maturity profiles of the Non-Life insurance liabilities based on payment patterns derived from historical data.

P&C insurance contract liabilities *In EUR millions*	0-1 year	1-3 years	3-7 years	> 7 years	Total
AS AT DECEMBER 31, 2020	**4,292**	**4,724**	**3,580**	**3,236**	**15,832**
As at December 31, 2019	4,487	5,017	3,596	3,133	16,233

The analysis of the balance sheet reserve movements, including net paid losses, is included in Section 4.6 – Notes to the consolidated financial statements, Note 16 – Net contract liabilities.

The estimated maturity profile of the assumed contract liabilities for long-term Life reinsurance represents benefit payments that are typically settled net of premiums (for treaties with periodic premium payments).

The table below reflects gross cash outflows:

Where contract liabilities require to deposit cash to the cedent as collateral, the settlement normally also includes certain other account items, primarily the release of the deposits. For contracts where funds withheld are used to offset the amounts settled between SCOR and its cedents, funds withheld to cover the life insurance contract liabilities in the table below mature at the same date as the respective Life insurance contract liabilities.

Life insurance contract liabilities *In EUR millions*	< 1 year	1-5 years	6-10 years	> 10 years	Total
AS AT DECEMBER 31, 2020	**2,598**	**1,571**	**1,911**	**8,250**	**14,330**
As at December 31, 2019	2,508	1,657	2,034	8,481	14,680

Financial liabilities

Maturity profiles have been based on undiscounted contractual maturities and include contractual interest payments (including those from cross-currency and interest rate swaps). In the case of perpetual debt, or debt which is subject to multiple optional reimbursement dates, the analysis below has been prepared based on the assumption that the Company does not make use of any of the early optional reimbursement dates. Perpetual debts are classified in the column "over 5 years" (no maturity date).

As at December 31, 2020 *In EUR millions*	Debt maturity profiles				
	Interest rate ranges	< 1 year	1-5 years	> 5 years*	Total **
Subordinated debt	1.38%-5.25%	91	596	3,706	4,393
Real estate debt	-0.55%-4.34%	77	139	335	551
Lease liabilities	0.04%-5.00%	25	77	79	181
Other financial debt	0.07%-0.80%	1	1	2	4
TOTAL		**194**	**813**	**4,122**	**5,129**

As at December 31, 2019 *In EUR millions*	Debt maturity profiles Interest rate ranges	< 1 year	1-5 years	> 5 years*	Total**
Subordinated debt	2.67%-5.25%	93	721	3,616	4,430
Real estate debt	0.79%-4.34%	61	200	298	559
Lease liabilities	0.32%-4.17%	21	39	36	96
Other financial debt	0.07%-0.80%	3	1	-	4
TOTAL		**178**	**961**	**3,950**	**5,089**

* *Accrued interest on perpetual debt as at December 31, 2020 of EUR 12 million (2019: EUR 13 million).*

** *Of the amounts above, EUR 68 million (2019: EUR 20 million) relate to variable rate debt. These amounts exclude debt which has been swapped from a variable interest rate to a fixed interest rate.*

Details on financial liabilities are presented in Section 4.6 – Notes to the consolidated financial statements, Note 14 – Financial liabilities.

For managing liquidity risks, SCOR holds insurance business investments amounting to EUR 30,283 million and cash amounting EUR 1,435 million as at December 31, 2020. Maturity analyses of financial assets that are held for managing liquidity risk are presented within Section 4.6 – Notes to the consolidated financial statements, Note 8 – Insurance business investments.

Various entities in the Group rent their office headquarters. The minimum payments relating to these operating leases are presented within Section 4.6 – Notes to the consolidated financial statements, Note 10 – Miscellaneous Assets (Tangible assets and related commitments).

3.1.6. OPERATIONAL RISKS

Operational risks are inherent to all businesses at SCOR. Operational risks can be split into two main groups: internal risks (risks related to system or facilities, to staff, to processes and to legal/regulatory environment) and external risks (risks related to external fraud, cyber-attacks).

3.1.6.1. RISKS RELATED TO SYSTEMS OR FACILITIES

Risks related to systems or facilities can arise as follows:

- a malfunction or a major breakdown in SCOR's IT systems, outages, disruptions due to viruses, attacks by hackers and thefts or data breaches. This can occur within SCOR's own environment or to a third-party providing services or data to SCOR;
- interruption of any of SCOR's IT systems leading to loss of data, delays in service or in a loss of efficiency of teams, which could lead to remediation costs, loss of contracts or damage to the Group's reputation. In addition, these incidents could increase other operational risks such as external fraud or human error (*e.g.* delay in the recognition of adverse business development). The interruption of these systems could damage commercial activities including underwriting, pricing, reserving, premium and claims payment, commercial support, and asset management;
- in addition, the facilities in which SCOR operates might be impacted by natural or man-made perils. They could also be affected by legal or management decisions (*e.g.* due to pandemic or social conflict). The offices might need to be closed for a period of time potentially resulting in a loss of productivity and business opportunity, as well as remediation costs.

3.1.6.2. RISKS RELATED TO STAFF

Risks related to staff can arise as follows:

- incidents due to mistakes or non-compliance with instructions, guidelines or policies;
- Malicious or fraudulent acts from internal staff mandated by SCOR having authorized access to SCOR's offices or systems taking advantage of SCOR's assets for personal gain *e.g.* through misappropriation of assets, intentional mismarking of positions or bribery;
- intentional damage to SCOR's assets (including data) required to perform its operations by internal or external staff, which could lead to significant remediation costs (including these released to rebuilding databases or systems);
- the failure to attract or retain key personnel or the loss of crucial information/skills concentrated in a single person, or of a whole team.

3.1.6.3. RISKS RELATED TO PROCESSES

SCOR's risk management policies, procedures and controls may not be appropriate or sufficient. In particular, any additional workload to the planned activities could reduce the effectiveness of some processes and controls. For example, the creation of a new entity, the development of a new Line of Business, or any other project, may lead to an accumulation of operational risks.

Some of SCOR's and SCOR's subsidiaries' processes are partially or fully outsourced. Failed outsourced processes could lead to direct losses and other operational incidents.

Since SCOR remains responsible for commitments or services contracted, including for outsourced activities, an inappropriate client relationship management or inadequate level of service and/or product quality provided by SCOR to its clients or breach of contract may lead to a loss of profitable business relationships.

In addition, SCOR may be involved in legal and arbitration proceedings due to third parties challenging the terms of a contract, which could lead to an unfavorable outcome. For information on this issue, see Section 4.6 – Notes to the consolidated financial statements, Note 26 – Litigation.

3.1.6.4. LEGAL AND REGULATORY RISKS IN SCOR'S OPERATING ENVIRONMENT

SCOR may also be exposed to an unfavorable business environment such as evolving or additional regulatory constraints potentially hindering its business model.

As an international group, SCOR must comply with national and international laws, regulations and applicable accounting standards. This includes all applicable economic sanctions, programs relating to anti-corruption, anti-money laundering, in addition to anti-terrorism laws, and laws and regulations applicable to its operations. Laws and regulations applicable to some of SCOR's operations refer inter alia to the economic trade sanctions laws and regulations administered by the United States Department of the Treasury's Office of Foreign Assets Control (OFAC) and to certain laws administered by the United States Department of State. They also refer to applicable economic trade sanctions laws, regulations and directives of the European Union and its member states. Other directives with which SCOR complies apply to anti-money laundering, corruption, terrorism financing and insider trading. Regarding anti-corruption laws and regulations, in particular, SCOR must comply with the provisions of Sapin II, the Foreign Corrupt Practices Act (FCPA) and other laws such as the UK Bribery Act. Additionally, SCOR must comply with regulatory requirements regarding data management (both SCOR's data and that of its clients), in particular the General Data Protection Regulation (GDPR) enacted by the European Union.

The level of legal, regulatory, tax or accounting requirements depends on several factors, including the type of business (*e.g.* primary insurance or reinsurance business), the location and the legal structure of SCOR. The large number of different regulatory environments in which SCOR operates, as well as changes in present and future regulations increase the complexity and risks of the related Group processes.

Any violation of laws, regulations or accounting requirements could potentially expose SCOR to fines, class actions with compensation payments, accounts reinstatements or business restrictions, and reputational damage.

Following the UK's departure from the European Union and the end of the transition period on December 31, 2020, the direct P&C insurance activities for European Economic Area (EEA) clients cannot be carried by SCOR UK. In order to prepare for the possibility of this outcome, SCOR Europe SE, a P&C direct insurance company, was created in France to serve its continental clients, while maintaining the insurance company SCOR UK for its other clients. Also, SCOR will apply to the UK Prudential Regulation Authority for any required approvals in order to allow the continuation of the activity of its reinsurance branches in the United Kingdom after the "Temporary Permissions Regime" has expired. At this stage, there is uncertainty on the evolution of the future regulatory framework in the United Kingdom and its impact on SCOR's operating entities in the UK. The branches were notified that they are subject to the temporary regime, allowing them to continue their activities until the final agreement is granted.

For further details on current main regulatory developments which may have an impact on SCOR, see Section 3.1.1.2 – Risks related to legal and regulatory developments.

3.1.6.5. RISKS RELATED TO EXTERNAL FRAUD

SCOR is exposed to external fraud which is characterized by the theft of certain SCOR assets by third parties or by cedents. External frauds may be perpetrated by various means including cyber-attacks, and usually target cash or data. Should an act of fraud succeed in bypassing the controls or protection measures in place, this could generate a direct loss for the Group.

3.1.6.6. RISKS RELATED TO CYBER-ATTACKS

SCOR is exposed to cyber-attacks which can be very diverse in their sophistication and execution. The main targets are system functions, data and cash management. Immediate repercussions include:

- systems could be slowed down, corrupted or stopped potentially resulting in loss of productivity, corrupted data and remediation costs;
- funds could be stolen through fraudulent wire transfers;
- data could be stolen, deleted or corrupted, or made public in contradiction with SCOR's regulatory or contractual obligations.

Any of the above could generate significant damages to SCOR's systems or data, a reputational risk, give rise to a breach of SCOR's legal responsibility, and may also result in regulatory sanctions depending on the level of sensitivity of the data or system that is successfully attacked. A cyber-attack could also assist external fraudsters resulting in a financial loss.

3.2. MANAGEMENT OF MAIN RISKS

3.2.1. MANAGEMENT OF STRATEGIC RISKS

3.2.1.1. MANAGEMENT OF RISKS RELATED TO THE MACROECONOMIC ENVIRONMENT

These risks are monitored *via* a robust strategic planning approach and regular risk reporting mechanisms throughout the Group, including complementary risk analyses on *ad hoc* topics, where deemed necessary. Potential impacts on SCOR's risk profile are managed through a variety of dedicated and transversal risk management mechanisms. For more details on risk reporting mechanisms and roles and responsibilities of SCOR's main governance bodies, see Section 3.3 – Internal control and risk management procedures.

3.2.1.2. MANAGEMENT OF RISKS RELATED TO LEGAL AND REGULATORY DEVELOPMENTS

SCOR monitors the legal and regulatory developments which could have an impact on the Group and its entities, ensuring in particular that it takes an active position in relation to the requirements to which it is exposed or could be exposed in the different jurisdictions where it operates and that it prepares in due time for their implementation.

In particular, developments in existing or emerging prudential regulations (such as Solvency II, ComFrame or the regulations on systemic risk) are monitored at Group level by the Prudential and Regulatory Affairs Department. Regulations relating to corporate law and business compliance are monitored by the General Secretariat and, within it, the Legal department.

3.2.1.3. MANAGEMENT OF VALUATION RISKS RELATED TO SCOR'S INTANGIBLE ASSETS AND DEFERRED TAX ASSETS

Valuation risks related to SCOR's intangible assets and deferred tax assets are managed through robust processes and controls throughout the Group.

See Section 3.1.6 – Operational risks for further details on SCOR's Internal control system approach, Section 3.3.4.1 – Group functions for a description of some of the departments involved in the management of intangible assets and Section 3.3.7 – Financial reporting for further details on the production of SCOR's technical and financial results, including intangible assets.

For further details on the management of valuation risks related to goodwill and Value of Business Acquired, see Section 3.2.1.7 – Management of risks related to acquisitions.

3.2.1.4. MANAGEMENT OF RISKS RELATED TO THE COMPETITIVE ENVIRONMENT

As for risks related to the macro-economic environment, risks related to the competitive environment are monitored *via* a robust strategic planning approach and regular risk reporting mechanisms throughout the Group, including complementary risk analyses on *ad hoc* topics, where deemed necessary. For more details on risk reporting mechanisms and roles and responsibilities of SCOR's main governance bodies, see Section 3.3 – Internal control and risk management procedures.

3.2.1.5. MANAGEMENT OF DOWNGRADE RISK

SCOR's current ratings are at the highest levels within the reinsurance sector. it is currently rated by Standard & Poor's and Fitch at "AA-/Stable", by Moody's at "Aa3/Negative" and by AM Best at "A+/Stable. Therefore, a downgrade by one notch would have a limited impact on its future business development, its liquidity position or its capacity to raise funds. For further information on SCOR's current rating, see Section 1.2.4 Ratings information.

SCOR monitors its ratings assigned by the top four rating agencies *via* a dedicated team placed under the supervision of the Group Chief Financial Officer.

This team analyses rating agencies' methodologies, reports published on the reinsurance market, on SCOR and on its main competitors, in order to anticipate any potential rating actions. It also monitors specific qualitative and quantitative Key Performance Indicators developed by the four main rating agencies and performs analyses of selected deterministic scenarios (for more details on 'footprint scenarios' process, see Section 3.3 – Internal control and risk management procedures). The team also monitors the capital adequacy level as measured by the capital models developed by rating agencies.

3.2.1.6. MANAGEMENT OF RISKS RELATED TO CAPITAL

Risks related to capital are managed *via* specific principles and processes throughout the Group. SCOR ensures maximum capital fungibility within the Group through:

- a reduced number of subsidiaries enhancing fungibility while supporting local business presence. It is facilitated by the "Societas Europaea" (SE) structure supported by an efficient branch set-up in Europe, enabling integrated supervision at Group parent company level through SCOR SE, focusing on communication with a limited number of supervisors with whom SCOR can share its global strategy, while taking advantage of diversification benefits;
- an integrated supervision of regulatory constraints at Group level and an optimal capital allocation.

SCOR efficiently manages its capital allocation and fungibility between subsidiaries within the legal and regulatory constraints. SCOR is continuously leveraging, in its day-to-day activity, on various tools that are core to the reinsurance activity (such as intra-group reinsurance, intra-group financing, portfolio transfer, capital transfer or collateral posting).

3.2.1.7. MANAGEMENT OF RISKS RELATED TO ACQUISITIONS

SCOR adheres to high internal standards for acquisition processes, governance and integration, based on an approach approved by its Executive Committee.

SCOR retains outside legal, accounting, tax, actuarial, regulatory and financial counsel for its due diligence, valuation and integration assessments and execution, led by experienced employees in various multi-jurisdictional disciplines, including but not limited to underwriting, structuring, valuation, accounting, tax, actuarial, risk management, legal, audit, strategy, claims management, regulatory, rating agencies, and asset management. SCOR's governance includes a Group Steering Committee and the involvement of members of SCOR's Executive Committee. All progress, assessments and any offers made to third parties are generally presented and approved by the Strategic Committee of SCOR's Board of Directors.

All planned acquisition projects that may have an impact on SCOR's risk profile are reviewed in collaboration with SCOR's risk management teams. The planning for integration of acquired businesses typically begins during the due diligence phase. SCOR integration plans typically take into account all systems, procedures, commitments and constraints, as well as employees, clients, suppliers and contractual third parties, and focuses on closing day and post-closing objectives. While SCOR has experience in managing acquisitions and takes care in planning and executing such operations, the outcomes may not always meet expectations.

3.2.2. MANAGEMENT OF UNDERWRITING RISKS RELATED TO THE P&C AND LIFE BUSINESSES

3.2.2.1. MANAGEMENT OF UNDERWRITING RISKS RELATED TO THE P&C BUSINESS

SCOR's Risk Management area and the P&C business unit are organized to enable them to assess and control P&C risks at each level of its business.

- Most of the business underwritten is renewed on agreed dates. This enables SCOR to establish annual underwriting plans, both qualitative (description of the environment) and quantitative (activity budget). These plans are approved by the Executive Committee.
- The Property and Casualty Treaty underwriters manage client relationships and offer reinsurance support after a careful review and assessment of the cedents' underwriting policies, portfolio profiles, exposures and management procedures. They are responsible for writing treaty business as well as associated support on small and medium-size facultative risks in their respective territories within the limits of their individually delegated underwriting authority and the scope of underwriting guidelines.
- Most of SCOR's facultative underwriters work in the Business Solutions domain of Specialty Insurance, which operates worldwide. The Business Solutions area is dedicated to large corporate businesses and is geared to provide clients with solutions for coverage of large conventional risks.
- Underwriting and pricing guidelines, defined by the P&C business unit, specify the underwriting capacities delegated to each underwriter in each entity, as well as the underwriting rules and principles to be complied with. These guidelines are subject to a regular review and approval process. SCOR's underwriting guidelines are more restrictive regarding certain areas with difficult or uncertain legal environments.
  - Underwriting guidelines in place within the P&C business unit specify (i) the underwriting rules and principles to be complied with: (ii) the underwriting capacities individually delegated to the underwriters in each of the markets and lines of business in which the Group operates as well as (iii) the relevant maximum acceptable commitments per risk and per event.
  - Pricing guidelines and parameters apply to all treaties priced within the P&C business unit. There are additional guidelines related to Natural Catastrophes and others specific to certain products which include Agriculture, Credit & Surety and Cyber. These guidelines seek to ensure that the analyses provide: i) a best estimate of the costs and profitability of a treaty as well as the uncertainty surrounding estimates; ii) assistance with underwriting decisions and iii) the suitable outputs needed for the risk management process, in particular the internal model, such as probability distributions for losses/Net Present Value (NPV), cash flow patterns for premium/losses, etc. They are set to provide consistency and continuity across the organization but also to take into account differences between markets and lines of business as well as the geographical location of the client and the risks insured. Parameters are revised at least once a year to consider, as the case may be, changing market conditions and environment. Contracts that meet certain risk thresholds are subject to mandatory peer reviews that have to be performed and documented before pricing is completed. SCOR's P&C business unit uses a data system that allows management to monitor and review the results from pricing tools.
- The underwriting teams are supported by P&C business unit's Underwriting Management. This function provides worldwide treaty and facultative underwriting guidelines, policies regarding the delegation of capacity, underwriting support to specific lines of business or individual risks when required, ceding company portfolio analysis and risk surveys and is responsible for monitoring and referral of non-standard business and for authorizing exceptions to the underwriting guidelines.
- Business opportunities going beyond the stipulations of the guidelines previously defined are subject to special referral procedures at two levels: (1) by Underwriting Management and, where applicable, by Legal and/or Finance; (2) and for cases which may have a significant impact on the balance sheet (thresholds and/or conditions defined in a procedure or specific guidelines) by Group Risk Management.
- The P&C Pricing & Modeling department is responsible for the pricing of the reinsurance business which is done by individual treaty. Guidelines, methods and tools are set and maintained at the global level which are used by the pricing team across the SCOR offices. Delegation authorities specify criteria under which the underwriters may price certain contracts still subject to the use of the Pricing Guidelines and tools. Pricing results quantify expected underwriting statistics (such as loss and expense ratios), volatility measures, and profitability measures (such as NPV, Return on Risk Adjusted Capital (RORAC), and Profit Excess Targets). The results are also used as criteria for referrals within Underwriting teams. Pricing actuaries, team up with underwriters and modelers by market or by line of business.

- The P&C Pricing & Modeling department is responsible for monitoring Nat Cat accumulations. Earthquake and storm risks gross exposures are measured using proprietary external models from industry-leading catastrophe model suppliers, including Risk Management Solutions RiskLink® ("RMS") and AIR Worldwide Catrader® ("AIR"). These tools enable the Group to quantify its exposure in terms of a probable maximum loss ("PML") at various levels of probability for each peril and geographic location. The overall aggregate annual PML per peril, allowing for potential multiple events, provides the information required to determine the level of retrocession and other alternative risk transfer solutions (*e.g.* catastrophe bonds) that are needed to ensure that the net aggregate exposure is optimized for the Group's risk appetite and remains within predefined tolerance limits.
- In relation to climate change, the models used to price natural catastrophe business (both new and renewing) are calibrated using recent claims data. In this way, changes in frequency and severity of the natural perils that SCOR underwrites, whether related to climate change signals or not, are considered in the pricing of contracts. In terms of managing climate transition risks, SCOR has already made certain underwriting commitments that make a start towards reducing the company's exposure to certain carbon-intensive sectors. In addition, SCOR has introduced referral procedures and Environmental, Social and Governance (ESG) scoring components for the underwriting of insurance and facultative reinsurance within the mining and energy sectors.
- For non-Nat Cat business, per-risk accumulation limits are defined in the underwriting guidelines. Underwriting functions are responsible for the application and the monitoring and control of the application of these guidelines within their business unit.
- In order to mitigate its property exposure, the Group retrocedes a portion of the risks it underwrites. See 3.2.3 – Retrocession and other risk mitigation techniques for further information on how these instruments are managed.
- The claims handling function is performed by the claims teams, which review, process and monitor reported claims. P&C business unit's Claims & Commutations is responsible for the implementation and overview of the overall claims handling and commutation management policy for the P&C business unit, implementing worldwide control and reporting procedures and managing commutation of portfolios and commitments. It supports and controls the day-to-day activity and takes over the direct management of large, litigious, serial and latent claims. In addition, periodic audits are conducted on specific claims and lines of business, and claims processing and procedures are examined at the ceding companies' offices with the aim of evaluating their claims adjustment process, valuation of case reserves and overall performance. When needed, recommendations are given to underwriters and local management.
- The adequacy of the P&C business unit's reserves is controlled based on specific procedures. For further information on how risks related to reserves are managed, see Section 3.2.2.4 – Management of reserving risks.
- Risks specific to the administration of contracts are subject to checks performed at the subsidiary and branch level. SCOR's Group Information System includes multiple automatic checks and additional tools.
- A quarterly review of technical results is performed by business area (Reinsurance, Specialty Insurance, Business Ventures and Partnerships) and region. The review enables the analysis of technical results by underwriting year, by nature and by line of business.
- Risk-related topics of the P&C Business unit are discussed at the quarterly P&C Risk and Capital Committee.
- Cross reviews are conducted to assess the quality of underwriting, pricing and claims handling of particular market areas or lines of business. This includes an evaluation of the appropriateness and effectiveness of controls and proposals for additional risk management measures, including mitigating actions. The selection process to define the order of priority of Cross reviews is guided by a risk-based approach.

3.2.2.2. MANAGEMENT OF UNDERWRITING RISKS RELATED TO THE LIFE BUSINESS

SCOR's Risk Management area, along with the Life business unit, has implemented mechanisms to mitigate certain risks specific to the Life business:

- Claims deterioration risks are mitigated through yearly renewable terms for parts of the mortality business, and through premium adjustment clauses for some products.
- Lapse risks are mitigated through appropriate reinsurance treaty clauses, as well as product, client and market diversification.
- Adverse selection risks are mitigated through careful product design and a well-defined medical and financial underwriting process.

SCOR's Life business unit is organized in order to be able to assess and control its risks at each level of its business.

- Generally, the Life reinsurance business is underwritten throughout the year and is monitored on a quarterly basis against prior year development. In addition, the business plan and regular updates are provided to the Executive Committee.
- Underwriting of the Life business within the Group is under the worldwide responsibility of SCOR's Life business unit. Clients are worldwide insurance companies. They are served by SCOR's specialized underwriters and actuaries who are familiar with the specific features of the markets in which they operate, particularly with local lines of business and policy conditions, as well as the technical specifics such as mortality tables, morbidity incidence rates and persistency rates. In the Life underwriting process, consideration is typically given to the quality of the client's medical and financial underwriting standards, the target clientele of the ceding company, as well as past experience to the extent credible data is available.
- The Life business is underwritten following internal underwriting and pricing guidelines. Mandates for underwriting Life reinsurance business are assigned to teams on a mutually exclusive basis.

- In order to ensure that the Life business unit is continually up-to-date with biometric trends and scientific developments, the expertise of specialists is used to analyze and assess the key factors underlying mortality, longevity, morbidity and policyholder behavior. These teams provide recommendations for the implementation of the research results into the pricing, underwriting and determination of exposure limits. Regarding the potential impacts of climate change, SCOR's specialists perform regular reviews of the medical literature to identify the links between climate change and certain medical conditions and diseases. Where appropriate, this information is fed into decisions related to current and future underwriting, pricing and valuation of reserves.
- Guidelines and other documents defined by the Life business unit specify the underwriting rules and principles to be complied with, underwriting capacities delegated to the underwriters and pricing actuaries in each of the markets in which the Group operates, as well as maximum acceptable commitments per risk and per event. These guidelines outline contract types and terms and conditions of acceptance. Furthermore, they set out the level of retention of the Life business unit for various risks and types of cover (for more information, see Section 3.2.3 – Retrocession and other risk mitigation techniques). Revisions and updates follow a formalized approval process.
- Business opportunities going beyond the stipulations of these guidelines and documents are subject to a special referral process in order to ensure that the business complies with established risk-adjusted return criteria and risk tolerance limits. These cases are examined at the Life business unit level by the Business Acceptance department and, where applicable, the Finance department. Cases which may have a significant impact on the balance sheet of the Group are submitted for a second review by the Risk Coverage department. Thresholds or conditions for a second referral to Group Risk Management are outlined in specific guidelines.
- Accumulations of risk particularly exposed to catastrophes in the Life business are regularly assessed in "footprint" scenarios and local catastrophe scenarios. Specific tools are used to monitor known Group cover accumulation in selected geographical areas. Specifically designed retrocession programs aim at protecting the Life reinsurance business. One program protects assumed catastrophe excess of loss acceptances; another one protects the net retained lines in respect of proportional and per risk acceptances. SCOR uses the RMS model for infectious diseases in order to assess the potential exposure to risk arising from global pandemics.
- Maximum underwriting capacities are established to limit the Life business unit's exposure from various types of treaties underwritten, proportional and non-proportional, covering individual or Group policies. These capacities are reviewed each year, taking into account the capacities obtained by retrocession coverage. The exposure is monitored throughout the year against SCOR's defined risk limits and used for decisions on mitigating measures. Monitoring of peak exposures is included in Life regular risk reporting.
- Claims handling is performed by local claims teams that handle and monitor claims. Claims exceeding a predefined threshold are reviewed by the Life business unit's global medical underwriting and claims specialists. In addition, where deemed appropriate, audits are conducted on claims or specific lines of business at the ceding companies' offices.
- The adequacy of Life's business unit's reserves is monitored based on specific procedures. For further information on how risks related to reserves are managed, see Section 3.2.2.4 – Management of reserving risks.
- Risks specific to the management of contracts are mitigated by specific controls supported by SCOR's IT systems which include numerous automatic controls and additional tools.
- A review of technical results is performed on a quarterly basis.
- Risk-related topics of the Life business unit are discussed at the quarterly Life Risk Committee.
- Cross reviews are conducted to assess the quality of underwriting, pricing and claims handling of particular market areas or lines of business. This includes an evaluation of the appropriateness and effectiveness of controls and proposals for additional risk management measures, including mitigating actions. The selection process to define the order of priority of Cross reviews is guided by a risk-based approach.

3.2.2.3. MANAGEMENT OF INTERDEPENDENCE AND ACCUMULATION RISKS BETWEEN SCOR'S AREAS OF BUSINESS

The Group aims at diversifying its business and monitors its main accumulation risks and areas of dependencies across its business through regular risk monitoring and reporting mechanisms, including *via* its internal model.

SCOR manages its exposure to catastrophes through selective underwriting practices, especially by limiting its exposure to certain events in certain geographic areas, by monitoring risk accumulation on a geographic basis and by retroceding a portion of those risks to other selectively chosen reinsurers.

3.2.2.4. MANAGEMENT OF RESERVING RISKS

The adequacy of P&C and Life reserves is checked on a quarterly basis by internal actuaries at business unit level as well as at the Group level by the Group Chief Actuary who signs off on the adequacy of reserves and reports to the Executive Committee and the Audit Committee.

External consulting firms are mandated to review certain aspects of the reserve calculation and thereby support the internal analysis and validation.

The Chief Reserving Actuaries of the business units are responsible for overseeing the reserves of their respective business units, to assure appropriateness in the reserving methods and parameters used and to enhance reserving governance. The Group Chief Actuary is in charge of the independent validation and testing of reserving tools, workflows, assumptions and processes.

A centrally defined and tightly controlled reserving process, strong portfolio diversification, prudent reserving, sound reserving tools and, actuarial methods used by highly skilled professionals and a high level of transparency, both internally and externally, all tend to minimize the risk of inadequate reserves.

P&C business

Within SCOR's P&C business unit, in order to ensure an adequate and efficient monitoring of the reserves, a report is established on a yearly basis by the Group Actuarial Department, where the Group Chief Actuary, reporting to the Group Chief Risk Officer, gives his opinion on the year-end booked reserves' adequacy. The main objective of this report is to provide SCOR's Executive Committee and Audit Committee with an overall opinion on the adequacy of the P&C business unit's reserves but also to highlight the inherent uncertainties surrounding this assessment. The monitoring of the reserves by the business unit's and Group's Actuarial Department is centered on three mechanisms:

- a quarterly follow-up of the claims activity and review of reserves for each segment through adequate reporting procedures;
- an annual internal actuarial analysis, including a review of all segments together with a full analysis of the segments that may have a substantial impact on SCOR's balance sheet. This analysis is performed by the P&C business unit's reserving actuaries and reviewed by the Group Actuarial Department which performs as well its own full analysis. These analyses are recorded in an annual actuarial report;
- regular external reviews of the P&C business unit's reserves adequacy are performed including those required by local regulators (Canada, South Africa, Argentina, India, China and SCOR's Lloyd's syndicate).

SCOR regularly reviews its methods for determining outstanding claims reserves and IBNR reserves. However, it is difficult to accurately value the amount of reserves required, especially in view of changes in the legal environment, which could have an impact on reserves development.

When a claim is reported to the ceding company, its claims department establishes a reserve corresponding to the estimated amount of the ultimate settlement for the claim. The estimate is based on the cedent's own evaluation methods. The ceding company reports the claim and its suggested reserve amount to the Group entity with which it concluded its reinsurance contract. The Group records the ceding company's suggested reserve and is free to establish greater or smaller reserves based on the review and analysis by P&C's claims team. Greater or smaller potential reserves are based upon the consideration of many factors, including the level of the commitments, seriousness of the claims and the P&C business unit's assessment of the ceding company's claims' management.

In compliance with applicable regulatory requirements and in accordance with industry practices, the Group maintains IBNR reserves in addition to outstanding claims reserves. These reserves represent:

- the estimated final amount that may be paid by the Group on losses or events that have occurred, but are not yet reported to the ceding company or to the SCOR entity concerned; and
- the estimated cost variation on claims already reported to the Group.

In determining the amount of its reserves, the Group generally uses actuarial techniques that take into account quantitative loss experience data, together with qualitative factors, where appropriate. The reserves are also adjusted to reflect reinsurance treaty terms and conditions, and any changes in claims processing that may potentially affect the Group's commitment over time.

A table showing historical changes in reserves for P&C claims is provided in Section 4.6 – Notes to the consolidated financial statements, Note 16 – Net contract liabilities.

The Group continues to pursue the active commutations policy of its portfolios initiated in 2003, the main goals being to reduce the volatility of claims reserves and administrative costs, particularly of the oldest reserves, and to allow the reallocation of capital. This policy will be continued by focusing efforts on the US run-off activities and on some treaties written by the former Converium company acquired by SCOR in 2007.

Life business

Within SCOR's Life business unit, in order to ensure an adequate and efficient monitoring of the reserves, a report is established on a yearly basis by the Group Actuarial Department where the Group Chief Actuary gives his opinion on the year-end booked reserves' adequacy. The main objective of this report is to provide SCOR's Executive Committee and Audit Committee with an overall opinion on the adequacy of the Life business unit's reserves but also to highlight the inherent uncertainties surrounding this assessment.

The monitoring of the reserves by the business unit's and Group's Actuarial Department is centered on three mechanisms:

- a quarterly follow-up of the claims activity and review of reserves for each segment through adequate reporting procedures;
- an annual internal actuarial analysis, including a review of all segments together with a full analysis of the segments that may have a substantial impact on SCOR's balance sheet. This analysis is performed by the Life business unit's reserving actuaries and reviewed by the Group Actuarial Department which also performs its own full analysis. These analyses are recorded in an annual actuarial report;
- regular external reviews of the Life business unit's reserves adequacy are performed including those required by local regulators.

The Group Actuarial Department does not intend to provide an alternative best estimate but verifies the adequacy of the assumptions and methods and processes used by the teams of the Life business unit to determine the reserves. In some cases, the Group Actuarial Department applies a global approach and calculates a confidence range in order to check that the reserves booked are within said confidence range.

For its Life business, SCOR is required to maintain adequate reserves to reflect the liability for future claims and benefit payments resulting from Life reinsurance treaties, mainly mathematical reserves and claim reserves.

The mathematical reserves are generally calculated as the present value of projected future payments to cedents less the present value of projected premiums still payable by cedents. The calculation includes assumptions relating to mortality, morbidity, disability, lapses and expected future interest rates.

The mathematical reserves are established on initial recognition of a contract on the basis of best estimate assumptions and allow for an adequate safety margin for the risks of change, error and random fluctuation. They are subject to a liability adequacy test.

In determining its best estimates, the Group takes into consideration its past experience, current internal data, external market indices and benchmarks and other relevant information. The contracts' liabilities established by the Group with respect to individual risks or classes of business may be greater or less than those established by ceding companies due to the use of different mortality tables or other assumptions.

Claim reserves for losses are recognized for payment obligations from reinsurance losses that have occurred but have not yet been settled. They are recognized under reserves for reinsurance losses reported before the reporting date and IBNR. SCOR regularly reviews and updates its methods for determining outstanding claims reserves and IBNR Reserves.

A table showing changes in the mathematical reserves in Life reinsurance is provided in Section 4.6 – Notes to the consolidated financial statements, Note 16 – Net contract liabilities.

3.2.3. RETROCESSION AND OTHER RISK MITIGATION TECHNIQUES

Reinsurers typically purchase reinsurance to cover their own risk exposures. Reinsurance of a reinsurer's business is called retrocession. SCOR remains primarily liable to the direct insurer on all risks reinsured although the retrocessionaire is liable to the Group to the extent of the cover limits purchased.

The level of retrocession is selected each year to ensure that SCOR's retained risk profile respects the specific Group risk appetite framework and to help the Group achieves its return on capital and solvency objectives.

SCOR aims to diversify its retrocession and risk mitigation instruments as well as counterparties in order to take advantage of all different sources of capacities on the market. This enables the retrocession and risk mitigation program to be constructed with complementary mitigation effects offering optimal efficiency and also to avoid overdependence on a limited number of counterparties.

Beyond traditional retrocession, purchased for all main lines of business, SCOR has implemented a Capital Shield Strategy, which combines the following solutions:

- traditional retrocession (proportional or non-proportional);
- capital markets solutions and alternative risk transfer solutions (collateralized retrocession, Insurance-Linked Securities including catastrophe bonds);
- solvency buffer; SCOR has set out a solvency scale with clear and well-defined buffers safeguarding the Group's franchise;
- contingent capital facilities, designed as tools of last resort, to partially replenish the Group's capital base in case of very remote pre-defined events. The current contingent capital guaranteed equity line is providing the Group with EUR 300 million coverage. It is innovative in that it protects the Group against both natural catastrophes and extreme mortality events.

For information on the Atlas Special Purpose Vehicles, used as capital markets solutions and alternative risk transfer solutions in the capital shield policy, see Section 4.6 – Notes to the consolidated financial statements, Note 3 – Scope of consolidation. For information on the contingent capital used in the capital shield policy, see Section 4.6 – Notes to the consolidated financial statements, Note 13 – Information on share capital, capital management, regulatory framework and consolidated reserves.

Retrocession procedures are centralized within the retrocession teams of the P&C and Life business units: SCOR's P&C and Life Retrocession Departments establish and implement the external retrocession plans for the P&C and Life businesses. These departments are responsible for proper application of the plan, for monitoring the solvency of the retrocessionaires, the related counterparty risk and, when necessary, recovery of balances due. The availability and efficiency of SCOR's retrocession and risk mitigation program is monitored at Group level on a regular basis in order to ensure that the Group's overall exposure remains within pre-defined risk tolerances.

For further information on how counterparty default risk related to retrocessionaires is managed, see Section 3.2.5 – Management of Credit risks.

An analysis of the share of retrocessionaires in contract liabilities by rating of the retrocessionaires and collateral from retrocessionaires in favor of SCOR at December 31, 2020 and 2019 is presented in Section 4.6 – Notes to the consolidated financial statements, Note 16 – Net contract liabilities and Note 20 – Net retrocession result.

3.2.4. MANAGEMENT OF MARKET RISKS

The Group's investment strategy is prudent, with the majority of assets held in cash and fixed income securities. It is defined in line with the Group's risk appetite and its risk tolerance limits and considers the economic and market environment, and the ALM process.

Investment Guidelines at Group and local levels outline the investment universe and limits, including concentration limits, in line with the objectives of the strategic plan. They are approved by the Group Board/local Board or Executive management.

SCOR has outsourced the implementation of its investment strategy to its asset management company "SCOR Investment Partners SE" and to external asset managers. They are provided with the Investment Guidelines.

Exposures to major risks are monitored on a weekly basis and stress tests measure the impact of parametric or footprint scenarios on the invested assets portfolio. These scenarios cover changes in interest rates, inflation, equities, credit spreads and real estate market. Portfolio sensitivity analysis to major risks is an important management tool which is used when making portfolio reallocation or hedging decisions.

In currency and geographic terms, SCOR is mainly exposed to the US and especially to US government or government assimilated bonds.

To better address climate risks and improve the resilience of its invested assets portfolios, SCOR has put in place strong monitoring of Environmental, Social and Governance (ESG) criteria when managing assets, based on exclusions of issuers most exposed to sustainability risks and ESG screening of assets in which the Group invests.

3.2.4.1. MANAGEMENT OF INTEREST RATE RISKS

The Group aims to maintain an appropriate mix of fixed and variable rate instruments. It also manages the maturities of interest-bearing financial assets.

Interest rate risk is managed within the Group primarily at two levels. At the level of each entity, the Group takes account of regulatory and accounting constraints. At the Group level, SCOR reviews its consolidated investment portfolios in order to identify the overall level of risk and return. It uses analytical tools which guide both its strategic allocation and local distribution of assets.

Sensitivity to changes in interest rates is analyzed on a weekly basis.

In addition, SCOR has entered into interest rates swaps to cover its exposure to financial liabilities with variable interest rates. For further details on these swaps, see Section 4.6 – Notes to the consolidated financial statements, Note 8.9 – Derivative instruments.

For further information on the sensitivity of the Group's consolidated income and consolidated equity to interest rate risk, see Section 3.2.4.6 – Monitoring of sensitivity to market risks.

3.2.4.2. MANAGEMENT OF CURRENCY RISKS

SCOR has a balance sheet hedging approach whereby the objective is to match monetary assets and liabilities in each foreign currency so that the fluctuation in the exchange rate has no material impact on the reported net income. The policy is to closely monitor the net monetary currency positions and, where appropriate, execute either cash arbitrages or forward hedges.

The Group has one net investment hedge in place to reduce its exposure to variations in the net assets of a USD functional currency subsidiary.

3.2.4.3. MANAGEMENT OF CREDIT SPREAD RISKS

SCOR applies strict limits in terms of asset concentration by asset class but also within a single asset class and actively diversifies its portfolio (by type of investment, by issuer, by country and by sector). The application of these limits also helps to mitigate the counterparty default risk arising from investments, as described in the Section 3.2.5 – Management of credit risks.

For information on the ratings of the debt securities owned by SCOR, see Section 4.6 – Notes to the consolidated financial statements, Note 8 – Insurance business investments.

3.2.4.4. MANAGEMENT OF EQUITY RISKS

With regards to equity investments, the Group's objective is to develop and manage a high-quality diversified portfolio.

The Group's equity selection is predominantly based on a bottom-up fundamental analysis with the goal to develop a diversified portfolio of stocks and convertible bonds directly or through mutual funds. Due to the inherent volatility of equities, this asset class (direct positions and mutual funds) is monitored on a daily basis, facilitating quick arbitrage or portfolio re-allocation decisions. On a Group level, the equity exposure is set and reviewed at least quarterly by the Group Investment Committee. Equity risk is also monitored by establishing maximum exposures per stock or mutual fund and is reviewed regularly (*e.g.* exposure to large-cap stocks will generally be greater than exposure to mid-cap stocks). The holding's ratios on mutual funds are also reviewed regularly, based on the mutual fund's portfolio.

3.2.4.5. MANAGEMENT OF REAL ESTATE RISKS

SCOR has adopted an active strategy to select core buildings and takes environmental quality into account during the decision-making process.

3.2.4.6. MONITORING OF SENSITIVITY TO MARKET RISKS

The following table summarizes the accounting sensitivity of the Group's consolidated income and consolidated equity to market risks based on reasonably possible movements in key variables with all other variables held constant. The assumptions included are:

- for interest rate: The interest rate sensitivities for shareholders' equity presented in the table below include movements on the bond portfolio, cash and cash equivalents, structured notes, the impact of changes in interest rates on variable rate financial liabilities and the Guaranteed Minimum Death Benefit business. The interest rate sensitivities of income presented in the table below show the impact of changes in fair value of financial assets at fair value through income held at closing date, and changes in income on variable rate financial assets held at the closing date, following an increase/decrease in interest rates of 100 basis points. An estimate of the impact on the future income following a change of 100 basis points is therefore included. However, SCOR does not include in this analysis the potential impact of change in interest rates on the reinvestment of future cash flows, as future cash flows of SCOR business are difficult to predict and asset allocations might change over time;
- for equity price risks: SCOR conducted an analysis of the sensitivity of net income and shareholders' equity to the price of equity securities. The analysis considers the impact on both equities at fair value through the income statement and on equities classified as available for sale. For equities classified as available for sale, the impact on impairment is computed by applying the accounting policy and application guidance set out in Section 4.6 – Notes to the consolidated financial statements, Note 8 – Insurance business investments, to theoretical future market value changes. SCOR estimates that, excluding any impairment arising from duration, a further uniform decline of 10% from December 31, 2020 market values would generate no further impairment of equity securities (2019: EUR 0 million; 2018: EUR 0 million). It should be noted that, the potential further impairment should not be scaled up or down as the impairment rules are not a linear function of market value. For example, a scenario with a market value decline of 20% would not double the potential further equity impairment.

Both Life and P&C businesses have minimal sensitivity to equity price movements.

The market sensitivities of the Group are estimated as follows:

	December 31, 2020		December 31, 2019		December 31, 2018	
In EUR millions	Income [2][3]	Equity [2][3]	Income [2][3]	Equity [2][3]	Income [2][3]	Equity [2][3]
Interest +100 basis point	23	(415)	21	(417)	19	(508)
% of Equity	0.4%	(6.5)%	0.3%	(6.6)%	0.3%	(8.8)%
Interest – 100 basis points	(23)	391	(22)	374	(20)	501
% of Equity	(0.4)%	6.2%	(0.3)%	5.9%	(0.3)%	8.6%
Equity markets +10% [1]	8	19	7	19	5	14
% of Equity	0.1%	0.3%	0.1%	0.3%	0.1%	0.2%
Equity markets -10% [1]	(8)	(17)	(6)	(16)	(4)	(11)
% of Equity	(0.1)%	(0.3)%	(0.1)%	(0.3)%	(0.1)%	(0.2)%

(1) Excludes investments in hedge funds which normally do not have a uniform correlation to equity markets and securities where SCOR has a strategic investment including where the Group has a substantial shareholding but does not meet the "significant influence" criteria in IAS 28.
(2) The reduction in equity represents the estimated net asset impact including the additional impairment recognized in the income statement.
(3) Net of tax at an estimated average rate of 22% in 2020 (23% in 2019 and 21% in 2018).

3.2.5. MANAGEMENT OF CREDIT RISKS

3.2.5.1. MANAGEMENT OF CASH AND INVESTED ASSETS

Management of credit risks related to bond and loan portfolios

SCOR mitigates the credit risk related to bond and loan portfolios by careful analysis and selection of issuers, and by a policy of geographic sector diversification. SCOR maintains its investment policy in high-quality assets and in countries with the lowest sovereign risk.

Exposure analyses are performed on a regular basis (sector, geographical area, counterparty and rating) and enables critical risks to be identified and evaluated in order to take appropriate actions.

For details on the debt securities portfolio, see Section 4.6 – Notes to the consolidated financial statements, Note 8 – Insurance business investments.

Management of credit risks related to cash deposits at banks

SCOR selects bank counterparties according to their rating and credit quality. Concentration risk from cash deposits at banks is mitigated by setting counterparty exposure limits. SCOR takes into consideration the public assistance (*e.g.*, loans, guarantees of deposits, nationalizations) which certain banks may benefit from during a financial crisis, as they are important in the economy of their respective countries.

For further information on how risks related to invested assets are managed, see Section 3.2.4 – Management of market risks.

3.2.5.2. MANAGEMENT OF REINSURANCE CONTRACTS

Management of credit risk related to future cash flows of life reinsurance treaties

SCOR monitors the development of its cedents financial situation through regular contact, which enables SCOR to take appropriate action when deemed necessary. In addition, credit risk on future cash flows from Life reinsurance policies is mitigated by industry-wide protection solutions in several countries, such as "Protektor" in Germany.

For more details on the valuation of intangible assets, see Section 4.6 – Notes to the consolidated financial statements, Note 7 – Value of business acquired.

Management of credit risk related to retroceded liabilities

SCOR selects retrocessionaires carefully, taking into account their financial strength, and regularly monitors the Group's exposure to retrocessionaires taking into account all relevant accounting balances (estimated and actual claims, premiums, reserves, deposits and pledges). SCOR typically requires that unrated retrocessionaires pledge assets or provide other forms of collateral (cash deposits or letters of credit) to the value of their maximum potential contract liability, even though the actual retrocessionaire liability to SCOR in the balance sheet is lower.

The retrocessionaires' share in the reserves broken down by retrocessionaires' credit rating is included in Section 4.6, Note 16 – Net contract liabilities.

Management of credit risk related to deposits with cedents

SCOR favors deposit arrangements with the ability to offset liabilities against deposits with high legal certainty.

Deposits with cedents are monitored through a quarterly analysis of exposure and associated risks. Actions aiming at reducing or limiting the exposure (*e.g. ad hoc* legal opinions, introduction of offset clauses) can be implemented where needed.

3.2.5.3. MANAGEMENT OF OTHER CREDIT RISKS

In the event of joint liability of the members in pools to which SCOR participates, the risk of default of other pool members is carefully monitored by SCOR:

- through its appointment as director and *via* the participation of its senior management in dedicated committees such as Audit and Risk Committees and Technical Committees, for the pools in which SCOR's participation is the most significant; and
- *via* the careful consideration of the financial situation of other pool members. This contributes to the application of sound and robust governance.

3.2.5.4. AGING OF ASSETS

The following table provides an overall analysis of the aging of financial assets and receivables as at December 31, 2020:

In EUR millions	Current	1-12 months	12-24 months	24-36 months	> 36 months	Total
Available-for-sale financial assets	18,243	-	-	-	-	18,243
Financial assets at fair value through income	1,632	-	-	-	-	1,632
Derivative instruments	202	-	-	-	-	202
Loans and receivables	9,418	-	-	-	-	9,418
Insurance receivables	6,203	547	66	11	23	6,850
Tax receivables	126	-	-	-	-	126
Miscellaneous assets – others	179	2	-	-	-	181
Cash and cash equivalents	1,804	-	-	-	-	1,804
TOTAL	**37,807**	**549**	**66**	**11**	**23**	**38,456**

The following table provides an overall analysis of the aging of financial assets and receivables as at December 31, 2019:

In EUR millions	Current	1-12 months	12-24 months	24-36 months	> 36 months	Total
Available-for-sale financial assets	18,843	-	-	-	-	18,843
Financial assets at fair value through income	1,351	-	-	-	-	1,351
Derivative instruments	208	-	-	-	-	208
Loans and receivables	9,220	-	-	-	-	9,220
Insurance receivables	6,325	664	59	10	17	7,075
Tax receivables	131	-	-	-	-	131
Miscellaneous assets – others	194	2	-	-	-	196
Cash and cash equivalents	1,435	-	-	-	-	1,435
TOTAL	**37,707**	**666**	**59**	**10**	**17**	**38,459**

Assets have been categorized within the above aging analysis according to their original due date. The due date for each of these instruments may vary depending on the type of asset. insurance and reinsurance receivables business credit terms are typically based on normal terms of trade, as specified within contracts. Insurance and reinsurance receivables include estimates, which are presented as current. The available-for-sale investments and fair value through income categories presented above include fixed income securities and equity securities. For fixed income securities, amounts are only presented as non-current if the security has not been redeemed on the date of maturity and therefore the amount receivable is past due. For equity securities, due to the absence of a contractual date of redemption, these instruments are presented as current. Other assets presented in the above aging analysis, including derivative instruments, loans and receivables, cash and cash equivalents and other accounts receivable, are presented in a similar manner as those instruments described above, depending on the existence of a redemption date.

Impairment information relating to financial assets is included in Section 4.6 – Notes to the consolidated financial statements, Note 8 – Insurance business investments, Note 9 – Accounts receivable from and payable on assumed and ceded insurance and reinsurance transactions and Note 19 – Investment income.

3.2.6. MANAGEMENT OF LIQUIDITY RISKS

Timing

SCOR assesses liquidity risks arising from both short-term and long-term liquidity needs. SCOR manages these risks *via* different mechanisms which consider:

- actions to be taken by the insurance or reinsurance business areas to take into account both short term and long-term liquidity risk (refer to "Maturity Profiles" in Section 3.1.5 – Liquidity risks); and
- the appropriateness of the composition of the assets in terms of nature, duration and liquidity in order to meet obligations as they fall due.

Short- term liquidity, or cash management, includes the day-to-day cash requirements under normal business conditions.

Liquidity considerations over the long-term are assessed in a way which takes into consideration the possibility of various unexpected and potentially adverse business conditions where assets may not be sold for current market values. SCOR estimates the level of its immediately tradable assets (*i.e.* non-pledged assets) which could be sold within a reasonable timeframe.

Transferability

In addition, SCOR monitors the level of transferability of immediately tradable assets between entities, depending on local and regulatory constraints.

The Group has also been granted credit facilities from several banks to support the reinsurance activities of various subsidiaries. The Group regularly adapts and renews these facilities to support its business needs.

Additional information on the timing of repayments and liquidity risk is included in Section 3.1.5 – Liquidity risks. For further information on liquid assets of SCOR Group, see Section 4.6 – Notes to the consolidated financial statements, Note 8 – Insurance business investments.

Additional information on SCOR's letter of credit facilities is included in Section 4.6 – Notes to the financial statement, Note 24 – Commitments received and granted.

3.2.7. MANAGEMENT OF OPERATIONAL RISKS

The two main principles driving the operational risk management approach are:

- exhaustiveness: ensure that a complete and exhaustive identification of all risks within the Group is carried out to the extent possible;
- proportionality: once operational risks are identified, management uses appropriate and proportionate responses, resources and procedures, focusing on key risks.

The process owners are responsible for managing operational risks within the processes. To meet high quality standards, the Group relies on a highly qualified staff to manage processes and the risks within these processes.

In order to support the staff, SCOR has developed Internal Control System (ICS) standards. According to the ICS standards, process owners should be in a position to identify the critical operational risks within the processes assigned to their area of responsibility. The process owners design, implement and operate appropriate key controls and maintain the net risk exposure at or below an acceptable level of possible damage.

At Group level, experienced staff members collect relevant information and analyses on operational risks, on a qualitative and quantitative basis. When relevant, they develop key indicators, with support from Risk Governance. The Group has also implemented regular risk reporting mechanisms in order to provide an overview of operational risks across the Group.

At legal entity level, depending on local requirements, specific operational risk management processes are implemented, where relevant.

In addition, through its assignments, Group Internal Audit (GIA) contributes to the oversight of operational risk management.

Outsourcing some activities or processes may improve or streamline some aspects of a process, but SCOR is still expected to deliver the same level of service. Principles to properly manage potential operational risks stemming from outsourcing of certain functions are set out in dedicated policies and guidelines.

On risks which may develop rapidly, such as external fraud, SCOR adapts its risk management, for example, by organizing specific training programs and sending regular warnings, and detailed instructions to its employees.

Some of the above operational risks are transferred in whole or in part to direct insurers as follows:

- the properties and other main physical assets of SCOR and its subsidiaries are covered locally through property damage policies;
- risks which are mostly covered at Group level include civil liability risks related to the operation of the company caused by employees and real estate, professional liability risks, civil liability risks of directors and officers, and cyber risks.

Nevertheless, these insurance covers could prove to be insufficient and some losses could fall into the scope of the exclusion clauses (or interpreted as such by the insurance company).

3.3. INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

The Group has identified the following categories of risks, as described in Section 3.1 – Main risks:

- strategic risks;
- underwriting risks related to the Non-Life and Life reinsurance business;
- market risks;
- credit risks;
- liquidity risks;
- operational risks.

All these risks are managed through a variety of mechanisms in SCOR's ERM (Enterprise Risk Management) Framework, further described below.

The Group has implemented and continued to further develop and formalize the risk management and internal control systems for several years.

The four general objectives sought through the application of a risk management system and, within it, of an internal control system are:

1. ensure that strategic objectives are properly implemented in the Group;
2. ultimately achieve better operating efficiency and use of resources;
3. ensure compliance with applicable laws and regulations;
4. ensure reliable accounting and financial information.

The risk management system covers the following components:

1. defining the internal environment;
2. objective setting;
3. performing a risk identification;
4. performing a risk evaluation;
5. defining a risk response;
6. documenting and formalizing control activities;
7. presenting the information and communication process;
8. ensuring monitoring of the risk management and internal control systems.

The structure of this Section is based on these components corresponding to the framework implemented by SCOR:

- components 1 and 2 are addressed in the "Internal environment" and "Setting of objectives" sections;
- components 3, 4 and 5 are described in the Section "Identification and assessment of risks";
- components 6, 7, and 8 are respectively addressed in the "Principal activities and participants of risk control", "Information and communication", and "Monitoring of the risk management and internal control system" sections;
- the elements concerning accounting and financial reporting are separate and are presented in the last section.

Each component is composed of several complementary mechanisms. These mechanisms are adapted to business units and legal entities when appropriate. Some mechanisms are only relevant at Group or business unit level and are not implemented specifically at the legal entity level in line with materiality principles.

SCOR's ERM is mature and well established across the Group. Since November 2013, it has been rated "Very Strong" by Standard & Poor's. However, like any risk management and internal control system, the Group's system cannot guarantee that the risk of not achieving the internal control objectives will be completely eliminated. Among the various limitations inherent in the effectiveness of internal controls relating to the preparation of financial documents, those involving decision-making errors based on human judgment are particularly high in a reinsurance company: for example, the accounting data are subject to numerous estimates, primarily because of the evaluation by the reinsurer of claim reserves, either because the claims have not yet been declared to the ceding companies or the reinsurer, or because the claims development is uncertain or subject to a number of assumptions.

3.3.1. INTERNAL ENVIRONMENT

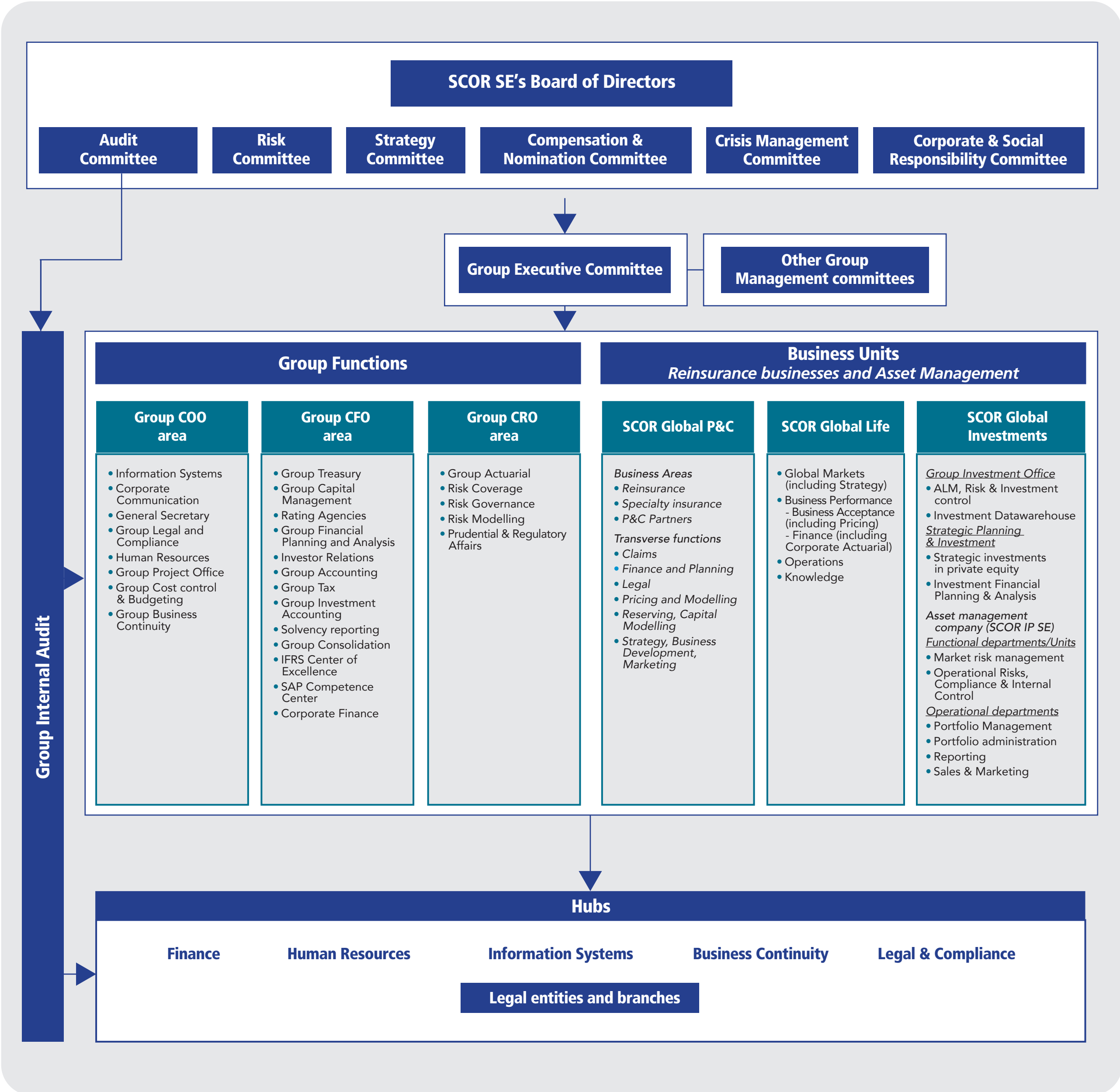
3.3.1.1. GENERAL ORGANIZATION OF THE GROUP

The Group is organized around three engines comprising two main reinsurance businesses and one asset management activity: SCOR Global P&C, SCOR Global Life and SCOR Global Investments.

The Group has set up a functional organization structured around regional management platforms, or "Hubs" in the EMEA (Europe, Middle East and Africa), the Asia-Pacific and the Americas regions. Each subsidiary, branch and representative office has a functional link to a Hub.

For further information on this organization, see Section 1.2.3 – Organizational structure of SCOR.

Group Internal Control System: the participants



Within this environment, control responsibilities are exercised as follows:

- SCOR SE's Board of Directors relies on several dedicated committees, including, but not limited to, the Audit Committee and the Risk Committee to exercise its control responsibility over the objectives it has set for the Company. These two committees are both chaired by independent directors;
- the Group's Executive Committee is chaired by the Chairman and Chief Executive Officer of SCOR SE and meets on a weekly basis. The Executive Committee defines the procedures for implementing the strategy approved by SCOR SE's Board of Directors in line with the principles set out in Group policies, approved by the Board of Directors, for its main areas of activity (*e.g.* investment, finance, risk management) and for certain topics, such as the underwriting plan and the allocation and management of resources. The Executive Committee also supervises the functioning of the Group and the Hubs by monitoring, on a quarterly basis, the bodies contributing to the sound administration of the Group. In addition to the Chairman and Chief Executive Officer, the Executive Committee is currently made up of:
  - the Group Chief Financial Officer (CFO),
  - the Group Chief Risk Officer (CRO),
  - the Group Chief Operating Officer (COO),
  - the SCOR Global P&C Chief Executive Officer (CEO) and his deputy,
  - the SCOR Global Life Chief Executive Officer (CEO) and his deputy,
  - the SCOR Global Investments Chief Executive Officer (CEO);
- the Group Risk Committee meets quarterly and is comprised of the members of the Group Executive Committee. Other risk management and control functions of the business units and the Head of Group Internal Audit are invited to the regular committee meetings. The main missions of the Group Risk Committee are to steer the Group's risk profile, maintain an effective ERM Framework and spread an appropriate Risk Culture throughout the Group;
- monitoring of the internal control procedures falls under the remit of the Group's Executive Management. The Group departments and functional or transversal departments of SCOR Global P&C, SCOR Global Life and SCOR Global Investments with a control responsibility have the task of defining and controlling the implementation of rules pertaining to the areas of their responsibility and applicable to all of the Group's entities. These rules, and the participants, are described in detail in Section 3.3.1.3;
- the three business units, the group functions, as well as the Hubs' support departments must apply the rules defined above. They carry out all controls related to business management and ensure compliance with regulatory, accounting and fiscal laws, at both local and Group levels;
- the Head of Group Internal Audit reports directly to the Chairman and Chief Executive Officer of SCOR SE and functionally to the Chairman of the Audit Committee of the Board of Directors of SCOR SE. This positioning gives the Head of Group Internal Audit the necessary independence and objectivity, and allows for the largest possible room for investigation. Group Internal Audit checks independently the effectiveness and relevance of the governance, risk management and internal control procedures for the Group's entities following a methodical risk based approach, as promoted by the "International Standards for the Professional Practice of Internal Auditing" set out by the Institute of Internal Auditors and the Institute's Code of Ethics. The Internal Audit Charter, approved by the Audit Committee, defines the position within the organization, the role and areas of activity, the principles and main operating procedures of Group Internal Audit.

3.3.1.2. GROUP STANDARDS AND PRACTICES

Group business standards and practices are governed by Group policies and underlying guidelines established in a common format, by the three business units (SCOR Global P&C, SCOR Global Life, SCOR Global Investments) and the central functions such as Group Internal Audit and the functions managed by the Group Chief Financial Officer, the Group Chief Operating Officer and the Group Chief Risk Officer respectively. Group policies are approved by the Group Executive Committee and where required by applicable regulation, are also submitted regularly for review to the relevant committees of the Board and, ultimately, to the approval of the Board of Directors of the Company. These Group policies are not intended to enumerate all the rules governing SCOR's activities in the different countries in which the Group operates, but rather to establish certain principles intended to ensure that SCOR Group companies and employees share a common understanding of the Group's standards and that they work in compliance with these standards. When approved, these documents are all made available to employees on a platform fully dedicated to the policies in force and accessible *via* the SCOR intranet page.

SCOR reviews Group policies for accuracy, completeness and reliability on a regular basis.

For Group policies in force and other business-related legal and compliance requirements, training sessions for certain staff are scheduled and conducted on an annual basis, if this is required by the annual compliance plan.

3.3.1.3. ENTERPRISE RISK MANAGEMENT AND GROUP INTERNAL CONTROL APPROACH

The main tasks of the Risk Governance department are to further develop the Enterprise Risk Management framework and to promote an ERM culture within the Group so that risks are managed consistently within each department.

The Risk Governance department is supported in these tasks by the Risk Coverage department and the department in charge of risk management at SCOR Global Investments. Compliance with local regulations and constraints is ensured by Hub General Counsels.

3.3.2. SETTING OF OBJECTIVES

For several years, SCOR has implemented and formalized three-year strategic plans. On September 4, 2019, SCOR publicly presented "Quantum Leap", its latest strategic plan (mid-2019 to year-end 2021). "Quantum Leap" builds on the success of SCOR's previous strategic plan, "Vision in Action" and sets the Group's new core objectives of:

- a return on equity (ROE) above 800 basis points over the 5-year risk-free rate over the cycle [(1)]; and
- a solvency ratio in the optimal 185%-220% range [(2)].

The strategic plans establish the Group's risk appetite framework, from which the Group's strategy stems.

The Executive Committee defines the procedures for implementing the strategy and ensures the consistency of the operational plans or policies (*e.g.* underwriting, finance, retrocession, information technology) with the strategic plan. The Executive Committee also ensures that there is an optimal risk-based allocation of capital and diversification. Under the responsibility of the Group Chief Risk Officer, the Capital Shield Strategy sets risk limits to ensure a protection of the Group's capital in line with the strategic plan's objectives. The Capital Shield Strategy is approved and monitored by the Group Risk Committee and the Board Risk Committee.

The clarity and detailed description of strategic objectives and their implementation within the Group facilitate the identification, evaluation and control of risks, whatever their nature (*e.g.* underwriting risk, market risk, and operational risk), possibly caused by these objectives.

3.3.3. IDENTIFICATION AND ASSESSMENT OF RISKS

Different techniques and initiatives for identifying and assessing risks have been implemented to analyze risks from different angles and to deal with them in an exhaustive manner. These include:

- a risk information process: every quarter, the Group Risk Committee reviews the "Group Risk Dashboard" which describes and assesses the major risks the Group is exposed to. This report assembles various risk assessments from different identification and assessment processes for all risk categories;
- a process for the monitoring of risk exposures compared to risk tolerances, *i.e.* the limits established in order to ensure that the Group's risk profile remains aligned with the risk level validated by SCOR SE's Board of Directors. The Group uses various risk measures to define these exposures, which are measured based on either model outputs and/or expert opinions, depending on the technical constraints and the level of information available. This includes:
  - a "risk driver" system that enables the Group to manage the annual aggregate exposure to each major risk. The objective is to avoid overconcentration of risk and hence maximize diversification benefits. For the majority of SCOR's risk drivers, the amount of post-tax retained annual exposure per main risk driver (with a probability of 1 in 200 years) is limited to a percentage of the Group's available capital. Other risk drivers have limits expressed in terms of reduction in the Group's solvency ratio or duration for invested assets,
  - an "extreme scenario" system designed to avoid the Group's over-exposure to one single event. The amount of post-tax retained exposure to each defined extreme scenario (with a probability of 1 in 200 years) is limited to 10% of available capital,
  - sub-limits for invested assets,
  - limits per risk which are set in the underwriting and investment guidelines;
- "footprint scenarios", which aim to review and assess the potential impact of selected deterministic scenarios on the Group. This process provides an alternative perspective on the Group's exposures. Working groups dedicated to specific subjects are composed of experts across the Group. These groups perform quantitative studies which are summarized in specific reports;
- an Emerging Risks process which is part of SCOR's ERM Framework and is linked to other risk management methods, such as the use of "footprint scenarios". Potential emerging risks are identified and individual risk assessments are carried out by experts from the business units and the Group functions. Significant emerging risks are then reported to SCOR's Executive Committee and Board. SCOR, as a member of the CRO Forum, also actively participates and contributes to the CRO Forum Emerging Risks Initiative (ERI) alongside other major insurers and reinsurers;
- SCOR's ORSA (Own Risk and Solvency Assessment), which provides the Group's Board and those of the legal entities, the Group Executive Committee and senior management of legal entities, with forward-looking information on SCOR's risks and capital position;
- SCOR's internal model, which is deeply embedded in SCOR's risk management system and contributes to the assessment of risks. SCOR uses its internal model for determining economic capital. Its results are used to implement SCOR's underwriting and asset management policies and guidelines.

Where relevant, the analyses from these processes are reported to the Group Risk Committee and to the Risk Committee of SCOR SE's Board of Directors (the "Board Risk Committee") and to the Board of Directors on a regular basis.

(1) Based on a 5-year rolling average of 5-year risk-free rates.
(2) This solvency target is unchanged from that under the previous strategic plan, "Vision in Action".

3.3.4. MAIN CONTROL ACTIVITIES

Because of its activities, SCOR is exposed to many risks: reinsurance and insurance related risks, market risks and other risks (*e.g.* liquidity, rating). These risks are detailed in Section 3.1 – Main risks of this Universal Registration Document. These activities rely on the control mechanisms including adequate reporting mechanisms to the main governance bodies throughout the Group (see section 3.3.1.1).

This section summarizes the principal activities and participants of risk control for the following important areas:

- group functions;
- activities related to (re)insurance;
- asset management;
- accounting management.

The control activities described below are considered as the principal activities for controlling risks specific to those areas. In accordance with SCOR's internal control system approach, these control activities are performed on Group or Company level, on core business and investment process level, or on support process level.

3.3.4.1. GROUP FUNCTIONS

The Group's functions are organized into three areas led by the Chief Operating Officer, Chief Financial Officer and Chief Risk Officer respectively. The Operations area comprises Information Technology, Human Resources, the General Secretariat (including the Compliance and Legal departments), the Group Project Office, Cost Control and Budgeting, and Corporate Communications. The Finance area comprises Treasury, Financial Planning and Analysis, Corporate Finance, and other functions relating to consolidation, reporting, accounting, financial communications and tax issues. The Risk Management area comprises the Risk Coverage, Risk Governance, Prudential and Regulatory Affairs, Group Actuarial and Risk Modeling departments. Further information is presented below, excluding the financial reporting and financial communication functions dealt with in Sections 3.3.5 and 3.3.7 hereafter.

Operations

- Control of the Group information system is overseen by the Group IT Department at two complementary levels: specific IT processes and business processes all covered by IT solutions. For specific IT processes, a special unit of the Group IT Department deals with all issues of information system security. Periodic audits of information security applications and procedures are conducted. SCOR continually improves its control procedures based on the COBIT (Control objectives for information and technology) guidelines covering the risks listed in its major processes, in particular relating to the development, advancement and use of all solutions, and access to systems and databases. In the context of the business continuity plan, the IT disaster recovery plan is constantly reinforced using the latest technology. In addition, employees can be temporarily moved to any other Group Hub office, or even work from home with their laptop or personal computer.
- The General Secretariat contributes to the management of the following functions:
  - legal and functional governance of the Group;
  - compliance, with the Group Chief Compliance Officer reporting to the General Secretariat (special attention is given to anti-trust/competition law, anti-money laundering and terrorism financing, sanctions and embargoes, anti-bribery, anti-fraud, data protection and privacy, insider trading and conflicts of interest);
  - management of the regulatory supervision of the Group and coordination at legal entity level with the relevant legal departments;
  - management of the Corporate and Social Responsibility approach;
  - the Group's insurance policies, in particular with respect to D&O and professional liability.

  Within the General Secretariat, the Group Legal Department exercises a control function in areas such as the entry into agreements and the supervision of major disputes. This department is also involved where relevant in the aforementioned control with regards to the underwriting of reinsurance business. It also monitors compliance with the Group's filing obligations, including toward the AMF and the Six Swiss Exchange (SWX).
- The Human Resources department controls all processes related to the management of human capital.
- The Group Project Office monitors the Group project portfolio and defines standard project management methodology. It regularly provides reports to the management detailing key indicators and recommendations on the project portfolio for effective management. On the Executive Committee's request, it can also manage strategic projects.
- The budgetary control system for general expenses is organized and managed by the Group Cost Control and Budgeting Department.

Finance

- The Group Treasury Department manages the Group's operating cash flow, directly or indirectly and prepares a weekly centralized report of the Group's cash situation.
- The Group Financial Planning & Analysis Department establishes an annual financial plan for the Group by company and monitors actual data in relation to this plan on a quarterly basis. The purpose of the plan is to enable effective management and control of the business to achieve the strategic targets set by the Group. Detailed annual financial plans are developed by the business engines at a company level, by geographic market and line of business, and incorporated into a Group-wide plan against which an in-depth analysis of the actual quarterly results is conducted. The results and analyses are presented to the Executive Committee every quarter, highlighting variations compared with expectations to allow identification of appropriate management actions. The plan, and the quarterly results against the plan, are additionally reported in detail to the Board.
- The Group Tax function sets the Group tax policy with the purpose of ensuring that the various entities of SCOR meet their tax obligations and promote the use of best practices in this domain.
- The IFRS Center of Excellence (IFRS CoE) determines the Group accounting policies, handles the accounting of complex transactions and manages the production process of the Universal Registration Document, the Half-Year Report and the Solvency II narratives reports (SFCR and RSR).
- The Group Reporting department encompassing consolidation, Investment accounting and Solvency II quantitative reporting plays a major role in both internal management reporting and external financial reporting, and the analysis thereof.

- The Systems, Process and Projects department maintains the accounting system in collaboration with the Group IT Department, provides both technical and functional support to end-users, promotes operational excellence within the Finance domain, and is actively involved in the delivery of the Finance projects.

Risk Management

- The Risk Coverage and Risk Governance departments' primary focus is to develop and manage ERM mechanisms, and to promote ERM concepts throughout the Group, in addition to providing risk management challenge and support for reinsurance underwriting and asset management.
- The Prudential & Regulatory Affairs department advises the Group on prudential regulations. It ensures the Group actively positions itself in relation to the different jurisdictions and requirements to which it is exposed, or could be exposed and continuously develops and promotes SCOR's leading risk management expertise through regular dialogue with internal and external stakeholders, including our staff, clients, supervisors, the (re)insurance industry, academia and the public. Prudential and Regulatory Affairs also provides specialist expertise to SCOR colleagues *via* the Solvency II Centre of Excellence and prepares the Group for the adoption of major new prudential regulations.
- The Group Actuarial department provides quarterly approval on the adequacy of the reserves held for both the Life and P&C business units. In the context of Solvency II, the Group Actuarial Department provides an opinion on the Technical Provisions, the underwriting policy and the retrocession arrangements, validates the Group's Internal Model and contributes to the effective implementation of risk management throughout the Group.
- The Risk Modeling department manages and operates SCOR's Internal Model and provides a detailed quantitative analysis on the modelled range of changes in economic value. It provides reports to management on risk assessment and actively assists the Company in its various uses of the Internal Model.

3.3.4.2. ACTIVITIES RELATED TO REINSURANCE

The operating and control procedures concerning underwriting, pricing, administration of reinsurance contracts and claims management are validated by SCOR Global P&C and SCOR Global Life and are applied to all underwriting segments of the company in question, regardless of location.

For further information on how the main underwriting risks related to the Non-Life and Life reinsurance business are managed, see Section 3.2.2 – Management of underwriting risks related to the P&C and Life businesses.

3.3.4.3. ASSET MANAGEMENT

The Group invests in assets through its business unit SCOR Global Investments, composed of an asset management company regulated by the French *Autorité des marchés financiers* (SCOR Investment Partners SE) and of two services: Investment Business Performance and Group Investment Risk & Sustainability.

Governance and principles

The Group has harmonized the principles governing the management of its assets based on three documents:

- "SCOR Group Policy on Invested Assets" defines the Group's policy and governance in terms of asset management;
- "SCOR Sustainable Investing Policy" defines the main orientations of the sustainability approach of the Group in its asset management;
- "Group Investment Guidelines" determines the limits for concentration risk and of exposure to different asset classes as well as the conditions in which SCOR Global Investments will implement the Group investment policy as defined by the Group Investment Committee.

These three documents are rolled out across all SCOR entities to ensure consistency across the Group. Together, these documents set the rules to be applied by all internal and external asset managers on behalf of the legal entities.

The Group Investment Committee meets at least once every quarter. Its role is to define the investment strategy on a Group level and to supervise the implementation of this strategy regarding the regulatory and contractual constraints. At local level, local investment committees supervise the implementation of the investment strategy relating to their legal entities as well as the compliance of the portfolios positioning with the local investment guidelines.

Investment strategy

The investment strategy at SCOR is risk based and the portfolio's positioning is derived from the risk appetite and risk tolerance allocated by the Group to invested assets.

The primary investment objective of SCOR is to generate recurring investment income in accordance with the risk limits of the Group, and to ensure that the Group:

- is able to meet its claims and expense payment obligations at all times; and
- creates value for its shareholders in line with the objectives set out in the strategic plan.

While,

- preserving the Group liquidity and level of solvency;
- protecting the capital;
- allowing the Group to operate on a day-to-day basis as well as over the long term;
- contributing to the well-being and resilience of society;
- complying with legal entities investment regulations, risk appetites and regulatory capital requirements (level of capital and type of admissible assets), and Group and local investment guidelines;
- implementing strict assets and liabilities management and in accordance with policy congruence on currency.

Operational framework

As a general rule, and in compliance with local regulations, legal entities of SCOR appoint the Group to supervise and implement the investment and reinvestment of all of their invested assets. This relationship is put in place through an Investment Management Agreement ("IMA") which includes local investment guidelines.

SCOR delegates to SCOR Investment Partners the implementation of the investment strategy for its invested assets as determined by the Group Investment Committee. This relationship is put in place through a Master Investment Management Agreement ("MIMA") which includes the list of invested assets portfolios and legal entities and their respective investment guidelines. In case of local regulatory restrictions or due to the size of some investment portfolios, some legal entities may not be included in this framework. They should delegate to external asset managers the management of their invested assets through a strong selection process. When possible, SCOR Investment Partners acts as an investment advisor to these legal entities.

Reporting and risk monitoring

Group Investment Risk & Sustainability monitors, on an ex ante and ex post basis, the compliance of the portfolio positioning with regard to the Group risk appetite and investment guidelines. Breaches are escalated to the Group Investment Committee as well as to the Group and Board Risk Committees. Investments falling outside of the scope of the Group Investment Guidelines are subject to special referral procedures managed by the Risk Management area. Investment Business Performance is responsible for monitoring processes related to financial performance and reporting regarding invested assets.

Assets owned by all Group entities are monitored in one central information system under the responsibility of SCOR Investment Business Performance. The information systems of SCOR Investment Partners monitor transactions on publicly traded securities (audit trail, valuation of securities). Investment Business Performance controls the consistency and the completeness of the data used for the valuation of the assets.

Middle office department of SCOR Investment Partners has been reinternalized in the management company during the course of 2019.

3.3.4.4. ACCOUNTING MANAGEMENT

See Section 3.3.7 – Financial reporting.

3.3.5. INFORMATION AND COMMUNICATION

Financial communication

The establishment and centralization of all financial information – particularly press releases, intended for the market, investors, financial analysts, and the press – are the joint responsibility of the Corporate Communications Department and the Investor Relations Department, according to a formalized process. Financial information intended for rating agencies is the responsibility of the Rating Agencies Department. All of this information is ultimately controlled by General Management.

Concerning the Universal Registration Document, a specific process has been implemented to ensure the contribution of all relevant departments and the consistency of the information provided. A final edit is made by members of the Executive Committee.

The Corporate Communications Department systematically and simultaneously publishes regulated information, including press releases, *via* a professional host included in the official list published by the AMF and on SCOR's website (www.scor.com).

Internal communication

SCOR strives to make all documents deemed important available to all SCOR employees on its intranet, OneSCOR, a single point of entry for all the latest information about the Group and its business units, Group functions and offices. OneSCOR has notably strengthened the Group's crisis communication, for example with regard to the Covid-19 health crisis.

This new intranet is part of the Office 365 environment and is constructed around SharePoint, a platform that also hosts collaborative sites where SCOR staff can share documents, retain document archives, and collect and centralize information pertaining to certain subjects (*e.g.* emerging risks) from various sources.

SCOR has established reporting principles for all risk management related documents across the Group, with dedicated review processes and governance.

SCOR designs and implements training and development programs on these topics across the Group through SCOR University, aimed at maintaining and developing the skills of all SCOR's staff in accordance with the strategy and the objectives of the Group.

3.3.6. MONITORING OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The monitoring of the internal control and risk management systems is ensured by a number of complementary mechanisms with the support of several departments across the Group.

SCOR implements dedicated processes and tools to identify, assess and monitor its risk exposures on a regular basis. See Section 3.3.3 – Identification and assessment of risks.

In addition, SCOR implements dedicated risk management mechanisms in the three business units in order to evaluate the appropriateness and effectiveness of controls and propose risk-management and mitigation measures. See Section 3.1.2 – Underwriting risks related to the Life and P&C reinsurance businesses for further details on these risk management mechanisms.

SCOR also operates an "Internal Control System Competence Center" (ICS-CC). The core objective of this competence center is to pool the ICS expertise in order to foster a consistent ICS approach and application of ICS standards across the Group. The ICS-CC consists of experts, who are dedicated to coordinating the internal control formalization activities within the Group, its business units and entities, and supporting the business process owners where necessary. The ICS standards are applied based on the principle of proportionality. ICS processes have been documented accordingly, focusing on those considered the most critical. The ICS documentation is being maintained across the Group and regularly reviewed for continuous improvement.

The approach used to develop and maintain the internal control system is specified in the ICS Group Policy. The policy sets out the reference framework and details the Group principles, the responsibilities of the different participants in internal control and the quality requirements. The principal characteristics of the internal control system are as follows:

- a risk-based approach, *i.e.* addressing critical operational risks that, if not controlled, could significantly impact SCOR's franchise, balance sheet or statement of income and indirectly its solvency. The optimal risk response is obtained through appropriately designed key controls;
- on a process level, appointment of process owners responsible for documenting processes, identifying the related critical risks, defining the appropriate key controls and ensuring their deployment and application either at Group, business unit or legal entity levels. Process owners are also responsible for assessing processes, risks and key controls;
- monitoring, upon completion of the initial documentation, through a self-assessment procedure on the maturity (quality) of control processes based on pre-defined criteria by their owners.

In addition, and in accordance with its risk-based audit plan and through its periodic assignment, Group Internal Audit provides independent and objective assessments on the adequacy, effectiveness and efficiency of the internal control system. Any findings and risks lead to recommendations and management remediation actions which are followed up by Group Internal Audit.

Group Internal Audit provides independent, objective assurance and consulting services designed to assess the adequacy, effectiveness and efficiency of SCOR's governance, policies and guidelines, risk management and internal control system, as well as compliance of operations with applicable policies and guidelines, in order to ensure the safeguarding and integrity of SCOR's assets (*e.g.* financial assets, human resources, systems and data), the effective use of resources and identify opportunities for process improvement.

Furthermore, Group Internal Audit must inform the Executive Committee and the Audit Committee of any unsatisfactory conditions or risks.

When Group Internal Audit concludes that the management has accepted a level of risk that may be unacceptable to the organization, it must discuss the matter with the Executive Committee. If the Head of Group Internal Audit determines that the matter has not been resolved, he/she must communicate the matter to the Audit Committee.

Group Internal Audit develops a multi-year internal audit plan (revised at least annually) in a risk-based manner, taking the organization's risk management framework and including risk appetite levels set by management for the different activities, or parts of the organization, into account. The expectations of senior management and the Audit Committee are considered in this process. Once reviewed and approved by the Audit Committee, it is communicated internally and headlines are published on the SCOR intranet.

Group Internal Audit carries out a quarterly follow-up process to monitor and ensure that management actions agreed in the audit reports have been effectively implemented or that senior management has accepted the risk of not taking action. The follow-up results are provided to the Executive Committee and the Audit Committee.

The Audit Committee receives a report on the Internal Audit activities every quarter.

Furthermore, the Finance Department manages the "internal management representation letters" process, detailed in Section 3.3.7 on financial reporting, which also incorporates certain points relative to internal control of accounting and financial reporting.

3.3.7. FINANCIAL REPORTING

The accounting and finance function is the responsibility of the Chief Financial Officer, who manages all financial areas in order to have an overall view of the Group's technical and financial results.

The Chief Financial Officer relies on the finance departments of operating companies, which provide him with quarterly consolidation packages, as well as on the finance departments of SCOR Global P&C, SCOR Global Life and SCOR Global Investments which assist him in coordinating aspects relating to the processes, methods and reporting.

General accounting for SCOR subsidiaries is supported by two main auxiliary accounting systems, namely (1) a system for technical accounting; and (2) a system for investment accounting.

The processes for technical accounting and the calculation of technical reserves, which are predominantly within the single information system (OMEGA), are applied by Group entities.

Concerning technical accounting, numerous regular controls are conducted directly (automatic and systematic, or for consistency or by testing) by the technical accounting teams located in the subsidiaries. Technical results are analyzed quarterly by the finance departments of SCOR Global P&C and SCOR Global Life, and the Group Chief Actuary regularly performs an actuarial review of the Group technical reserves.

SCOR Global P&C

The calculation of technical reserves (including IBNR – Incurred But Not Reported) which have a significant impact on the balance sheet and income statement, is largely based on contractual and accounting data provided by ceding companies, the relevance of which is verified upstream. This calculation of technical reserves is subject to the following successive controls by:

- the actuaries in charge of reserves through control reports for which the proper implementation is verified by the Actuarial Department of the business unit and of the Group;
- the Group Chief Actuary, particularly for methods, tools and results.

SCOR Global Life

The recognition and measurement of technical reserves (in particular mathematical reserves) and related intangible assets (including deferred acquisition costs and value of acquired portfolio) are based on contractual and settlement data and subject to the following controls:

- the reinsurance treaties are either reviewed individually or are pooled within an affiliation treaty based on certain criteria defined in advance;
- the treaties are then subject to reserving estimates, which are reviewed at each quarterly closing either by the actuaries or at meetings attended by underwriters, technical assistants, and actuaries.

A quarterly liability adequacy test is performed for portfolios that are subject to broadly similar risks and managed together as a single portfolio.

SCOR Global Investments

Monitoring of financial assets and cash flows is provided through various operating methods. The information systems used provide an audit trail of the transactions carried out. In certain entities, accounting activities are delegated to external service providers; controls implemented by these entities make it possible to verify the proper recording of accounting data and consistency of the figures. Cash reconciliations are made on a daily basis and security transactions are reconciled in less than 24 hours) with reports from the various custodians. Portfolios managed directly are monitored in real time.

Accounting and consolidation process

Regarding the processes of preparation of consolidation packages and consolidation of accounting data by the Group Reporting department, internal control is ensured by:

- the definition of a closing process, clear responsibilities and a detailed financial statement closing schedule, which is monitored, in the closing period, on a daily basis;
- use of a market recognized consolidation software package ("SAP BFC") common to all Group entities, which ensures the whole consolidation process through automated and formalized controls;
- the use of a general accounting software tool ("SAP") shared by all Group entities;
- the centralized management of charts of accounts and the use of a single chart of accounts (with minimum local specificities, aligned with existing Group systems);
- a definition of responsibilities for controlling the integration of auxiliary accounting systems;
- the formalization of the reconciliations between auxiliary, general and consolidation accounting systems;
- at least three levels of control of the consistency and completeness of the consolidation packages, one by the entity concerned, another by the finance departments of SCOR Global P&C and SCOR Global Life relative to technical accounting and the third by the Group Finance departments;
- systematic analyses of results, shareholders' equity, taxation and cash flow;
- internal monitoring of changes in legislation and accounting standards, together with the Group's external consultants and auditors;
- the work of the IFRS Center of Excellence, whose objectives are to (1) communicate developments in accounting standards to all contributors, (2) determine IFRS accounting policies and (3) coordinate justification and documentation of accounting treatment for complex operations;
- an audit performed by external auditors as at December 31, and a limited review as at June 30.

Since 2015, SCOR has implemented a single General Ledger (SAP), bringing the following advantages:

- the use of a single chart of accounts (with minimum local specificities, aligned with existing source systems);
- one system for one IT solution;
- streamlined, integrated and standardized processes across the Group;
- limited and automatized mappings between systems;
- extended capabilities for reporting (including drilldown from financial to source system data);
- enhanced audit trail.

In addition, and without calling into question the implementation of internal control rules by SCOR and its managers, Executive Management requests, within the framework of the reporting and quarterly consolidation procedure, that all local managers of Group entities, as well as Senior Managers of SCOR Global P&C, of SCOR Global Life and of certain Group functions such as tax and consolidation, prepare a specific quarterly statement for the Chairman and Chief Executive Officer, and for the Group Chief Financial Officer in internal management representation letters (IMRL) as to the reliability and fair presentation of the financial statements of the entities they manage and the effectiveness of the internal controls. Management of the SCOR Global P&C and SCOR Global Life business units review the individual entity level internal representation letters and submit a business unit letter. The results of all internal management representation letters are analyzed and monitored by a committee including the General Secretary of SCOR, the Group General Counsel, the Group Chief Accounting Officer and the Head of the IFRS Center of Excellence. The key points are communicated to the Group Chief Financial Officer and the Group Chief Executive Officer, and to the Head of Internal Audit.

3.3.8. CONCLUSION ON THE CONTROL PROCEDURES IMPLEMENTED

SCOR believes that its risk management and internal control systems are appropriate and adapted to its activities and is engaged in an ongoing process to improve its internal control standards and their implementation.

04

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Article 19 of Regulation (EU) 2017/1129 of June 14, 2017 of the European Parliament and Council, the following information is incorporated by reference in this Universal Registration Document (URD):

- The consolidated financial statements as at December 31, 2019 are included from pages 157 to 240 and the Statutory Auditors' report on these consolidated financial statements as at December 31, 2019 is included from pages 240 to 245 of the Universal Registration Document filed with the AMF on March 13, 2020 under Number D.20-0127 (and from pages 157 to 240 and from pages 240 to 245, respectively, of the free translation into English of the above mentioned Universal Registration Document. The translation is available on SCOR's website www.scor.com);
- The consolidated financial statements as at December 31, 2018 are included from pages 163 to 248 and the Statutory Auditors' report on these consolidated financial statements as at December 31, 2018 is included from pages 249 to 255 of the Registration Document filed with the AMF on March 4, 2019 under Number D.19-0092 (and from pages 163 to 248 and from pages 249 to 255, respectively, of the free translation into English of the above mentioned Registration Document. The translation is available on SCOR's website www.scor.com).

The consolidated financial statements for the year ended December 31, 2020 are presented below:

4.1. CONSOLIDATED BALANCE SHEET

ASSETS

		As at December 31	
In EUR millions		2020	2019
Goodwill arising from insurance activities	**Note 6**	**800**	**788**
Goodwill arising from non-insurance activities	**Note 6**	**82**	**82**
Value of business acquired	**Note 7**	**1,099**	**1,302**
Insurance business investments	**Note 8**	**30,098**	**30,283**
Real estate investments		603	661
Available-for-sale financial assets		18,243	18,843
Investments at fair value through income		1,632	1,351
Loans and receivables		9,418	9,220
Derivative instruments		202	208
Investments in associates	**Note 3**	**13**	**13**
Share of retrocessionaires in insurance and investment contract liabilities	**Note 16**	**1,781**	**2,227**
Other assets		**10,540**	**10,748**
Accounts receivable from assumed insurance and reinsurance transactions	Note 9	6,564	6,724
Accounts receivable from ceded reinsurance transactions	Note 9	286	351
Deferred tax assets	Note 18	562	532
Tax receivables		126	131
Miscellaneous assets	Note 10	1,546	1,413
Deferred acquisition costs	Note 11	1,456	1,597
Cash and cash equivalents	**Note 12**	**1,804**	**1,435**
TOTAL ASSETS		**46,217**	**46,878**

SHAREHOLDERS' EQUITY AND LIABILITIES

In EUR millions		As at December 31 2020	2019
Shareholders' equity – Group share	**Note 13**	**6,155**	**6,348**
Share capital		1,471	1,473
Additional paid-in capital		609	624
Revaluation reserves		315	214
Consolidated reserves		3,511	3,614
Treasury shares		(43)	(54)
Net Income for the year		234	422
Share-based payments		58	55
Non-controlling interests		**22**	**26**
TOTAL SHAREHOLDERS' EQUITY		**6,177**	**6,374**
Financial liabilities	**Note 14**	**3,210**	**3,027**
Subordinated debt		2,538	2,409
Real estate financing		487	517
Other financial liabilities		185	101
Employee benefits and other provisions	**Note 15**	**227**	**268**
Contract liabilities	**Note 16**	**30,501**	**31,236**
Insurance contract liabilities		30,162	30,913
Investment and financial reinsurance contract liabilities		339	323
Other liabilities		**6,102**	**5,973**
Derivative instruments	Note 8	85	29
Accounts payable on assumed insurance and reinsurance transactions	Note 9	710	910
Accounts payable on ceded reinsurance transactions	Note 9	1,230	1,431
Deferred tax liabilities	Note 18	260	270
Tax payables		135	90
Miscellaneous liabilities		3,682	3,243
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**46,217**	**46,878**

4.2. CONSOLIDATED STATEMENT OF INCOME

In EUR millions		For the year ended December 31 2020	2019	2018
Gross written premiums		16,368	16,341	15,258
Change in unearned premiums reserves		(47)	(446)	(203)
Gross earned premiums	**Note 5**	**16,321**	**15,895**	**15,055**
Other income and expenses		(17)	(31)	(54)
Investment income	Note 19	734	754	687
Total income from ordinary activities		**17,038**	**16,618**	**15,688**
Gross benefits and claims paid		(12,494)	(11,792)	(11,168)
Gross commission on earned premiums		(2,846)	(2,869)	(2,786)
Net retrocession result	Note 20	(318)	(327)	(264)
Investment management expenses	Note 21	(80)	(75)	(68)
Acquisition and administrative expenses	Note 21	(541)	(564)	(537)
Other current operating expenses	Note 21	(236)	(235)	(226)
Total other current operating income and expenses		**(16,515)**	**(15,862)**	**(15,049)**
CURRENT OPERATING RESULT		**523**	**756**	**639**
Other operating expenses		(55)	(61)	(35)
Other operating income		11	18	28
OPERATING RESULT (BEFORE IMPACT OF ACQUISITIONS)		**479**	**713**	**632**
Acquisition related expenses		-	-	-
Gain from bargain purchase	Note 4	-	-	26
OPERATING RESULT		**479**	**713**	**658**
Financing expenses	Note 14	(142)	(143)	(153)
Share in results of associates		(1)	(1)	(8)
CONSOLIDATED INCOME, BEFORE TAX		**336**	**569**	**497**
Corporate income tax	Note 18	(106)	(147)	(107)
Impact from the U.S. tax reform	Note 18	-	-	(68)
Total income tax		**(106)**	**(147)**	**(175)**
CONSOLIDATED NET INCOME		**230**	**422**	**322**
Attributable to:				
Non-controlling interests		(4)	-	-
GROUP SHARE		**234**	**422**	**322**

In EUR				
Earnings per share (basic)	Note 22	1.26	2.27	1.72
Earnings per share (diluted)	Note 22	1.25	2.25	1.70

4.3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In EUR millions		For the year ended December 31 2020	2019	2018
Consolidated net income		**230**	**422**	**322**
Other comprehensive income		**(420)**	**482**	**(182)**
Items that will not be reclassified subsequently to income		**(12)**	**(24)**	**(18)**
Remeasurements of post-employment benefits		(16)	(31)	(24)
Taxes recorded directly in equity	Note 18	4	7	6
Items that will be reclassified subsequently to income		**(408)**	**506**	**(164)**
Revaluation – Available-for-sale financial assets		199	660	(511)
Shadow accounting		(71)	(202)	125
Effect of changes in foreign exchange rates		(523)	126	145
Net gains/(losses) on cash flow hedges		22	30	(6)
Taxes recorded directly in equity	Note 18	(36)	(110)	90
Other changes		1	2	(7)
COMPREHENSIVE INCOME, NET OF TAX		**(190)**	**904**	**140**
Attributable to:				
Non-controlling interests		(4)	-	-
Group share		(186)	904	140

4.4. CONSOLIDATED STATEMENT OF CASH FLOWS

		For year ended December 31		
In EUR millions		2020	2019	2018
Net cash flows provided by/(used in) operations	**Note 12**	**988**	**841**	**891**
Acquisitions of consolidated entities	Note 4	(2) [1]	(13) [1]	(75) [2]
Change in scope of consolidation (cash and cash equivalents of acquired companies)	Note 4	-	2 [1]	80 [2]
Disposals of consolidated entities, net of cash disposed of		-	-	4 [3]
Acquisitions of real estate investments		(24)	(64)	(36)
Disposals of real estate investments		110	124	37
Acquisitions of other insurance business investments [4]		(9,328)	(9,168)	(7,464)
Disposals of other insurance business investments [4]		8,915	9,030	7,435
Acquisitions of tangible and intangible assets		(135)	(130)	(82)
Disposals of tangible and intangible assets		-	-	-
Net cash flows provided by/(used in) investing activities		**(464)**	**(219)**	**(101)**
Issuance of equity instruments		3	10	23
Treasury share transactions		(43)	(1)	(289)
Dividends paid		-	(327) [5]	(314) [5]
Cash generated by issuance of financial liabilities	Note 14	335	150 [6]	739 [6]
Cash used to redeem financial liabilities	Note 14	(208)	(99)	(658) [7]
Interest paid on financial liabilities		(115)	(117)	(137)
Other cash flows from financing activities		(13)	11	(2)
Net cash flows provided by/(used in) financing activities		**(41)**	**(373)**	**(638)**
Effect of change in foreign exchange rates on cash and cash equivalents		(114)	11	22
TOTAL CASH FLOWS		**369**	**260**	**174**
Cash and cash equivalents at January 1	**Note 12**	**1,435**	**1,175**	**1,001**
Net cash flows provided by/(used in) operations		988	841	891
Net cash flows provided by/(used in) investing activities		(464)	(219)	(101)
Net cash flows provided by/(used in) financing activities		(41)	(373)	(638)
Effect of change in foreign exchange rates on cash and cash equivalents		(114)	11	22
CASH AND CASH EQUIVALENTS AT DECEMBER 31		**1,804**	**1,435**	**1,175**

(1) Cash related to the acquisition of the capital voting rights of Coriolis, see Note 4 – Acquisitions and disposals.
(2) Cash related to the acquisition of the capital voting rights of MutRé and Essor Seguros, see Note 4 – Acquisitions and disposals.
(3) Partial disposal of Asefa in 2018 for EUR 4 million.
(4) Acquisitions and disposals of other insurance business investments also include movements relating to bonds and other short-term investments with a maturity of less than three months and classified as cash equivalents.
(5) Of which EUR 2 million of dividends paid by MRM to non-controlling interests (EUR 2 million paid in 2019 and EUR 2 million paid in 2018).
(6) Cash generated by issuance of financial liabilities includes net proceeds from perpetual subordinated notes issuance of USD 125 million in 2019 and USD 625 million in 2018.
(7) Cash used to redeem financial liabilities includes the redemption of two subordinated debts, CHF 315 million and CHF 250 million.

4.5. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In EUR millions	Share capital	Additional paid-in capital	Revaluation reserves	Consolidated reserves	Treasury shares	Net income for the year	Share-based payments	Non controlling interests	Total consolidated
Shareholders' equity at January 1, 2020	**1,473**	**624**	**214**	**3,614**	**(54)**	**422**	**55**	**26**	**6,374**
Allocation of prior year net income	**-**	**-**	**-**	**422**	**-**	**(422)**	**-**	**-**	**-**
Net income for the year ended December 31, 2020	**-**	**-**	**-**	**-**	**-**	**234**	**-**	**(4)**	**230**
Other comprehensive income net of tax	**-**	**-**	**101**	**(521)**	**-**	**-**	**-**	**-**	**(420)**
Revaluation – Assets available for sale	-	-	199	-	-	-	-	-	199
Shadow accounting	-	-	(71)	-	-	-	-	-	(71)
Effect of changes in foreign exchange rates	-	-	-	(523)	-	-	-	-	(523)
Net gains/(losses) on cash flow hedges	-	-	-	22	-	-	-	-	22
Taxes recorded directly in equity	-	-	(27)	(5)	-	-	-	-	(32)
Remeasurements of post-employment benefits	-	-	-	(16)	-	-	-	-	(16)
Other changes	-	-	-	1	-	-	-	-	1
Comprehensive income net of tax	**-**	**-**	**101**	**(521)**	**-**	**234**	**-**	**(4)**	**(190)**
Share-based payments (1)	-	-	-	(4)	11	-	3	-	10
Other changes	-	-	-	-	-	-	-	-	-
Capital transactions (2)	(2)	(15)	-	-	-	-	-	-	(17)
Dividends paid	-	-	-	-	-	-	-	-	-
SHAREHOLDERS' EQUITY AT DECEMBER 31, 2020	**1,471**	**609**	**315**	**3,511**	**(43)**	**234**	**58**	**22**	**6,177**

(1) Reduction of treasury shares for EUR 11 million mainly coming from the cancellation of shares related to the share-buy-back program.
(2) Issuance of shares related to the exercise of stock options of EUR 4 million (EUR 2 million in share capital and EUR 2 million in additional paid-in capital). This resulted in the creation of 189,700 shares during the year ended December 31, 2020. These movements were offset by a reduction in Group capital through the cancellation of treasury shares of EUR 21 million (EUR 4 million in share capital and EUR 17 million in additional paid-in capital).

In EUR millions	Share capital	Additional paid-in capital	Revaluation reserves	Consolidated reserves	Treasury shares	Net income for the year	Share-based payments	Non controlling interests	Total consolidated
Shareholders' equity at January 1, 2019 before adoption of new IFRS	**1,521**	**815**	**(145)**	**3,556**	**(338)**	**322**	**69**	**28**	**5,828**
Effect of adoption of new IFRS (1)	**-**	**-**	**-**	**(45)**	**-**	**-**	**-**	**-**	**(45)**
Shareholders' equity at January 1, 2019 after adoption of new IFRS	**1,521**	**815**	**(145)**	**3,511**	**(338)**	**322**	**69**	**28**	**5,783**
Allocation of prior year net income	**-**	**-**	**-**	**322**	**-**	**(322)**	**-**	**-**	**-**
Net income for the year ended December 31, 2019	**-**	**-**	**-**	**-**	**-**	**422**	**-**	**-**	**422**
Other comprehensive income net of tax	**-**	**-**	**359**	**123**	**-**	**-**	**-**	**-**	**482**
Revaluation – Assets available for sale	-	-	660	-	-	-	-	-	660
Shadow accounting	-	-	(202)	-	-	-	-	-	(202)
Effect of changes in foreign exchange rates	-	-	-	126	-	-	-	-	126
Net gains/(losses) on cash flow hedges	-	-	-	30	-	-	-	-	30
Taxes recorded directly in equity	-	-	(99)	(4)	-	-	-	-	(103)
Remeasurements of post-employment benefits	-	-	-	(31)	-	-	-	-	(31)
Other changes	-	-	-	2	-	-	-	-	2
Comprehensive income net of tax	**-**	**-**	**359**	**123**	**-**	**422**	**-**	**-**	**904**
Share-based payments (2)	-	-	-	(17)	284	-	(14)	-	253
Other changes	-	-	-	-	-	-	-	-	-
Capital transactions (3)	(48)	(191)	-	-	-	-	-	-	(239)
Dividends paid	-	-	-	(325)	-	-	-	(2)	(327)
SHAREHOLDERS' EQUITY AT DECEMBER 31, 2019	**1,473**	**624**	**214**	**3,614**	**(54)**	**422**	**55**	**26**	**6,374**

(1) Effect due to first time application of IFRS 16 and IFRIC 23 (refer to Note 1.3 – IFRS standards applied for the first time and IFRS standards published but not yet effective).

(2) Reduction of treasury shares of EUR 284 million mainly due to the cancellation of shares related to the share-buy-back program.

(3) Issuance of shares related to the exercise of stock options of EUR 9 million (EUR 3 million in share capital and EUR 6 million in additional paid-in capital). This resulted in the creation of 509,135 shares during the year ended December 31, 2019. These movements were offset by a reduction in Group capital through the cancellation of treasury shares of EUR 248 million (EUR 51 million in share capital and EUR 197 million in additional paid-in capital).

In EUR millions	Share capital	Additional paid-in capital	Revaluation reserves	Consolidated reserves	Treasury shares	Net income for the year	Share-based payments	Non controlling interests	Total consolidated
Shareholders' equity at January 1, 2018	**1,524**	**839**	**156**	**3,508**	**(179)**	**286**	**61**	**30**	**6,225**
Allocation of prior year net income	**-**	**-**	**-**	**286**	**-**	**(286)**	**-**	**-**	**-**
Net income for the year ended December 31, 2018	**-**	**-**	**-**	**-**	**-**	**322**	**-**	**-**	**322**
Other comprehensive income net of tax	**-**	**-**	**(301)**	**119**	**-**	**-**	**-**	**-**	**(182)**
Revaluation – Assets available for sale	-	-	(511)	-	-	-	-	-	(511)
Shadow accounting	-	-	125	-	-	-	-	-	125
Effect of changes in foreign exchange rates	-	-	-	145	-	-	-	-	145
Net gains/(losses) on cash flow hedges	-	-	-	(6)	-	-	-	-	(6)
Taxes recorded directly in equity	-	-	85	11	-	-	-	-	96
Remeasurements of post-employment benefits	-	-	-	(24)	-	-	-	-	(24)
Other changes	-	-	-	(7)	-	-	-	-	(7)
Comprehensive income net of tax	**-**	**-**	**(301)**	**119**	**-**	**322**	**-**	**-**	**140**
Share-based payments	-	-	-	(45)	(159)	-	8	-	(196)
Other changes	-	-	-	-	-	-	-	-	-
Capital transactions (1)	(3)	(24)	-	-	-	-	-	-	(27)
Dividends paid	-	-	-	(312)	-	-	-	(2)	(314)
SHAREHOLDERS' EQUITY AT DECEMBER 31, 2018	**1,521**	**815**	**(145)**	**3,556**	**(338)**	**322**	**69**	**28**	**5,828**

(1) Issuance of shares related to the exercise of stock options for EUR 23 million (EUR 10 million in share capital and EUR 13 million in additional paid-in capital). This resulted in the creation of 1,278,077 shares during the year ended December 31, 2018. These movements were offset by a reduction in Group capital through the cancellation of treasury shares for EUR 50 million (EUR 13 million in share capital and EUR 37 million in additional paid-in capital).

4.6. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Note•1 ACCOUNTING PRINCIPLES AND METHODS

Note•1.1 GENERAL INFORMATION

SCOR SE ("the Company") is a European Company (*Societas Europaea*) domiciled in France and governed by the provisions of French law relating to European Companies as well as by the French corporate law provisions applicable to joint stock companies (*sociétés anonymes*) where this is not contrary to the specific provisions applicable to European Companies. SCOR's shares are publicly traded on the Eurolist by Euronext Paris stock market and on the SIX Swiss Exchange. The principal activities of the Company and its subsidiaries ("the Group" or "SCOR") are Life and Non-Life reinsurance.

The consolidated financial statements were presented by Group Management to the Audit Committee. Management and the Audit Committee report to the Board of Directors, which approved the consolidated financial statements on February 23, 2021.

The consolidated financial statements as at and for the year ended December 31, 2020 will be presented for approval at the 2021 Annual Shareholders' Meeting.

Note•1.2 BASIS OF PREPARATION

SCOR's consolidated financial statements for the financial year ended December 31, 2020 have been prepared in compliance with IFRS issued by the International Accounting Standards Board (IASB) as adopted by the European Union ("EU") and effective as at December 31, 2020. The term "IFRS" refers collectively to International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and to the interpretations of the Standing Interpretations Committee (SIC) and the IFRS Interpretations Committee (IFRIC), mandatorily applicable as at December 31, 2020. See Note 1.3 – IFRS Standards applied for the first time and IFRS Standards published but not yet effective for a detailed overview on the new and amended International Financial Reporting Standards applicable in 2020 that are relevant to SCOR and adopted by the Group as endorsed by the European Union and the standards relevant to SCOR and expected to have a significant impact that were issued by the IASB but have not yet been adopted by the European Union.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial instruments (including derivative instruments) at fair value through income.

The financial statements of material subsidiaries are prepared for the same accounting period as for the parent company. All material intragroup balances and transactions, including the result of intercompany transactions, are fully eliminated.

Reclassification of prior years' comparatives

Certain immaterial reclassifications and revisions have been made to the financial information in respect of the prior years to bring it in line with the current year presentation.

Use of judgments and estimates

The preparation of the consolidated financial statements requires management to make certain judgments, assumptions and estimates. These may affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent assets and liabilities at the reporting date. Management reviews these estimates and assumptions periodically, based on past experience and other factors. With regards to the Covid-19 pandemic, assessment of the impact with respect to the P&C and Life business exposures requires a high degree of estimation and is highly judgmental. In general, claims information is still limited. Estimates for determining the accounting positions as at December 31, 2020 are made based on current available information and SCOR's expertise. There is still a high degree of uncertainty regarding future developments and current estimates could evolve as more information becomes available. The actual outcome and results could differ substantially from estimates and assumptions made. The main material financial statement captions for which the Group uses estimates and assumptions are reinsurance reserves, accounts receivable from and accounts payable on reinsurance transactions, the fair value and impairment of financial instruments, intangible assets, retirement and other defined postemployment benefits and deferred taxes, in particular with respect to the recognition of deferred tax assets and the availability of future taxable income against which tax loss carryforwards can be used.

Consequences of the United Kingdom's referendum to leave the European Union

The impact of the referendum on the United Kingdom's membership in the European Union has led to heightened financial market volatility and increased political and economic uncertainty. To prepare for Brexit the Group has set up a new entity, SCOR Europe SE. With effect from January 1, 2019, SCOR Europe SE, a 100%-owned subsidiary of SCOR SE, has started to underwrite new and renewed business relating to risks located in the EEA that can no longer be accepted by SCOR UK Company Ltd. after the end of the Brexit date. SCOR Europe SE will also take over all commitments from policies previously issued by SCOR UK Company Ltd. which the latter can no longer honor following Brexit and in absence of specific agreements to this extent.

Significant events of the year

Refer to Note 2 – Significant events of the year and Covid-19 for details relating to the pandemic and a summary of financial impacts from Covid-19 in 2020.

Foreign currency translation and transactions

The Group's consolidated financial statements are presented in euros (EUR) and all values are rounded to the nearest EUR million except where stated otherwise. Percentages and percent changes are calculated on unrounded figures (including decimals), therefore the Notes might contain immaterial differences in totals and percentages due to rounding.

The other key currencies in which the Group conducts business and the exchange rates used for the preparation of the consolidated financial statements are as follows:

EUR per foreign currency unit	Closing rate as at December 31, 2020	Average rate Q4 2020	Average rate Q3 2020	Average rate Q2 2020	Average rate Q1 2020
USD	0.8187	0.8387	0.8552	0.9087	0.9062
GBP	1.1189	1.1076	1.1048	1.1279	1.1604
CAD	0.6432	0.6436	0.6421	0.6555	0.6756
CNY	0.1254	0.1266	0.1237	0.1282	0.1299

EUR per foreign currency unit	Closing rate as at December 31, 2019	Average rate Q4 2019	Average rate Q3 2019	Average rate Q2 2019	Average rate Q1 2019
USD	0.8918	0.9029	0.8996	0.8905	0.8802
GBP	1.1821	1.1628	1.1088	1.1463	1.1465
CNY	0.1285	0.1282	0.1282	0.1307	0.1304

EUR per foreign currency unit	Closing rate as at December 31, 2018	Average rate Q4 2018	Average rate Q3 2018	Average rate Q2 2018	Average rate Q1 2018
USD	0.8721	0.8762	0.8599	0.8393	0.8134
GBP	1.1094	1.1272	1.1204	1.1415	1.1323
CNY	0.1268	0.1267	0.1263	0.1315	0.1280

SCOR SE's functional currency is EUR. Where the functional currency of an entity is not the same as the reporting currency used to present the Group's consolidated financial statements, assets and liabilities of the entity are translated using the exchange rate at the reporting date and the statement of income and the statement of comprehensive income are translated using the average exchange rate for the period. Translation differences are recognized directly in shareholders' equity in the reserve line denominated "Currency translation adjustment".

Movements in the translation adjustment are primarily due to the translation of financial statements of subsidiaries and branches not using EUR as their functional currency.

As at December 31, 2020, 2019 and 2018, the Group has one net investment hedge in place (see Note 8.9 – Derivative instruments).

The Group reviews the functional currencies of its entities on an ongoing basis to ensure they appropriately reflect the currency of the primary economic environment in which they operate.

Transactions denominated in foreign currencies (currencies other than the functional currency) are translated into the functional currency at the exchange rate applicable at the date of the transaction (for practical purposes, an average rate is used). These rates may differ from the rates used to translate functional currency into the reporting currency as mentioned above.

At each period end, the items on the balance sheet denominated in a foreign currency must be translated into the functional currency, using the following procedures:

- monetary items and non-monetary items measured at fair value through income are translated at end of period exchange rates and the resulting gains and losses are recorded in the statement of income;
- other non-monetary items are translated:
  - at the exchange rates in effect on the transaction date for items measured at historical cost, or
  - at the end of period exchange rates if they are measured at fair value, and
  - to the extent that any gains or losses arise, these are directly recorded in shareholders' equity. In particular this affects foreign exchange differences for available for sale equity securities and exchange differences resulting from the conversion of these items which are also directly recorded in shareholders' equity;
- the gains and losses resulting from the translation of net foreign investment hedges are recorded in other comprehensive income. They are recognized in the statement of income upon the disposal of the net investment.

Argentina is considered to be a hyperinflationary economy as from July 2018. The impact of IAS 29 – Financial Reporting in Hyperinflationary Economies – related to SCOR's entity in Argentina is immaterial to the Group's consolidated financial statements.

Accounting principles and methods specific to reinsurance activities

Certain specific reinsurance accounting principles are described directly within Notes 9 – Accounts receivable from and payable on assumed and ceded insurance and reinsurance transactions, 11 – Deferred acquisition costs, 16 – Net contract liabilities, and 20 – Net retrocession result. Further accounting principles and methods related to reinsurance activities are described below:

Classification and accounting of reinsurance contracts

The contracts assumed and retroceded by the Group are subject to different IFRS accounting rules depending on whether they fall within the scope of IFRS 4 – Insurance Contracts or IAS 39 – Financial Instruments: Recognition and Measurement.

Assumed and ceded reinsurance transactions are contracts that transfer significant reinsurance risk at the inception of the contract. Reinsurance risk is transferred when the Group agrees to compensate a cedent if a specified uncertain future event (other than a change in financial variables) adversely affects the cedent. Any contracts that do not meet the definition of a reinsurance contract under IFRS 4 – Insurance Contracts, are classified as investment and financial reinsurance contracts or derivative contracts as appropriate.

Assumed and ceded reinsurance transactions that do not transfer significant reinsurance risk are recognized in accordance with IAS 39 – Financial Instruments: Recognition and Measurement. Premiums collected are not recognized as income, and reserves and deferred acquisition costs are classified as "Investment and financial reinsurance contract liabilities" or "Financial contract assets" on the balance sheet. These liabilities are assessed only on the basis of contractual flows and no longer on the basis of estimated ultimate results as required by accounting principles applicable to insurance transactions. Income from these transactions is equal to SCOR's net fee or spread and is recorded in "Other income and expenses".

Cedent accounts

The reinsurance entities of the Group record accounts transmitted by ceding companies upon receipt. At year end, estimates are made for those accounts not yet received from ceding companies. Under this method, the amounts recorded in the financial statements reflect as closely as possible the actual reinsurance commitments of the Group. This method is applied to the majority of the contracts signed during the year.

Premium estimates

Non-Life gross premiums (both written and earned) are based upon reports received from ceding companies, supplemented by the Group's own estimates of premiums (both written and earned) for which ceding companies' reports have not yet been received. Differences between such estimates and actual amounts are recorded in the period in which the estimates are changed, or the actual amounts are determined. The difference between ultimate estimated premiums, net of commissions, and premiums reported by ceding companies, is recorded under accounts receivable from or accounts payable on assumed reinsurance transactions. Premiums are earned on a basis that is consistent with the risks covered under the terms of the reinsurance contracts, which is generally one to two years. For certain US and Japanese catastrophe risks, agriculture risks in Brazil and certain other risks, premiums are earned commensurate with the seasonality of the underlying exposure.

Unearned premium reserves represent the portion of premiums written that relate to the unexpired terms of contracts and policies in force. Such reserves are computed by pro-rata methods based on statistical data or reports received from ceding companies. Reinstatement premiums are estimated after the occurrence of a significant loss and are recorded in accordance with the contract terms based upon paid losses and case reserves reported in the period. Reinstatement premiums are earned when written.

For Life reinsurance contracts qualifying as "insurance contracts", the estimation method consists of estimating ceding companies' outstanding accounts for the current year in addition to information actually received and recorded.

Shadow accounting

For the measurement of deferred acquisition costs (DAC), value of business acquired (VOBA) and reserves recognized for different insurance portfolios, SCOR applies the shadow accounting principles stipulated in IFRS 4. As the amortization of DAC (for the Life business) and VOBA is calculated using expectations for estimated revenues from investments and the measurement of reserves is based on the discount rate reflecting directly the performance of assets, the corresponding portion of the unrealized gains and losses recorded under available-for-sale financial investments is considered as shadow DAC, shadow VOBA and shadow reserves and offset directly in shareholders' equity.

Impairment of shadow DAC and shadow VOBA for the life business is included within the liability adequacy testing conducted by SCOR Global Life.

Participation in Lloyd's syndicates

Participations in syndicates operating at Lloyd's of London are accounted for on an annual basis with a delay due to the transmission of information from syndicates that the Group does not control. The Group recognizes its proportionate share of the syndicates' insurance and reinsurance premiums as revenue over the policy term, and claims, including an estimate of claims incurred but not reported. At the end of an underwriting year, typically three years after the policy's inception, syndicates reinsure all remaining unsettled liabilities into the following underwriting year, a mechanism known as Re-Insurance To Close ("RITC"). If the Group participates in both accepting and ceding transactions and has increased its participation, RITC paid is reduced, which generates an RITC receivable. This reflects the fact that the Group has assumed a greater proportion of the business of the syndicate. If the Group has reduced its participation from one year of account to the next, the RITC receivable is eliminated, generating an RITC payable. This reflects the reduction in the Group's exposure to risks previously written by the syndicates. The Group recognizes Lloyd's RITC in claims and benefits to ensure consistency with other reinsurance transactions and to present a true and fair view.

Note•1.3 IFRS STANDARDS APPLIED FOR THE FIRST TIME AND IFRS STANDARDS PUBLISHED BUT NOT YET EFFECTIVE

Following the issuance on September 26, 2019 of the phase 1 of its amendments to IFRS 9, IAS 39 and IFRS 7 relating to the Interest Rate Benchmark Reform, the IASB released on August 27, 2020 the 'Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)' to address the impacts of the IBOR reform on financial reporting once a benchmark rate is replaced by an alternative reference interest rate. Amendments concern:

- changes applicable to financial assets, financial liabilities and lease liabilities where the IASB introduces a practical expedient considering that such assets or liabilities should not be derecognized but remeasured using the updated Effective Interest Rate (EIR);
- hedge accounting requirements where existing hedging relationships should not be discontinued but the relating documentation and qualification should be updated accordingly;
- quantitative disclosure at each reporting period on progress made on the transition to alternative benchmark rates and risks arising from this transition.

SCOR is currently assessing the impacts of the Interest Rate Benchmark Reform on its reinsurance contracts, financial assets and liabilities, lease contracts and existing hedging relationships and has at this stage not identified major impacts on its accounts. This assessment will continue throughout the year 2021 when the existing benchmark rates will be discontinued and the impact of changes reported at interim periods until the transition is complete.

These amendments are effective for annual periods beginning on or after January 1, 2021, with no restatement required. The EU endorsed these amendments on January 14, 2021.

The following standards relevant to SCOR and expected to have a significant impact on its consolidated financial statements have been issued by the International Accounting Standards Board but are not yet effective or have not been adopted by the European Union:

- On July 24, 2014, the IASB published IFRS 9 – Financial Instruments. The final version of IFRS 9 replaces the previously published versions of IFRS 9 on classification and measurement and hedge accounting. It also replaces IAS 39 – Financial Instruments: Recognition and Measurement and covers classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with earlier application permitted. The EU endorsed IFRS 9 on November 22, 2016. However, as described below, SCOR opted for the Deferral Approach for IFRS 9 as granted by IFRS 4 and thus can defer application of the standard until January 1, 2023, if such effective date will be endorsed by the EU. To avoid a simultaneous first time application with IFRS 17 for operational reasons, SCOR proposed to adopt IFRS 9 one year earlier than IFRS 17, on January 1, 2022.

  IFRS 9 requires financial assets to be classified based on the business model for managing the financial assets and their contractual cash flows characteristics. Based on their classification, financial assets will be measured at amortized cost, fair value through other comprehensive income (OCI) or fair value through P&L. The new impairment model requires recognition of expected credit losses based on available historical, current and forward looking information and defines new criteria for significant increase in credit risk information. The hedging model included in IFRS 9 aligns hedge accounting more closely with risk management but does not fundamentally change the types of hedging relationships or the requirements to measure and recognize hedge effectiveness. The adoption of IFRS 9 will affect the classification and measurement of the Group's financial assets as more financial assets are expected to be accounted for at fair value through profit or loss. For equity investments, an accounting policy choice will be available to account for such instruments at fair value through profit or loss, or at fair value though OCI without recycling. SCOR's impairment policies will also be affected as impairments will be recognized based on expected credit losses and no longer based on incurred credit losses only. There are no significant changes expected for the hedge accounting as applied by SCOR. The Group is in the process of implementing IFRS 9 and has finalized the methodologies for classification and measurement as well as for the expected credit risk model. Design and systems implementation are about to be finalized and several test phases are scheduled throughout 2021 to ensure operational readiness for adoption of IFRS 9 on January 1, 2022.
- On September 12, 2016, the IASB published an Amendment to IFRS 4 – Insurance contracts, in order to address the temporary consequences of different effective dates of IFRS 9 and IFRS 17. The EU endorsed this amendment on November 3, 2017. Applying IFRS 9 before IFRS 17 would potentially increase volatility in profit or loss. The amendment introduces two independent options to address such additional accounting volatility: a temporary exemption from applying IFRS 9 ("Deferral Approach") and reclassifying the increased volatility from profit or loss to other comprehensive income ("Overlay Approach"). The Deferral Approach would result in continued application of IAS 39 and some additional disclosures about the fair value of asset meeting the "solely payment of principal and interest" criterion and information about their credit risk exposure until IFRS 17 becomes effective. The deferral option is restricted to companies whose predominant activity is to issue insurance contracts. SCOR has assessed it would meet the predominance criteria and will defer the application of IFRS 9. SCOR's predominant activity is issuing (re)insurance contracts, which is reflected in the significance of liabilities arising from (re)insurance activities representing more than 90% of total liabilities. Liabilities connected to (re)insurance activities amounted to EUR 32.9 billion compared to total liabilities of EUR 35.2 billion as at December 31, 2015. For calculating the predominance ratio, subordinated debt, accounts payable on assumed and ceded reinsurance transactions, pension liabilities and deferred tax liabilities have been considered in addition to the contract liabilities in the scope of IFRS 4.
- On June 25, 2020 the IASB issued Amendments to IFRS 17 with a new mandatory effective date of January 1, 2023. The IASB also decided to extend to 2023 the temporary exemption for insurers to apply IFRS 9, so that both IFRS 9 and IFRS 17 can be applied at the same time. This Amendment is yet to endorsed by the EU.
- During 2018, SCOR performed an initial impact assessment of classification and measurement of its financial assets under IFRS 9. This initial assessment was based on available information at the time and may be subject to changes arising from further detailed analyses or additional reasonable and supportable information becoming available in the future. The tables below relate to the additional disclosures required when the IFRS 9 – Deferral Approach is applied. Disclosures are based on the current financial assets portfolio and on the assessment conducted in 2020.

Fair value as of 2020 year-end and the amount of change of fair value during the financial year 2020 for the two groups of financial assets meeting or not meeting the SPPI criteria are the following:

In EUR millions	Fair value as at December 31, 2020	Change in fair value during 2020 [(1)]
Financial assets with contractual terms that meet the SPPI test definition	20,075	210
Other financial assets	3,303	(32)
TOTAL FINANCIAL ASSETS [(2)]	**23,378**	**178**

(1) The change in fair value during 2020 displays the movement in unrealized gain/loss balances of financial assets held as at December 31, 2020. The change in fair value includes the impact from foreign exchange rate changes and partial reductions in holdings of financial assets still in the portfolio as at December 31, 2020.

(2) Financial assets include those held by the Group on behalf of third parties as part of its asset management activities. The elimination of third party shares is presented as "Other liabilities".

The following table presents information about the credit risk exposure related to financial assets that meet the SPPI criteria. The carrying amount under IAS 39 corresponds to the fair value for assets classified as AFS and FVPL and to the carrying amount before impairment for assets booked at cost or amortized cost:

In EUR millions	Carrying amount under IAS 39 as at December 31, 2020
AAA	2,427
AA	4,303
A	4,839
BBB	3,210
<BBB	1,366
Not rated	3,931
TOTAL FINANCIAL ASSETS THAT MEET SPPI CRITERIA	**20,075**

The fair value for financial assets that meet the SPPI criteria and that do not have a low credit risk (i.e those rated < BBB or not rated) corresponds to the carrying amount before impairment shown in the table.

- On May 18, 2017, the IASB published IFRS 17 – Insurance Contracts which will replace the current guidance in IFRS 4 – Insurance Contracts. After making a number of amendments, the final Standard IFRS 17 was issued by the IASB on June 25, 2020. The Standard has a mandatory effective date of January 1, 2023, with earlier application permitted. The amendments address targeted improvements and some of the concerns and implementation challenges that were identified after IFRS 17 – Insurance Contracts was published in 2017. The IASB also extended to 2023 the temporary exemption for insurers to apply IFRS 9, so that both IFRS 9 and IFRS 17 can be applied at the same time. The final Standard on Insurance Contracts still needs to be endorsed by the EU.

  IFRS 17 will significantly change the accounting for insurance contracts as currently applied. IFRS 17 introduces a current fulfilment measurement approach as the general model for all insurance and reinsurance contracts. Insurance obligations will be the sum of current fulfilment cash flows and the unearned profit for a contract or group of contracts. Current fulfilment cashflows comprise the discounted expected future cash in- and outflows in the boundary of a contract or group of contracts, including a risk adjustment. The unearned profit is called CSM (Contractual Service Margin). Contracts that are onerous on initial recognition require an immediate loss recognition. Insurance contracts will be re-measured based on current market information at each reporting date. Under IFRS 17, the performance of the Group will mainly be depicted through the insurance service result (the profit earned from providing (re)insurance coverage) and the financial result (investment income from managing insurance assets and insurance finance expense from discounting insurance obligations). Gross written premiums will no longer be presented on the face of the income statement. Presentation of balance sheet and income statement will change under IFRS 17 compared to current practice. The new Standard also requires additional disclosures and reconciliations to enable users of the Financial Statements to understand the amounts recognized on the balance sheet and in total comprehensive income as well as the risks embedded in insurance contracts that the Group issues. IFRS 17 requires significant changes in systems and processes. SCOR continued to work on the implementation phase of the IFRS 17 project throughout 2020. The final effective date of IFRS 17, January 1, 2023 has been considered in the overall project planning.

Note•2 SIGNIFICANT EVENTS OF THE YEAR AND COVID-19

The outbreak of the new coronavirus was first reported around end of 2019/early 2020 and was characterized as a pandemic by the World Health Organization on March 11, 2020. Management continuously monitored the developments and has assessed the impacts of the pandemic on SCOR's consolidated financial statements as at December 31, 2020 considering that a high degree of management judgment is required in making accounting assessments.

The full impact of the Covid-19 crisis on SCOR's business and results can still not be accurately assessed at this stage, given the uncertainty related both to the magnitude and duration of the Covid-19 pandemic and to the possible effects of future governmental actions and/or legal developments in this context. This uncertainty follows from the high difficulty in working on sound hypothesis on the impact of this crisis due to the lack of comparable events, the ongoing nature of the pandemic, and its far-reaching impacts on world-wide economies, on the health of the population and on customers and counterparties. These hypotheses include, in particular:

- the duration of the pandemic, its impact on health on the short and long term, the availability and effect of the vaccines;
- the response of government bodies world-wide (including executive, legislative and regulatory);
- potential judicial actions or social influences;
- the coverage and interpretation of SCOR's contracts under these circumstances;
- the assessment of the net claim estimate and impact of claim mitigation actions.

Therefore, any of the impacts described below should be understood in this context as management judgments and estimates made based on evolving analysis and the wide range of theoretical hypothesis which are still highly evolutive. At this stage, none of the scenarios, assessments, impact analysis or figures can be considered as certain or definitive.

The Group consolidated financial statements are prepared under the going-concern assumption and include the current assessment of claim costs for SCOR's P&C and Life business units (EUR 284 million and EUR 314 million Covid-19 related claims, net of retrocession and before tax, respectively), based on data currently available, information received from cedents to date and the results of models used. These impacts comprise notified claims (EUR 187 million for the Life business unit and EUR 104 million for the P&C business unit) and estimates of incurred but not reported claims, increasing insurance contract liabilities. The assessment performed as at December 31, 2020 is based on parameters that are still to a great extent estimated, even if taking information known at this stage into account. Clearer information about actual exposure is expected further in 2021.

For the Life business unit, the main exposure arises in the U.S, accounting for EUR 283 million of claim costs, net of retrocession and before tax. In other markets, Covid-19 related claims amount to EUR 31 million (net of retrocession and before tax) in 2020. Key assumptions in determining claims costs include epidemiological assumptions in relation to expected population impacts from Covid-19 and assumptions in relation to how this translates to the (re)insured population.

For the P&C business unit, the Group's exposure comes mainly from Credit, Surety & Political risks and from Property Business Interruption. Regarding Credit, Surety and Political Risks, limited cedent and insured information has been received to date, and the assessment is based upon models calibrated for forecasts of the impact of Covid-19 on growth and for the extensive intervention measures from governments and central banks. Regarding Property Business Interruption, SCOR has estimated that its exposures relate to a very small amount of affirmative pandemic coverage and non-damage Business Interruption, mostly in Western Europe, with non-damage Business Interruption scarce in the U.S. and largely sub-limited in APAC. Uncertainty remains in terms of estimating the cost of this business interruption notably in light of coverage and aggregation clauses.

SCOR Global P&C has further identified a decrease in gross written premium for the financial year 2020 by EUR 225 million attributable to Covid-19, which has an impact on the net result of EUR (6) million. For the Life business unit, no significant impact on gross written premiums has been identified in the reporting period.

The pandemic led to increased volatility in financial markets, particularly during the first half of 2020. SCOR did not reclassify financial instruments. Fair value measurement approaches have not been changed. The financial year 2020 includes EUR 42 million impairments on invested assets (1) before tax.

In assessing potential impairment of non-financial assets management considered whether triggers for impairment were identified. No impairment triggers were identified for goodwill related to insurance and non-insurance business activities in the course of 2020 and the annual impairment tests performed did not identify impairments as recoverable amounts exceeded in all cases the respective carrying amounts. The VOBA impairment review did take into consideration potential impacts from the pandemics, not resulting in changes to the amortization plan.

Lease payments from SCOR in a lessee position, mainly related to leases of office buildings, were not impacted by Covid-19 as at December 31, 2020. Rent concessions granted by SCOR as a lessor did not have material impacts on the financial performance.

Many governments around the world have reacted to the economic crises triggered by the pandemic and issued government assistance packages, including tax concessions or rebates. SCOR assessed potential impacts on reported tax charges and balances under consideration of whether these were substantively enacted and met recognition requirements. Deferred tax assets and liabilities are recorded in applying accounting policies consistently. Deferred tax asset recoverability tests have been updated following the Covid-19 pandemic and did not result in changes in the overall position. Recoverability of deferred tax assets will depend on the availability of future taxable income.

For further information on other significant events occurred during the financial year 2020 please refer to:

- Note 13.1, Share capital – Dividends;
- Note 4, Acquisitions and Disposals – AgroBrasil acquisition;
- Note 8.9, Derivative instruments – New Cat bond Atlas Capital Reinsurance 2020 DAC;
- Note 14.1, Subordinated debt – Placement of EUR 300 million subordinated notes;
- Note 26, Litigation – Court ruling related to Covéa litigation.

(1) Impairments on insurance business investments net of (i) third party interest, (ii) non-controlling interest and (iii) assets not held for investment purposes.

Note•3 SCOPE OF CONSOLIDATION

Determining control

All material entities over which SCOR has control are fully consolidated. SCOR controls an entity when it is exposed to, or has rights to, variable returns from its investment in the entity and has the ability to affect those returns through its power to direct the entity's activities.

Critical judgments are sometimes required to determine the consolidation method for certain entities in which the Group holds less than 50% of the voting rights. As such, from its acquisition date to December 31, 2018, despite having held less than 50% of its voting rights, the Group determined that it controlled MRM as it exerted de facto control as defined by IFRS 10 in light of the proportion of voting rights it held and of the wide dispersion of the other vote holders. As at December 31, 2020, the Group holds more than 50% of MRM's voting rights.

Subsidiaries are consolidated from the date on which the Group acquires control until the date on which control is transferred outside the Group or control ceases.

Certain non significant subsidiaries have been included within the Group financial statements under the equity method and are not fully consolidated on a line-by-line basis.

Interests in joint arrangements and associates

The Group's investments in associates are accounted for using the equity method. Associates are companies in which the Group exercises significant influence but no control or joint control. Significant influence generally occurs when the Group owns, directly or indirectly, between 20% and 50% of the outstanding voting rights. For certain associates accounted for under the equity method, the Group consistently uses provisional financial year-end information and makes adjustments, if necessary, in the following reporting period.

SCOR determined that its Lloyd's participations and reinsurance pools do not constitute joint arrangements as there is no contractually agreed sharing of control requiring unanimous consent for decisions about the relevant activities of those arrangements.

Consolidation of investment funds

The Group, through SCOR Investment Partners, acts as a fund manager for various investment funds. Funds for which SCOR acts as principal are consolidated, even if the Group holds less than 50% of the voting rights.

When determining whether the Group acts as an agent or a principal with respect to investment funds, the power to direct the relevant fund activities, *i.e.* the scope of the Group's decision-making authority over the funds, as well as the aggregated economic interest, including the returns and fund management compensation generated for the Group are taken into account.

Investment funds and real estate entities are fully consolidated in accordance with the aforementioned principles. Non-controlling interests in fully consolidated investment funds are presented in "Other liabilities" as the third-party holders have an unconditional right to sell their holdings to SCOR. 100% of assets (including insurance business investments and cash and cash equivalents), liabilities, cash flows and income statement of the fully consolidated funds, are therefore reflected in SCOR's consolidated financial statements.

Certain mutual funds that the Group manages and controls are open to external investors. When certain conditions are met, these funds are consolidated under a "short-cut method" under which the total assets of the fund are recognized as investments at fair value through income on the line "Insurance business investments", and the elimination of the third-party share is presented as "Other liabilities".

Structured entities

Structured entities are entities that have been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when voting rights relate to administrative tasks only and relevant business activities are directed by means of contractual arrangements.

The Group sponsors a number of catastrophe bond ("Cat bond") notes issued by Atlas special purpose vehicles (SPVs). In addition, SCOR uses a structured retrocession agreement with a protected cell company. These vehicles and entities are not consolidated by the Group as SCOR does not control them, is not liable for any residual risk or benefit of ownership and has no ability to affect their returns.

SCOR has no interests in consolidated structured entities.

Note•3.1 SIGNIFICANT SUBSIDIARIES, INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

		2020 Percentage		2019 Percentage		
	Country	Control	Interest	Control	Interest	Consolidation method
SCOR SE	France	Parent	Parent	Parent	Parent	Parent
SCOR Global Life Reinsurance Ireland dac	Ireland	100	100	100	100	Full
SCOR Life Ireland dac	Ireland	100	100	100	100	Full
SCOR Switzerland Asset Services AG	Switzerland	100	100	100	100	Full
SCOR Services Switzerland AG	Switzerland	100	100	100	100	Full
SCOR Switzerland AG	Switzerland	100	100	100	100	Full
SCOR Underwriting Ltd.	UK	100	100	100	100	Full
SCOR UK Company Ltd.	UK	100	100	100	100	Full
SCOR Holding (UK) Ltd.	UK	100	100	100	100	Full
General Security Indemnity Company of Arizona	US	100	100	100	100	Full
SCOR Global Life Americas Reinsurance Co. (SGLA)	US	100	100	100	100	Full
SCOR Global Life USA Holdings Inc.	US	100	100	100	100	Full
SCOR Global Life Americas Holding Inc. (Delaware)	US	100	100	100	100	Full
SCOR Reinsurance Company	US	100	100	100	100	Full
SCOR U.S. Corporation	US	100	100	100	100	Full
SCOR Global Life USA Reinsurance Company	US	100	100	100	100	Full
SCOR Global Life Reinsurance Company of Delaware	US	100	100	100	100	Full
SCOR Life Assurance Company (SLAC)	US	100	100	100	100	Full
SCOR Life Reassurance Company (SLRC)	US	100	100	100	100	Full
SCOR Fin Life Insurance Company	US	100	100	100	100	Full
SCOR Canada Reinsurance Company	Canada	100	100	100	100	Full
SCOR Reinsurance Company (Asia) Ltd.	Hong Kong	100	100	100	100	Full
SCOR Reinsurance Asia Pacific Pte Ltd.	Singapore	100	100	100	100	Full
SCOR SERVICES ASIA-PACIFIC PTE LTD	Singapore	100	100	100	100	Full
SCOR Africa Ltd.	South Africa	100	100	100	100	Full
SCOR Brazil Reasseguros SA	Brazil	100	100	100	100	Full
SCOR Brazil Participações Ltda	Brazil	100	100	100	100	Full
ESSOR Seguros S.A.	Brazil	100	100	100	100	Full
SCOR Perestrakhovaniye	Russia	100	100	100	100	Full
SCOR Global Life Australia Pty Ltd.	Australia	100	100	100	100	Full
NON INSURANCE ENTITIES						
MRM SA	France	59.90	59.90	59.90	59.90	Full
SCOR Investment Partners SE	France	100	100	100	100	Full
SCOR Capital Partner SAS	France	100	100	100	100	Full
SCOR Auber	France	100	100	100	100	Full
Château Mondot SAS	France	100	100	100	100	Full
SCOR Management Services Ireland Ltd	Ireland	100	100	100	100	Full

Note•3.2 INVESTMENTS CONSOLIDATED USING THE EQUITY METHOD

The Group has investments that are accounted for using the equity method and are not individually or in aggregate material to the Group. The following table provides a summary of the aggregate amount of SCOR's share of these investments.

	As at December 31	
In EUR millions	2020	2019
Aggregate net book value (in SCOR) of individually immaterial associates	13	13
Aggregate amount of the reporting entity's share of net income/(loss)	(1)	(1)
Other comprehensive income	-	-
Total comprehensive income/(loss)	(1)	(1)

The table above is based on 2020 and 2019 provisional financial information.

Note•3.3 INFORMATION RELATED TO UNCONSOLIDATED STRUCTURED ENTITIES

The Group sponsors a number of special purpose vehicles (SPVs) designed to reduce SCOR's exposure to catastrophe losses and to longevity developments through the transfer of risk to external investors.

Depending on the design of the risk transfer agreement with the SPV, the transaction is classified as either a derivative instrument or an insurance contract. Derivatives are accounted for at fair value through income and are presented in the balance sheet line item "Derivative instruments". Future payments to the SPV scheduled in the risk transfer contract are recognized as "Other liabilities". Assets from the agreements designated as insurance contracts are recognized in the balance sheet line item "Share of retrocessionaires in insurance and investment contract liabilities". Payments to the SPV are recognized in the income statement as "Retroceded written premiums".

	December 31, 2020				December 31, 2019		
	Atlas Capital Reinsurance	Atlas Capital UK	Atlas Capital UK	Mangrove Insurance	Atlas Capital	Atlas Capital	Mangrove Insurance
In EUR millions	2020 DAC	2019 PLC	2018 PLC	PCC Limited	UK 2019 PLC	UK 2018 PLC	PCC Limited
Insurance business investments	45	56	-	-	85	-	-
Share of retrocessionaires in insurance and investment contract liabilities	-	-	-	224	-	-	152
Total assets	**45**	**56**	**-**	**224**	**85**	**-**	**152**
Other liabilities	47	62	-	220	92	-	153
Total liabilities	**47**	**62**	**-**	**220**	**92**	**-**	**153**

SCOR's maximum exposure to losses from unconsolidated structured entities is the carrying amount of the assets (such carrying amount varies during the coverage period, in particular if a significant catastrophic event occurs) which cannot exceed the maximum residual cover of the risk transfer agreement. Exposure relates to credit risk which is very limited due to the use of low-risk collateral. Liabilities are settled by SCOR according to the risk transfer agreement.

Atlas Capital Reinsurance 2020 DAC

In 2020, SCOR has sponsored a new catastrophe bond ("cat bond"), Atlas Capital Reinsurance 2020 DAC, which provides the Group with multi-year risk transfer capacity of USD 200 million to protect itself against storms in the U.S. and earthquakes in the U.S. and Canada. The risk period for Atlas Capital Reinsurance 2020 DAC will run from April 30, 2020, to May 31, 2024. The instrument is accounted for as a derivative instrument.

Atlas Capital UK 2019 PLC – Catastrophe bond

On June 1, 2019, SCOR successfully sponsored a new catastrophe bond, Atlas Capital UK 2019 PLC, which provides the Group with multi-year risk transfer capacity of USD 250 million to protect itself against US named storms, US and Canada earthquake events and windstorms in Europe. The risk period for Atlas Capital UK 2019 runs from June 1, 2019, to May 31, 2023. The instrument is accounted for as a derivative instrument.

Atlas Capital UK 2018 PLC – Catastrophe bond

On June 1, 2018, as part of its policy of diversifying its capital protection tools, SCOR sponsored a catastrophe bond, Atlas Capital UK 2018 PLC, which provides the Group with multi-year risk transfer capacity of USD 300 million to protect itself against named storms in the US, earthquakes in the US and Canada, and windstorms in Europe. The risk period for Atlas Capital UK 2018 runs from June 1, 2018, to May 31, 2022.

The contract has been accounted for as a reinsurance contract in accordance with IFRS 4 – Insurance Contracts.

Mangrove Insurance PCC Limited – Quota Share Longevity Retrocession Agreement

On December 18, 2019, as part of its policy of diversifying its capital protection tools, SCOR entered into a structured retrocession transaction with Mangrove Insurance PCC Limited, which provides the Group with a multi-year source of retrocessional capacity. The transaction covers longevity risks arising from nine existing in-force reinsurance treaties with clients in the United Kingdom. The risk period for Mangrove Insurance PCC Limited runs from October 1, 2019 until October 1, 2048.

The contract has been accounted for as a reinsurance contract, in accordance with IFRS 4 – Insurance Contracts.

Atlas IX – Catastrophe bond

SCOR benefited in 2019 of an additional recovery of USD 13 million (EUR 12 million) with regards to Atlas IX 2015-1, following the exceptional series of large natural catastrophes that occurred during the second half of 2017. In 2018, the recovery related to Atlas IX 2015-1 amounted to USD 26 million (EUR 23 million). The recoveries are recognized in other operating income and expenses. The instrument is accounted for as a derivative instrument.

Note•4 ACQUISITIONS AND DISPOSALS

Business combinations are accounted for using the purchase method of accounting which requires that the assets acquired and liabilities assumed be recorded at the date of acquisition at their respective fair values. If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through income.

A gain from bargain purchase is generated when the fair value of the net assets acquired by the Group exceeds the acquisition price and is recognized in the statement of income from the date of acquisition.

Provisions, contingent assets and contingent liabilities are assessed at the acquisition date for the entities acquired.

Positions taken for the initial accounting are subject to adjustment during the measurement period, which does not exceed one year from the acqusition date. Any revision after the initial accounting is finalized, is recognized in accordance with IFRS 3 – Business Combinations.

In 2020, the Group accounted for the following acquisition:

Agrobrasil

On February 13, 2020, SCOR acquired a majority interest (60%) in AgroBrasil Administração e Participações Ltda ("AgroBrasil"), Brazil's family-owned leading Managing General Agent distributing fruit and grain loss of crop quality and yield insurance protection to Brazilian farmers.

The AgroBrasil acquisition secures access to a growing and profitable market for SCOR's P&C reinsurance and specialty insurance activities.

The purchase agreement includes both put and call options for the 40% remaining interest to be exercised in the first quarter of 2023. The interest subject to the put and call options is deemed to have been acquired at the date of acquisition. No non-controlling interest is recognized from the business combination.

In accordance with IAS 39, the present value of the liability corresponding to the deferred purchase price for the remaining 40% is included in the purchase price and has been recognized in the Group's liabilities.

SCOR obtained control of AgroBrasil at the closing date of the transaction. AgroBrasil has therefore been fully consolidated in the SCOR Group financial statements since February 13, 2020.

The identifiable assets acquired and liabilities assumed have been recorded at their provisional fair values for purposes of the opening balance sheet and included in the consolidated accounts of SCOR using the Group's accounting principles in accordance with IFRS. The net assets amounted to BRL 1 million (EUR 0.2 million, based on the EUR/BRL exchange rate at the acquisition date).

The resulting goodwill of EUR 12 million is recognized as goodwill arising from insurance activities.

In 2019, the Group accounted for the following acquisition:

Coriolis Capital

On September 10, 2019, SCOR Investment Partner SE acquired 100% of Coriolis Capital Limited ("Coriolis Capital"). Coriolis Capital is a London based fund manager specialized in the Insurance-Linked Securities ("ILS"), investing in catastrophe bonds, collateralized reinsurance and climate derivatives. This acquisition will enable SCOR to accelerate its development in the field of ILS.

Coriolis Capital has been fully consolidated in the SCOR Group financial statements since September 10, 2019, after SCOR obtained the regulatory approvals from the authorities, notably from the Financial Conduct Authority (FCA) in the UK.

The identifiable assets acquired and liabilities assumed have been recorded at their fair value for purposes of the opening balance sheet and included in the consolidated accounts of SCOR using the Group's accounting principles in accordance with IFRS during the third quarter of 2019. The net assets amounted to GBP 2 million (EUR 3 million, based on the EUR/GBP exchange rate at the acquisition date).

The purchase price was allocated based on the fair value of assets acquired and liabilities assumed at the date of acquisition, determined in accordance with IFRS 3 – Business Combinations. This resulted in a goodwill of EUR 11 million recognized in the balance sheet on the acquisition date as goodwill arising from non-insurance activities.

In 2018, the Group accounted for the following acquisitions:

MutRé

On July 17, 2017, SCOR signed an agreement with the *Fédération Nationale de la Mutualité Française* and Matmut to acquire of 100% of the shares of MutRé S.A. The ratification of the agreement by MutRé's other shareholders (which represent approximately 15% of MutRé's capital) was finalised during October 2017.

The transaction, which was subject to the authorization of ACPR and the relevant competition authorities, received approval from all regulatory bodies.

SCOR has been a 33% shareholder and a major technical and commercial partner of MutRé since the company was created in 1998. Until December 31, 2017, MutRé was accounted for as an equity method investee. It has been fully consolidated in the SCOR Group financial statements since January 1, 2018.

The consideration paid by SCOR for the additional 67% share on January 3, 2018 amounted to EUR 70 million. The control was obtained on the same date. Following agreement between the seller and the buyer, SCOR received a purchase price adjustment of EUR 2 million reducing the total consideration paid to EUR 68 million.

The purchase price has been allocated based on an estimate of the fair value of assets acquired and liabilities assumed at the date of acquisition. The assets acquired and liabilities assumed are recorded at their fair values for purposes of the opening balance sheet and included in the consolidated accounts of SCOR using the Group's accounting principles in accordance with IFRS from January 1, 2018.

The accounting for the acquisition of MutRé resulted in a gain from bargain purchase of EUR 26 million as the fair value of net assets acquired exceeds the consideration transferred after reassessment of the acquired assets and assumed liabilities. The revaluation of shares previously held (step acquisition) resulted in an additional gain of EUR 2 million.

On February 13, 2018, the Boards of Directors of SCOR Global Life SE and MutRé approved the merger of the two entities with a retroactive effect on January 1, 2018. The merger was approved by ACPR on March 20, 2018.

The fair value of the assets acquired and liabilities assumed as of January 3, 2018 is as follows:

MutRé – Fair value of the assets acquired and liabilities assumed

In EUR millions	**Allocation**
ASSETS	
Value of business acquired	6
Insurance business investments	376
Share of retrocessionaires in insurance and contracts liabilities	19
Other assets	140
Total assets	**541**
LIABILITIES	
Contract liabilities	374
Other liabilities	26
Total liabilities	**400**
Fair value of net assets	141
Consideration paid	68
Fair value of the 33% previously held	47
Gain from bargain purchase (Badwill)	**26**
Step acquisition – P&L gain/(loss)	**2**
TOTAL P&L IMPACT GAIN/(LOSS)	**28**

Value of business acquired (VOBA)

The VOBA has been estimated based on the best estimate of expected future profits using a discount rate including an appropriate risk premium. This intangible asset is amortized over the lifetime of the underlying treaties, in line with expected emergence of profits.

Investments

Fair values have been determined for investments based mainly on quoted market prices. If quoted market prices were not available, valuation models were applied.

Share of retrocessionaires in insurance and contract liabilities

Mathematical reserves, claims reserves and share of retrocessionaires in contract liabilities have been recorded based on best estimate assumptions at the time of acquisition.

Other assets and liabilities

Other assets and liabilities have been recorded at their estimated fair value.

Deferred tax has been recognized on the timing differences arising from the purchase price allocation. These balances represent payable and recoverable amounts which the Group expects to realize.

Pro forma information

No pro forma information is required since the financial situation of the Group is not significantly impacted by the consolidation of MutRé.

Impact of MutRé acquisition on consolidated statement of cash flows

The main impact results from the consideration paid (EUR 68 million) and is presented in investment activities.

M&S Brazil/ESSOR

On July 18, 2017, SCOR Global P&C SE acquired the remaining 51% share of M&S Brazil Participações Ltda ("M&S Brazil"), holding company of Essor Seguros S.A ("ESSOR", a direct insurance company in Brazil) held by La Mutuelle des Architectes Français Assurances ("MAF") and the single share of ESSOR also held by MAF.

This transaction was subject to SUSEP (Brazilian regulatory body) prior and final approvals, respectively received on September 18, 2017 and on January 2, 2018, which led to the effective control of M&S Brazil by the Group.

The company was initially created in 2011 by SCOR and MAF and started its insurance operations in December 2012. The Group held 49% of the company since 2011. Until December 31, 2017 M&S Brazil was accounted for as an equity method investee. It has been fully consolidated in the SCOR Group financial statements since January 1, 2018.

The consideration paid by SCOR for the additional 51% share was BRL 28 million (EUR 7.3 million).

The identifiable assets acquired, and liabilities assumed have been recorded at their fair value for purposes of the opening balance sheet and included in the consolidated accounts of SCOR using the Group's accounting principles in accordance with IFRS during the first quarter of 2018. The net assets amounted to BRL 63.8 million (EUR 16.2 million, based on the EUR/BRL exchange rate at the acquisition date).

The purchase price was allocated based on the fair value of assets acquired and liabilities assumed at the date of acquisition, determined in accordance with IFRS 3 – Business Combinations. This resulted in overall loss impact of EUR (1.9) million recognized in the income statement on the acquisition date, including a gain from bargain purchase of EUR 0.9 million, and the revaluation of shares previously held (the step acquisition) of EUR (2.8) million.

Note•5 SEGMENT INFORMATION

For management purposes, the Group is organized into three business units (SCOR Global P&C, SCOR Global Life and SCOR Global Investments), of which SCOR Global P&C and SCOR Global Life are considered reportable operating segments, and one corporate cost center: Group Functions.

SCOR Global Investments is the asset management business unit of the Group. Its role is complementary to the two reportable operating segments as it manages SCOR Global P&C's and SCOR Global Life's investment assets associated with their contract liabilities. SCOR Global Investments also manages third-party assets, however this activity is currently considered not material. Therefore, SCOR Global Investments is not considered a separate reportable operating segment for the purposes of IFRS 8 – Operating segments. Investment income and expenses are allocated to the SCOR Global Life and SCOR Global P&C segments based on the allocation of the assets.

The operating segment SCOR Global P&C is responsible for property and casualty insurance and reinsurance (also referred to as "Non-Life"), and the operating segment SCOR Global Life is responsible for life reinsurance (also referred to as "Life"). Each operating segment underwrites different types of risks. Responsibilities and reporting within the Group are established on the basis of this structure. No operating segments have been aggregated to form the SCOR Global P&C and SCOR Global Life reportable operating segments.

Management reviews the operating results of the SCOR Global P&C and SCOR Global Life segments individually for the purpose of assessing the operational performance of the business and to allocate resources. The amount of inter-segment transactions, primarily in relation to gross written premiums, is not significant. Hub shared service costs are allocated to the business units using a headcount allocation key.

Group Functions is not an operating segment and does not generate revenues. Costs relating to Group Functions are not directly attributable to either the SCOR Global P&C or SCOR Global Life segments. Group Functions is the corporate cost center which includes the costs of departments fulfilling duties for the benefit of the whole Group, such as the costs for Group Internal Audit, Group Finance Departments (Group Tax, Group Accounting, Group Consolidation and Reporting, Financial Communication, Treasury and Capital Management, Financial Planning and Analysis), Group Chief Operating Departments (Group Legal, Group Communication, Group Human Resources, Information Technology) and Group Chief Risk Officer functions (Group Actuarial, Group Risk Management, Prudential Affairs, Internal Modeling).

The following table sets forth the operating results for the Group's operating segments and its corporate cost center for the financial years ended December 31, 2020, 2019, and 2018. Inter-segment recharges of expenses are eliminated at consolidation level.

	2020				2019				2018			
In EUR millions	SCOR Global Life	SCOR Global P&C	Group Functions	Total	SCOR Global Life	SCOR Global P&C	Group Functions	Total	SCOR Global Life	SCOR Global P&C	Group Functions	Total
Gross written premiums	9,208	7,160	-	16,368	9,194	7,147	-	16,341	9,083	6,175	-	15,258
Change in unearned premiums reserves	-	(47)	-	(47)	(11)	(435)	-	(446)	(42)	(161)	-	(203)
Gross earned premiums	**9,208**	**7,113**	**-**	**16,321**	**9,183**	**6,712**	**-**	**15,895**	**9,041**	**6,014**	**-**	**15,055**
Revenues associated with financial reinsurance contracts	21	-	-	21	19	-	-	19	11	-	-	11
Gross benefits and claims paid	(7,720)	(4,774)	-	(12,494)	(7,216)	(4,576)	-	(11,792)	(7,226)	(3,942)	-	(11,168)
Gross commission on earned premiums	(1,203)	(1,643)	-	(2,846)	(1,326)	(1,543)	-	(2,869)	(1,332)	(1,454)	-	(2,786)
GROSS TECHNICAL RESULT (1)	**306**	**696**	**-**	**1,002**	**660**	**593**	**-**	**1,253**	**494**	**618**	**-**	**1,112**
Ceded written premiums	(892)	(896)	-	(1,788)	(846)	(1,052)	-	(1,898)	(646)	(833)	-	(1,479)
Change in ceded unearned premiums reserves	-	(16)	-	(16)	-	61	-	61	-	35	-	35
Ceded earned premiums	**(892)**	**(912)**	**-**	**(1,804)**	**(846)**	**(991)**	**-**	**(1,837)**	**(646)**	**(798)**	**-**	**(1,444)**
Ceded claims	844	423	-	1,267	571	682	-	1,253	549	472	-	1,021
Ceded commissions	66	153	-	219	87	170	-	257	47	112	-	159
Net retrocession result	**18**	**(336)**	**-**	**(318)**	**(188)**	**(139)**	**-**	**(327)**	**(50)**	**(214)**	**-**	**(264)**
NET TECHNICAL RESULT (1)	**324**	**360**	**-**	**684**	**472**	**454**	**-**	**926**	**444**	**404**	**-**	**848**
Other income and expense excl. revenues associated with financial reinsurance contracts	**(2)**	**(36)**	**-**	**(38)**	**6**	**(56)**	**-**	**(50)**	**(14)**	**(51)**	**-**	**(65)**
Investment revenues	150	281	-	431	179	343	-	522	157	310	-	467
Interests on deposits	156	7	-	163	152	6	-	158	145	6	-	151
Capital gains/(losses) on the sale of investments	62	134	-	196	9	77	-	86	(2)	129	-	127
Change in fair value of investments	(1)	19	-	18	(1)	26	-	25	-	(13)	-	(13)
Change in impairment and amortization of investments	(5)	(56)	-	(61)	(6)	(34)	-	(40)	(3)	(29)	-	(32)
Foreign exchange gains/(losses)	8	(21)	-	(13)	(2)	5	-	3	(6)	(7)	-	(13)
Investment income	**370**	**364**	**-**	**734**	**331**	**423**	**-**	**754**	**291**	**396**	**-**	**687**
Investment management expenses	(22)	(50)	(8)	(80)	(19)	(46)	(10)	(75)	(19)	(40)	(9)	(68)
Acquisition and administrative expenses	(262)	(254)	(25)	(541)	(273)	(270)	(21)	(564)	(256)	(262)	(19)	(537)
Other current operating expenses	(72)	(67)	(97)	(236)	(78)	(57)	(100)	(235)	(78)	(44)	(104)	(226)
CURRENT OPERATING RESULT	**336**	**317**	**(130)**	**523**	**439**	**448**	**(131)**	**756**	**368**	**403**	**(132)**	**639**
Other operating expenses	(4)	(51)	-	(55)	(4)	(57)	-	(61)	-	(35)	-	(35)
Other operating income	1	10	-	11	2	16	-	18	3	25	-	28
OPERATING RESULT (BEFORE IMPACT OF ACQUISITIONS)	**333**	**276**	**(130)**	**479**	**437**	**407**	**(131)**	**713**	**371**	**393**	**(132)**	**632**

(1) Technical results are the balance of income and expenses allocated to the insurance and reinsurance business.

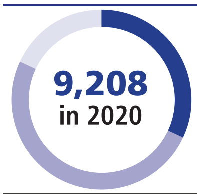
SCOR Global Life's result reflects a robust flow of new business and the strategic expansion of the franchise in various key markets and product lines. The in-force book globally contributed positively to the results, despite the underlying US mortality claim experience being higher than expected, thanks to a strong overall reserve position, as well as successful premium rate increases on certain individual reinsurance treaties. Both claim experience and in-force management actions may vary over time.

In 2020, SCOR Global Life achieved a technical margin of 5.8%, compared to 7.5% in 2019. The 2020 technical margin is impacted by -3.7 pts. due to the Covid-19 pandemic. As part of the technical margin, the net technical result absorbed EUR 314 million claims caused by the Covid-19 pandemic, of which EUR 283 million relates to the life reinsurance business in the U.S. and EUR 31 million relate to all other markets, net of retrocession and before tax.

For SCOR Global P&C the net technical result for the financial year 2020 reflects a net combined ratio (calculated by dividing the sum of Non-Life claims, including natural catastrophes, commissions and management expenses net of retrocession, by earned premiums net of retrocession) of 100.2% compared to 99.0% for the financial year 2019. Natural catastrophes had an impact of 6.8% on the net combined ratio, compared to 11.6% for the financial year 2019. Covid-19 had an impact of 4.7% on the net combined ratio for the financial year 2020.

Note•5.1 GROSS WRITTEN PREMIUMS AND INSURANCE CONTRACT LIABILITIES BY GEOGRAPHIC REGION

The distribution of gross written premiums by geographic region for SCOR Global Life, based on market responsibility, is as follows:



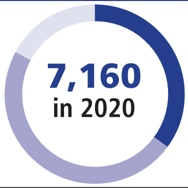
In EUR millions	2020	2019	2018
SCOR GLOBAL LIFE			
32% EMEA	2,942	3,141	3,181
50% Americas	4,621	4,633	4,174
18% Asia-Pacific	1,645	1,420	1,728
TOTAL GROSS WRITTEN PREMIUMS	**9,208**	**9,194**	**9,083**

In 2019, the market responsibility for one portfolio was reallocated from the Americas to EMEA. The gross written premiums for SCOR Global Life previously reported in the 2018 Registration Document for Americas were EUR 4,375 million for the year ended December 31, 2018. Gross written premiums previously reported for EMEA were EUR 2,980 million for the year ended December 31, 2018.

Contract liabilities and share of retrocessionaires in contract liabilities for SCOR Global Life, allocated on the same basis as gross written premiums, are as follows:

	As at December 31, 2020		As at December 31, 2019	
In EUR millions	Contract liabilities	Share of retrocessionaires in contract liabilities	Contract liabilities	Share of retrocessionaires in contract liabilities
SCOR GLOBAL LIFE				
EMEA	9,498	398	9,632	505
Americas	3,316	126	3,917	146
Asia-Pacific	1,516	44	1,131	1
TOTAL	**14,330**	**568**	**14,680**	**652**

The distribution of gross written premiums by geographic region for SCOR Global P&C, based on the country in which the ceding company operates for treaty business and location of the insured for facultative business, is as follows:



In EUR millions	2020	2019	2018
SCOR GLOBAL P&C			
35% EMEA	2,517	3,039	2,814
48% Americas	3,400	2,861	2,254
17% Asia-Pacific	1,243	1,247	1,107
TOTAL GROSS WRITTEN PREMIUMS	**7,160**	**7,147**	**6,175**

For SCOR Global P&C, contract liabilities, allocated on the same basis as gross written premiums, and share of retrocessionaires in contract liabilities, based on the location of the retrocessionaire, are as follows:

	As at December 31, 2020		As at December 31, 2019	
In EUR millions	Contract liabilities	Share of retrocessionaires in contract liabilities	Contract liabilities	Share of retrocessionaires in contract liabilities
SCOR GLOBAL P&C				
EMEA	8,363	535	8,961	861
Americas	5,626	590	5,142	618
Asia-Pacific	2,182	88	2,453	96
TOTAL	**16,171**	**1,213**	**16,556**	**1,575**

Note•5.2 ASSETS AND LIABILITIES BY OPERATING SEGMENT

Key balance sheet captions by operating segment, as reviewed by management, are broken down as follows:

	As at December 31, 2020			As at December 31, 2019		
In EUR millions	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total
Goodwill arising from insurance activities	45	755	800	45	743	788
Value of business acquired	1,099	-	1,099	1,302	-	1,302
Insurance business investments	13,424	16,674	30,098	13,791	16,492	30,283
Share of retrocessionaires in insurance and investment contract liabilities	568	1,213	1,781	652	1,575	2,227
Cash and cash equivalents (1)	708	1,096	1,804	593	842	1,435
TOTAL ASSETS	**21,470**	**24,747**	**46,217**	**21,950**	**24,928**	**46,878**
Contract liabilities	(14,330)	(16,171)	(30,501)	(14,680)	(16,556)	(31,236)

(1) Cash and cash equivalents include cash held by the Group on behalf of third parties as part of its asset management activity for a total amount of EUR 165 million on December 31, 2020 (December 31, 2019: EUR 211 million).

Note•5.3 ASSETS AND LIABILITIES BY GEOGRAPHIC REGION

Assets and liabilities by geographic region are based on the location of the entities and can be broken down as follows:

	As at December 31, 2020				As at December 31, 2019			
In EUR millions	EMEA	Americas	Asia-Pacific	Total	EMEA	Americas	Asia-Pacific	Total
Insurance business investments	22,512	5,613	1,973	30,098	22,515	5,651	2,117	30,283
Share of retrocessionaires in insurance and investment contract liabilities	1,341	392	48	1,781	1,706	485	36	2,227
TOTAL ASSETS	**33,853**	**8,012**	**4,352**	**46,217**	**33,941**	**8,500**	**4,437**	**46,878**
Contract liabilities	(19,471)	(7,585)	(3,445)	(30,501)	(20,092)	(7,739)	(3,405)	(31,236)

Note•5.4 CASH FLOWS BY OPERATING SEGMENT

Cash flows by segment are presented as follows:

	2020			2019			2018		
In EUR millions	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total
Cash and cash equivalents at January 1	**593**	**842**	**1,435**	**576**	**599**	**1,175**	**509**	**492**	**1,001**
Net cash flows provided by/(used in) operations	(18)	1,006	988	101	740	841	299	592	891
Net cash flows provided by/(used in) investing activities	2	(466)	(464)	46	(265)	(219)	(93)	(8)	(101)
Net cash flows provided by/(used in) financing activities	205	(246)	(41)	(135)	(238)	(373)	(145)	(493)	(638)
Effect of changes in foreign exchange rates on cash and cash equivalents	(74)	(40)	(114)	5	6	11	6	16	22
Cash and cash equivalents at December 31 (1)	**708**	**1,096**	**1,804**	**593**	**842**	**1,435**	**576**	**599**	**1,175**

(1) *Cash and cash equivalents include cash held by the Group on behalf of third parties as part of its asset management activity for a total amount of EUR 165 million on December 31, 2020 (December 31, 2019: EUR 211 million).*

Net cash flows provided by operating activities amounted to EUR 988 million in 2020 (2019: EUR 841 million and 2018: EUR 891 million).

Note•6 GOODWILL

Goodwill represents the future economic benefits arising from assets acquired in a business combination that are not individually identified and separately recognized.

Goodwill represents the excess of (a) the aggregate of consideration transferred, the value of any minority interest in the acquiree, and, for business combinations achieved in stages, the fair value, at the acquisition date, of any investment previously held by the Group, over (b) the net amount of the identifiable assets acquired and liabilities assumed at the date of acquisition.

It is initially measured at cost which is calculated as the difference between the business combination consideration transferred and the fair value of the Group's share at acquisition date. The fair value is the net amount of identifiable assets and assumed liabilities at the acquisition date.

Goodwill arising on companies accounted for under the equity method is included within the carrying amount of those investments.

After initial recognition, goodwill is measured at cost less any accumulated impairment.

At least annually, goodwill is tested for impairment. For the purposes of impairment testing, goodwill acquired in a business combination is allocated by SCOR to the groups of cash generating units (CGUs) that are expected to benefit from the profitability and synergies of the business combination. SCOR groups its CGUs by operating segment, *i.e.* SCOR Global P&C and SCOR Global Life. This is consistent with the way SCOR manages and monitors its business and cash flow. Goodwill arising from non insurance activities is allocated to separate CGUs and tested for impairment at CGU level. As part of the impairment testing, SCOR assesses whether the recoverable amount of operating segments is at least equal to the total carrying amount of operating segments (including goodwill). If it is determined that an impairment exists, the total carrying amount is adjusted to the recoverable amount. Any impairment loss is allocated to goodwill first, is recorded in income in the period in which it arises and is not reversible.

In EUR millions	Goodwill arising from insurance activities	Goodwill arising from non insurance activities
Gross value at December 31, 2018	**969**	**71**
Foreign exchange rate movements	-	-
Additions	-	-
Disposals	-	-
Change in scope of consolidation	-	11 (1)
Gross value at December 31, 2019	**969**	**82**
Foreign exchange rate movements	-	-
Additions	-	-
Disposals	-	-
Change in scope of consolidation	12 (2)	-
Gross value at December 31, 2020	**981**	**82**
Cumulative impairment at December 31, 2018	**(181)**	**-**
Foreign exchange rate movements	-	-
Impairment for the period	-	-
Shadow accounting	-	-
Cumulative impairment at December 31, 2019	**(181)**	**-**
Foreign exchange rate movements	-	-
Impairment for the period	-	-
Shadow accounting	-	-
Cumulative impairment at December 31, 2020	**(181)**	**-**
CARRYING VALUE AS AT DECEMBER 31, 2018	**788**	**71**
CARRYING VALUE AS AT DECEMBER 31, 2019	**788**	**82**
CARRYING VALUE AS AT DECEMBER 31, 2020	**800**	**82**

(1) Relates to Coriolis Capital (See Note 4 – Acquisitions and disposals).
(2) Relates to AgroBrasil (See Note 4 – Acquisitions and disposals).

The carrying amount of goodwill allocated to SCOR Global P&C and SCOR Global Life is disclosed in Note 5 – Segment information.

Goodwill arising from insurance activities

In order to estimate the value in use of SCOR Global P&C for the purpose of impairment testing, SCOR uses a discounted cash flow model comprised of an earnings model, which considers forecasted earnings and other financial ratios for the reportable segment over a five-year period. The first two years are based on the assumptions from the Quantum Leap strategic plan and the last three years are extrapolated using a conservative approach based on past experience. Business plans include assessments of gross and net premium expectations, expected loss ratios and expected expense ratios together with actuarial assumptions such as the coefficient of changes in ultimate net reserves together with assumptions as to the average time to payment of existing reserves and future business. Future cash flows beyond this period are extrapolated using a growth rate of 4%. SCOR uses risk-free interest rates for each currency as well as the Group's estimated weighted average cost of capital of 5.99%, derived from the Group Capital Asset Pricing Model (CAPM) and a risk-free rate based on the currencies used in the P&C business unit.

The goodwill impairment test conducted annually shows recoverable amounts in excess of the respective total carrying amounts for the financial years ended December 31, 2020, 2019 and 2018. Risk-free rate is a key assumption used in the model, and depends on macroeconomic environment, on which SCOR does not have influence. A 0.5 pts decrease in the risk-free rate would decrease the discounting effect on existing reserves, which in turn would lead to a decrease in the value in use of the P&C business unit. However, this movement in the risk-free rate would not change the conclusion that no impairment is needed.

The goodwill impairment test for SCOR Global Life compares the carrying amount of the goodwill with the future profits available from the life reinsurance portfolio of the business unit. A best estimate of the future profits is represented by the surplus of the contract liabilities for the assumed reinsurance contracts portfolio reduced for the share of retrocessionaires in reinsurance contract liabilities under IFRS over the economic value of the Life technical provisions measured under Solvency II principles as published in the Solvency and financial condition report of SCOR Group. SCOR's Life technical provisions are calculated as the sum of best estimate liabilities and risk margin. The best estimate liability is valued as the net present value of future cash flows. The risk margin is derived by applying a cost of capital calculation considering the time value of future solvency capital requirements as calculated by the approved internal model.

The goodwill impairment test conducted annually shows recoverable amounts in excess of the respective total carrying amounts for the financial years ended December 31, 2020, 2019 and 2018. Management believes that any reasonably possible change in the key assumptions on which SCOR Global Life recoverable amounts are based would not cause their carrying amount to exceed their recoverable amount.

Consequently, no goodwill impairment charges were recognized on goodwill arising from insurance activities.

Goodwill arising from non-insurance activities

Goodwill (carrying amount as at December 31, 2020: EUR 71 million) and trademark (carrying amount as at December 31, 2020: EUR 136 million, refer to Note 10.1. – Other intangible assets) of the CGU Château Mondot have been tested for impairment at year end 2020, using the value in use approach. The recoverable amount of the CGU has been valued on the basis of the present value of forecast cash flows determined in the context of a long-term business plan to reflect the wine industry specificities and notably the length of the production and distribution cycles of a vintage.

The annual growth rate applied beyond the business plan horizon is 1.50% (growth rate used in 2019: 1.50%). Future cash flows after taking tax into consideration have been discounted using a post-tax discount rate of 4.5% (rate used in 2019: 4.5%). A standard CAPM (Capital Asset Pricing Model) approach is used to determine the adequate weighted average cost of capital (WACC) of Chateau Mondot. Based on these assumptions, no impairment charge has been recognized.

As of December 31, 2020, a change of 0.5 point in the post-tax risk adjusted discount rate or in the growth rate applied beyond the plan would not lead to the recognition of an impairment loss.

However, subsequent impairment tests may be based upon different assumptions and future cash flow projections, which may result in an impairment of these assets.

Note•7 VALUE OF BUSINESS ACQUIRED

VOBA relates to Life reinsurance portfolios acquired in a business combination. VOBA is capitalized as the present value of the stream of expected future cash flows for the assumed and the retroceded reinsurance business using estimates of expected profits from future technical results and future investment income, generated by the investments to cover the reinsurance reserves, less deductions for future portfolio administration expenses. The present value calculations of future profits reflect assumptions on mortality, morbidity, policyholder behavior, discount rates and margins for risk relevant at the date of acquisition.

VOBA is amortized over the lifetime of the underlying reinsurance portfolio based on schedules derived from the run-off patterns of expected profits calculated for future closing dates. Cash flow projections for the acquired portfolio and noneconomic assumptions are assessed regularly and updated in the actuarial calculations. The review of cash flow projections recognizes changes in the portfolio from special events like withdrawals or recaptures of treaties. The subsequent measurement of VOBA is consistent with the measurement of the related underwriting reserves. VOBA amortization schedules are adjusted consistently. VOBA is subject to impairment testing performed *via* the liability adequacy test.

VOBA also includes the intangible asset related to the acquisition of the business portfolio of ReMark Group BV ("ReMark") to reflect the stream of expected future profits.

In EUR millions	Value of business acquired
Gross value at December 31, 2018	**1,801**
Foreign exchange rate movements	37
Additions	-
Disposals	- (1)
Change in scope of consolidation	-
Gross value at December 31, 2019	**1,838**
Foreign exchange rate movements	(123)
Additions	-
Disposals	- (1)
Change in scope of consolidation	-
Gross value at December 31, 2020	**1,715**
Cumulative amortization and impairment at December 31, 2018	**(330)**
Foreign exchange rate movements	(5)
Amortization for the period	(64) (1)
Impairment for the period	-
Shadow accounting	(137)
Cumulative amortization and impairment at December 31, 2019	**(536)**
Foreign exchange rate movements	34
Amortization for the period	(57) (1)
Impairment for the period	-
Shadow accounting	(57)
Cumulative amortization and impairment at December 31, 2020	**(616)**
CARRYING VALUE AS AT DECEMBER 31, 2018	**1,471**
CARRYING VALUE AS AT DECEMBER 31, 2019	**1,302**
CARRYING VALUE AS AT DECEMBER 31, 2020	**1,099**

(1) In 2020 there were no disposals and amortization of VOBA resulting from the derecognition of VOBA due to treaty terminations to report (2019: EUR 0 million). Regular amortization related to business in force amounts to EUR (57) million for the year ended December 31, 2020 and EUR (64) million for the year ended December 31, 2019.

The IFRS 4 liability adequacy testing, which includes VOBA recoverability, showed no indicators of impairment for the financial years ended December 31, 2020, 2019 and 2018.

Note•8 INSURANCE BUSINESS INVESTMENTS

Financial assets

The Group classifies its financial assets in the following categories: available-for-sale, fair value through income, loans and receivables, derivative instruments and cash and cash equivalents. Currently no assets are classified as held-to-maturity. Sales and purchases of assets are recognized on the trade date. Once a financial asset has been recorded, it is measured according to its asset category, determined according to the methods set forth below. Financial assets are derecognized when the contractual rights to the cash flow of the financial asset expire or are transferred, and the Group has transferred substantially the risks and rewards incidental to the ownership of the financial asset.

Categories of financial assets

Available-for-sale financial assets

Available-for-sale financial assets include non-derivative assets that are either classified as available-for-sale or not allocated to any another category. They are carried at fair value. Unrealized gains and losses are recorded directly in shareholders' equity. Changes in foreign exchange rates relating to non-monetary available-for-sale assets are recorded directly in shareholders' equity while those relating to monetary available-for-sale assets are recorded in income.

Interest on debt instruments is calculated in accordance with the effective interest rate method, which includes the amortization of any premiums or discounts and is recognized as investment income. Dividends on equity instruments are recognized as investment income on the ex-dividend date. Upon the derecognition of an available-for-sale financial asset, the accumulated unrealized gains and losses included in shareholders' equity are transferred to realized capital gains/(losses) on investments, net of any amounts previously recorded in income.

Financial assets at fair value through income

The fair value through income category includes financial assets held for trading purposes and those designated at fair value through income upon initial recognition. Gains and losses from changes in the fair value of financial assets classified in this category are recognized in the statement of income in the period in which they occur.

Loans and receivables

The loans and receivables category includes funds held by ceding companies as collateral for underwriting commitments measured at cost. Non-derivative financial assets, where payment is fixed or determinable and which are not listed on an active market, are also included within this category and are recognized at amortized cost using the effective interest rate method. Loans and receivables include short-term deposits or investments with a maturity of more than three months but less than twelve months at the date of purchase or deposit. Loans and receivables include a provision for recoverability if deemed necessary.

Note•8.1 INSURANCE BUSINESS INVESTMENTS BY VALUATION METHOD

The Group's insurance business investments and cash by category and fair value hierarchy are presented below:

		As at December 31, 2020				
In EUR millions		Total	Level 1	Level 2	Level 3	Cost or amortized cost
Real estate investments		**603**	**-**	**-**	**-**	**603**
Equity securities		654	192	383	-	79
Debt securities		17,589	15,724	1,865	-	-
Available-for-sale financial assets		**18,243**	**15,916**	**2,248**	**-**	**79**
Equity securities		1,618	232	1,386	-	-
Debt securities		14	14	-	-	-
Investments at fair value through income		**1,632**	**246**	**1,386**	**-**	**-**
Loans and receivables		**9,418**	**185**	**-**	**-**	**9,233**
Derivative instruments		**202**	**-**	**98**	**104**	**-**
TOTAL INSURANCE BUSINESS INVESTMENTS		**30,098**	**16,347**	**3,732**	**104**	**9,915**
Cash and cash equivalents	**Note 12**	**1,804**	**1,804**	**-**	**-**	**-**
INVESTMENTS AND CASH		31,902	18,151	3,732	104	9,915
Percentage		**100%**	**57%**	**12%**	**0%**	**31%**

In EUR millions		As at December 31, 2019				
		Total	Level 1	Level 2	Level 3	Cost or amortized cost
Real estate investments		**661**	**-**	**-**	**-**	**661**
Equity securities		601	183	347	-	71
Debt securities		18,242	16,463	1,779	-	-
Available-for-sale financial assets		**18,843**	**16,646**	**2,126**	**-**	**71**
Equity securities		1,349	250	1,099	-	-
Debt securities		2	2	-	-	-
Investments at fair value through income		**1,351**	**252**	**1,099**	**-**	**-**
Loans and receivables		**9,220**	**97**	**-**	**-**	**9,123**
Derivative instruments		**208**	**-**	**123**	**85**	**-**
TOTAL INSURANCE BUSINESS INVESTMENTS		**30,283**	**16,995**	**3,348**	**85**	**9,855**
Cash and cash equivalents	**Note 12**	**1,435**	**1,435**	**-**	**-**	**-**
INVESTMENTS AND CASH		**31,718**	**18,430**	**3,348**	**85**	**9,855**
Percentage		**100%**	**58%**	**11%**	**0%**	**31%**

Mutual funds

Total insurance business investments and cash include mutual funds that the Group manages and controls and which are also open to external investors. As at December 31, 2020, the carrying amount of assets under management eliminated in "Other liabilities" for consolidation purposes was EUR 3,131 million (December 31, 2019: EUR 2,625 million). Cash and cash equivalents include cash held on behalf of third parties as part of SCOR's asset management activity for the amount of EUR 165 million as at December 31, 2020 (December 31, 2019: EUR 211 million).

Available-for-sale investments measured at cost

Available-for-sale investments include EUR 79 million of investments which are measured at cost (December 31, 2019: EUR 71 million). These investments primarily include equity securities and funds which are not listed.

In 2020 and 2019 respectively, there were no material gains or losses realized on the disposal of available-for-sale investments which were previously carried at cost.

Impairment losses

Total impairment losses (net of reversal) recognized in 2020 amounted to EUR 39 million (2019: EUR 24 million), relating mainly to EUR 34 million on the equity portfolio (2019: EUR 13 million), EUR 0 million on loans and receivables (2019: EUR 2 million) and EUR 5 million on the debt securities portfolio (2019: EUR 9 million). Refer to Note 2 – Significant events and Covid-19 for information on the impact of the Covid-19 pandemic.

Note•8.2 ACCOUNTING PRINCIPLES FOR VALUATION AND IMPAIRMENT OF FINANCIAL ASSETS

Valuation of financial assets

The fair value of financial instruments that are traded in an active financial market is determined by reference to quoted market bid prices, at the close of business on the reporting date. If quoted market prices are not available, reference can also be made to broker or dealer price quotations. As the Group is responsible for determining the fair value of its investments, regular analysis is performed to assess whether prices received from third parties are reasonable estimates of fair value. The Group's analysis includes: (i) a review of price changes made in the investment management systems; (ii) a regular review of pricing deviations between dates exceeding predefined pricing thresholds per investment category; and (iii) a review and approval of valuation changes made on an exceptional basis. The Group may conclude that the prices received from third parties are not reflective of current market conditions. In those instances, SCOR may request additional pricing quotes or apply internally developed valuations. Similarly, the Group may value certain derivative investments using internal valuation techniques based on observable market data.

For unlisted equity instruments, fair value is determined according to commonly used valuation techniques.

The fair value of hedge funds managed by third parties is based on their net asset value (NAV) as issued by external asset managers. This NAV is regularly audited, at least annually.

The fair value of floating-rate and overnight deposits with credit institutions is their carrying amount.

If, as a result of a change in intention or ability or in the circumstance that a reliable measure of fair value is no longer available, it becomes appropriate to carry a financial instrument at cost or amortized cost, then the last reliable fair value available is taken as the new cost or amortized cost, as applicable.

Fair value hierarchy

The Group provides disclosures on the measurements of financial instruments held at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement. Assessing the significance of a particular input to the fair value measurement requires judgment, considering factors specific to the asset or liability. At each reporting date, the Group considers the classification relevancy of financial instruments that are measured at fair value. The valuation methodology of financial instruments is regularly monitored to identify potential reclassifications. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

  Included in this level are financial instruments for which quoted prices or rates represent actual and regularly occurring transactions that are available from a stock exchange, dealer or broker. Such instruments comprise listed equities, government, covered and agency bonds, as well as short-term investments. For investments in closed- or open-ended funds, fund shares and units and derivative financial instruments (including real estate, interest rate and mortality swaps, options etc.), fair value is determined by reference to published bid values.
- Level 2: models prepared by internal and external experts using observable market inputs.

  The Group has certain investments which are valued based on models prepared by internal and external experts using observable market inputs. These primarily comprise structured products, other than securities issued by government agencies for which the market is considered active, hybrid tier 1 and tier 2 corporate debt, private placements, inflation-linked government assimilated bonds, specific alternative investments and derivative instruments.
- Level 3: valuation inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The value of these instruments is neither supported by prices observable on current market transactions in the same instrument nor is it based on available market data. If a fair value measurement uses inputs based significantly on unobservable inputs, it is classified within level 3 of the fair value hierarchy. Level 3 instruments consist mainly of derivative instruments primarily relating to the Atlas catastrophe and mortality bonds.

Further detail on the valuation of these derivative instruments is included below within the paragraphs on derivative instruments.

Impairment of financial assets

At each reporting date, the Group assesses whether there is any objective evidence of impairment. The amount of impairment is recorded by asset category, as set forth below.

For available-for-sale equity securities which are listed on an active market, a line-by-line analysis is performed when there has been a decline in fair value as compared to the initial purchase price of more than 30%, or a consistent unrealized loss over a period of more than 12 months. The different factors considered in this analysis include the existence or inexistence of significant adverse changes in the technological, market, economic or legal environment in which the issuer operates. After consideration of these factors, if a security remains unimpaired, the Group ultimately considers objective evidence of impairment, as per IAS 39, by reference to three further key criteria being the existence or not of:

- a consistent decline of more than 30% for 12 consecutive months; or
- a magnitude of decline of more than 50%; or
- a duration of decline of more than 24 months.

For certain investments, in addition to the above impairment guidelines, SCOR takes into consideration other important factors such as:

- the fact that the asset is specifically excluded from any actively traded portfolio;
- its ability and intent to continue to hold the investment for a significantly longer period than a normal investment;
- its business relationship with the investee; and
- the estimated long-term embedded value of the investment.

For unlisted equity instruments, impairment is assessed using a similar approach to listed equities.

For securities not considered to be traded on an active and liquid market, especially investments in closed-end funds, SCOR performs a line-by-line analysis based on the expected lifecycle of these instruments and their business model. A security is considered impaired if:

- there is a magnitude of decline of more than 50%; or
- there is a duration of decline of more than 48 months without recovery in net asset value being observable; and
- the net asset value has not recovered to at least its initial purchase price after an additional 12-month period.

For debt securities and loans and receivables, an objective indicator of impairment relates primarily to proven default credit risk. Different factors are considered to identify those debt securities potentially at risk of impairment, including significant financial difficulty or default in payments, to enable the Group to conclude whether there is objective evidence that the instrument or group of instruments is impaired.

For financial instruments whose fair value cannot be measured reliably and which are measured at cost, a regular analysis is completed to determine if this remains appropriate given the nature of the investment and factors such as amounts realized and the appearance or re-appearance of a market or reliable value. Impairment assessments are completed dependent on the underlying nature of the investment and the expected future cash flows.

If an available-for-sale financial asset is impaired and a decline in the fair value of this asset has been recognized in other comprehensive income, the cumulative loss is reclassified from equity to the statement of income. The cumulative loss is computed as the difference between the cost of the asset (net of any principal repayment and amortization) and its current fair value, less any impairment previously recognized in the statement of income.

A subsequent increase in value of an impaired available-for-sale equity instrument is not recognized in the statement of income. A subsequent increase in value of an impaired available-for-sale debt security is recorded through income as a reversal of impairment if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment losses were recognized.

Note•8.3 MOVEMENTS IN FINANCIAL INSTRUMENTS CATEGORIZED WITHIN LEVEL 3 OF THE FAIR VALUE HIERARCHY

The following table shows the reconciliation between the opening and closing balances for assets categorized within level 3:

In EUR millions	Equity securities	Debt securities	Loans and receivables	Derivative instruments	Total
Carrying amount at January 1, 2020	**-**	**-**	**-**	**85**	**85**
Foreign exchange rate movement	-	-	-	-	-
Income and expense recognized in statement of income	-	-	-	(48) (1)	(48)
Additions	-	-	-	67	67
Disposals	-	-	-	-	-
Transfers into level 3	-	-	-	-	-
Transfers out of level 3	-	-	-	-	-
Change in fair value through OCI	-	-	-	-	-
Change in scope of consolidation	-	-	-	-	-
CARRYING AMOUNT AT DECEMBER 31, 2020	**-**	**-**	**-**	**104**	**104**

(1) Movements in derivative instruments are due to the change in fair value of Atlas Capital UK 2019 PLC and Atlas Capital Reinsurance 2020 DAC derivatives recorded in other operating expenses, and of the contingent capital facility, recorded in investment income.

In EUR millions	Equity securities	Debt securities	Loans and receivables	Derivative instruments	Total
Carrying amount at January 1, 2019	**-**	**-**	**-**	**19**	**19**
Foreign exchange rate movement	-	-	-	-	-
Income and expense recognized in statement of income	-	-	-	(40) [(1)]	(40)
Additions	-	-	-	106	106
Disposals	-	-	-	-	-
Transfers into level 3	-	-	-	-	-
Transfers out of level 3	-	-	-	-	-
Change in fair value through OCI	-	-	-	-	-
Change in scope of consolidation	-	-	-	-	-
CARRYING AMOUNT AT DECEMBER 31, 2019	**-**	**-**	**-**	**85**	**85**

(1) Movements in derivative instruments are due to the change in fair value of Atlas IX Series 2016-1 and Atlas Capital UK 2019 PLC derivatives recorded in other operating expenses, and of the contingent capital facility, recorded in investment income.

There were no material transfers between level 1 and level 2 in 2020 and 2019, respectively. There were also no changes in the purpose of a financial asset that subsequently resulted in a different classification of that asset.

Note•8.4 REAL ESTATE INVESTMENT

Investment properties

Real estate held by the Group is classified as investment property when it is held to earn rental income, for capital appreciation or both. Properties are measured at cost, net of accumulated depreciation and impairment losses. Depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Category	Useful life
Land	Indefinite (not depreciated)
BUILDINGS	
Building structure and exterior	30-80 years
Insulation	30 years
Technical installations	20 years
Fixtures and fittings	10-15 years

Repair and maintenance costs are charged to the statement of income during the financial period in which they are incurred. All costs directly associated with purchases or construction of property are capitalized. All subsequent value-enhancing capital expenditures are classified as acquisition costs and capitalized when it is probable that the future economic benefits related to the item will flow to the Group and the cost of the investment property can be measured reliably.

Every five years, each investment property is subject to an in-depth analysis of its market value by an independent appraiser with recent experience in the location and category of the investment property assessed and approved by the domestic regulators (*Autorité de Contrôle Prudentiel et de Résolution* in France). Annually, the appraised market value is updated by the same independent appraiser according to changes in the local market and/or the property's rental and technical situation.

At the end of each reporting period, an impairment test is required when there is an indication of possible impairment. One such indicator is that the building's market-value is below its carrying amount. If any impairment indicator is present, the Group assesses the recoverable amount of the building in question. The recoverable amount is the higher of the property's fair value less cost to sell and its value in use. The value in use is assessed using an internal discounted cash flow model based on current market assumptions and considers rental situation, completeness of construction and renovation work, as well as recent developments within the local real estate market. If the recoverable amount is greater than 20% below the carrying amount, the resulting impairment loss is recognized in the statement of income.

Rental income

Rental income from investment properties is recognized on a straight-line basis over the term of current rental agreements.

The properties held by the Group and considered as investment property are owned either by wholly-owned subsidiaries of SCOR or by MRM (a listed real estate investment company). They consist of office buildings (held by wholly-owned subsidiaries and MRM), and retail buildings (held by MRM).

The movements in real estate investments are analyzed as follows:

In EUR millions	Real estate investments	Finance leases	Total
Gross value at December 31, 2018	**830**	**-**	**830**
Foreign exchange rate movement	-	-	-
Additions	64	-	64
Disposals	(90)	-	(90)
Reclassification	-	-	-
Change in scope of consolidation	-	-	-
Gross value at December 31, 2019	**804**	**-**	**804**
Foreign exchange rate movement	-	-	-
Additions	25	-	24
Disposals	(84)	-	(84)
Reclassification	-	-	-
Change in scope of consolidation	-	-	-
Gross value at December 31, 2020	**745**	**-**	**744**
Cumulative depreciation and impairment at December 31, 2018	**(145)**	**-**	**(145)**
Depreciation for the period	(16)	-	(16)
Impairment for the period	-	-	-
Other	18	-	18
Reclassification	-	-	-
Cumulative depreciation and impairment at December 31, 2019	**(143)**	**-**	**(143)**
Depreciation for the period	(14)	-	(14)
Impairment for the period	(8)	-	(8)
Other	23	-	23
Reclassification	-	-	-
Cumulative depreciation and impairment at December 31, 2020	**(142)**	**-**	**(142)**
CARRYING VALUE AS AT DECEMBER 31, 2018	**685**	**-**	**685**
CARRYING VALUE AS AT DECEMBER 31, 2019	**661**	**-**	**661**
CARRYING VALUE AS AT DECEMBER 31, 2020	**603**	**-**	**603**

In EUR millions	Real estate investments	Finance leases	Total
Fair value as at December 31, 2018	869	-	869
Fair value as at December 31, 2019	809	-	809
FAIR VALUE AS AT DECEMBER 31, 2020	**735**	**-**	**735**

In 2020, increase in real estate investments related to the costs of existing buildings currently under construction and renovation work for a total of EUR 25 million. Disposals related to the sale of one building, resulting in a total gain on sale of EUR 47 million.

In 2019, increase in real estate investments related to the costs of existing buildings currently under construction and renovation work for a total of EUR 64 million. Disposals related to the sale of four buildings, resulting in a gain on sale of EUR 49 million.

Real estate financing is presented in Note 14.2 – Real estate financing.

Valuation techniques and unobservable inputs

The fair value of real estate investments is categorized within level 3. The valuation techniques and unobservable inputs were as follows as at December 31, 2020 and 2019:

Real estate	Net book value carrying amount Dec. 31, 2020 *(in EUR millions)*	Fair value Dec. 31, 2020 *(excluding transfer taxes and in EUR millions)*	Valuation method	Average rent *(in EUR per sqm per annum)*	Average price *(in EUR per sqm)*	Average net cap rate *(value including transfer taxes)*	Rent range *(in EUR per sqm per annum)*	Net cap rate range *(in EUR per sqm per annum)*	Price rang *(in EUR per sqm)*
Offices portfolio	452	549	market comparison and income capitalization [(1)]	338	5,376	5.40%	188-533	0%-8.10%	2,632-9,922
Retail portfolio	151	186	market comparison and income capitalization [(1)]	138	1,820	5.70%	21-789	5.25%-8.75%	156-5,547

Real estate	Net book value carrying amount Dec. 31, 2019 *(in EUR millions)*	Fair value Dec. 31, 2019 *(excluding transfer taxes and in EUR millions)*	Valuation method	Average rent *(per sqm per annum)*	Average price *(per sqm)*	Average net cap rate *(value including transfer taxes)*	Rent range *(per sqm per annum)*	Net cap rate range *(per sqm per annum)*	Price range *(per sqm)*
Offices portfolio	499	622	market comparison and income capitalization [(1)]	290	5,333	5.06%	0-490	0%-10.8%	742-10,968
Retail portfolio	162	187	market comparison and income capitalization [(1)]	138	1,805	6.64%	22-785	4.25%-8.9%	196-5,700

(1) Discounted cash flows (DCF) approach or transaction price (for real estate investments under purchase bids) may also be used for some real estate investments.

Property-related commitments received and granted

Rental income

As part of its real estate investment activities described above, SCOR leases its investment properties. The leases generally conform to the local market conditions and have annual indexation clauses for the rental payments. The estimated minimum future rental income is as follows:

In EUR millions	2020 Minimum rental income	2019 Minimum rental income
32% Less than one year	28	37
57% From one to five years	49	56
11% More than five years	10	8
TOTAL MINIMUM RENTAL INCOME	**87**	**101**

The rental income related to investment property was EUR 31 million in 2020 (2019: EUR 38 million) and the related direct operating expenses amounted to EUR 9 million (2019: EUR 10 million).

Property-related commitments

As part of its real estate investment activities, the Group committed to purchasing several properties through contracts of sale before completion. As at December 31, 2020, SCOR has off balance sheet commitments of EUR 11 million related to such contracts (December 31, 2019: EUR 21 million). The decrease compared to 2019 is mainly due to the final works on 2 buildings.

Note•8.5 BREAKDOWN OF SECURITIES AVAILABLE-FOR-SALE AND AT FAIR VALUE THROUGH INCOME

The following table summarizes the debt and equity securities and unrealized gains/(losses) by class of securities classified as available-for-sale and at fair value through income:

	As at December 31, 2020		As at December 31, 2019	
In EUR millions	Net book value	Net unrealized gains/(losses)	Net book value	Net unrealized gains/(losses)
GOVERNMENT BONDS & SIMILAR				
France	76	-	64	-
Germany	54	1	58	1
Netherlands	46	1	17	1
United Kingdom	80	-	323	-
Other EU (1)	67	(1)	175	1
United States	2,484	12	2,590	(2)
Canada	281	25	313	16
Japan	33	-	16	-
China	770	2	718	4
Supranational	212	3	194	2
Other	1,266	32	1,187	17
Total government bonds & similar	**5,369**	**75**	**5,655**	**40**
Covered bonds & Agency MBS	**1,393**	**40**	**1,885**	**17**
Corporate bonds	**9,021**	**407**	**8,977**	**257**
Structured & securitized products	**1,820**	**(23)**	**1,727**	**(13)**
TOTAL DEBT SECURITIES	**17,603**	**499**	**18,244**	**301**
Equity securities	2,272	16	1,950	24
TOTAL AVAILABLE FOR SALE AND FAIR VALUE THROUGH INCOME	**19,875**	**515**	**20,194**	**325**

(1) During 2020 and 2019, SCOR had no exposure to the sovereign debt of Portugal, Ireland, Italy, Greece.

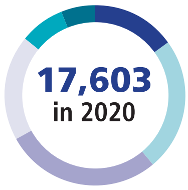
As at December 31, 2020, the net unrealized gain (loss) on debt securities included EUR 566 million of unrealized gains and EUR 67 million of unrealized losses (as at December 31, 2019: EUR 355 million of unrealized gains and EUR 54 million of unrealized losses).

The net unrealized gain (loss) on equity securities as at December 31, 2020 is comprised of EUR 50 million of unrealized gains and EUR 34 million of unrealized losses (as at December 31, 2019: EUR 51 million of unrealized gains and EUR 27 million of unrealized losses).

As at December 2020, total reserves of EUR 315 million (as at December 2019: EUR 214 million) also include:

- tax effects on available-for-sale securities net unrealized gains and losses of EUR (115) million (2019: EUR (73) million);
- net of tax foreign exchange gains and losses of EUR 3 million (2019: EUR 4 million);
- net of tax shadow accounting impacts of EUR (109) million (2019: EUR (51) million);
- elimination of assets under management for external clients net unrealized gains and losses in other liabilities of EUR 12 million (2019: 6 EUR million);
- investments in associates net unrealized gains and losses of EUR 0 million (2019: EUR 0 million);
- net of tax unrealized gains and losses relating to funds withheld of EUR 9 million (2019: EUR 3 million).

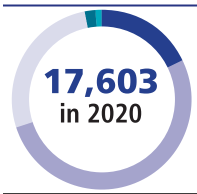
Note•8.6 DEBT SECURITIES CREDIT RATING STRUCTURE



In EUR millions	As at December 31, 2020		As at December 31, 2019	
AAA	2,561	15%	3,087	17%
AA	4,252	24%	4,695	26%
A	4,888	28%	5,112	28%
BBB	3,396	19%	3,038	17%
<BBB	1,443	8%	1,272	7%
Not rated	1,063	6%	1,040	5%
TOTAL DEBT SECURITIES	**17,603**	**100%**	**18,244**	**100%**

Note•8.7 DEBT SECURITIES MATURITY SCHEDULE

The table below presents the estimated maturity profiles of financial assets, for which the Group is expected to generate cash inflows to meet cash outflows on financial and reinsurance contract liabilities.



In EUR millions	As at December 31, 2020		As at December 31, 2019	
Less than one year	3,102	18%	2,985	16%
1 to 5 years	9,170	52%	8,676	48%
5 to 10 years	4,782	27%	5,992	33%
10 to 20 years	410	2%	354	2%
More than 20 years	139	1%	237	1%
TOTAL DEBT SECURITIES	**17,603**	**100%**	**18,244**	**100%**

Note•8.8 LOANS AND RECEIVABLES

In EUR millions	As at December 31, 2020	As at December 31, 2019
Funds held by ceding companies	7,914	8,070
Short-term investments	294	240
Loans secured against collateral	-	-
Infrastructure and Real estate loans	1,199	895
Other loans maturing in more than one year	3	7
Deposits	8	8
TOTAL	**9,418**	**9,220**

Loans and receivables primarily include cash deposits made at the request of ceding companies as collateral for commitments (insurance contract liabilities), short-term investments and related accrued interest. Short-term investments include government bonds, certificates of deposit (CDs) and treasury bills (T-bills) maturing between 3 and 12 months from the date of purchase. CDs and T-bills maturing in more than 12 months from the date of purchase are included in "Other loans maturing in more than one year".

As at December 31, 2020, the increase in loans and receivables of EUR 198 million compared to year-end 2019 is mainly due to the increase of infrastructure and real estate loans partially offset by the decrease funds held by ceding companies (mostly linked to Life business).

Short-term investments include EUR 183 million that are carried at fair value at December 31, 2020 (December 31, 2019: EUR 97 million). Other loans and receivables are carried at cost, which approximates their fair value at December 31, 2020 and 2019.

Note•8.9 DERIVATIVE INSTRUMENTS

Derivative instruments and hedging instruments

Derivative instruments are recorded and classified at fair value through income unless they are designated as hedging instruments.

All derivatives are carried as assets when the fair values are positive and as liabilities when the fair values are negative.

The accounting method varies according to whether or not the derivative instrument is designated as a hedging instrument, as described below in "Hedging instruments".

When the Group has not designated the derivative as a hedging instrument, gains and losses resulting from changes in the fair value of the instrument are recorded in the statement of income in the period in which they occur. The Group uses the following derivative instruments to reduce its exposure to various risks: interest rate swaps, foreign currency forward purchase and sale contracts, caps and floors, puts and calls and insurance-linked securities (ILS).

Embedded derivative instruments

An embedded derivative is a component of a hybrid instrument which includes a non-derivative host contract, which causes part of the hybrid instrument's cash flow to vary in the same way as that of a freestanding derivative. The host contract can be a financial instrument or an insurance contract.

A material embedded derivative is separated from the host contract and is recognized as a derivative when:

- its economic features and risks are not closely linked to the economic features of the host contract;
- the embedded instrument has the same conditions as a separate derivative instrument; and
- the hybrid instrument is not measured at fair value through income.

Where an embedded derivative has been separated from its host contract, it is recognized in accordance with the guidance relating to the accounting for derivative financial instruments.

Where the embedded derivative represents a significant part of the instrument and cannot be separated from the host contract, the hybrid instrument is treated as an instrument held for trading. Gains and losses resulting from changes in the fair value of the hybrid instrument are recognized in the statement of income in the period during which they occur.

Hedging instruments

A hedging instrument is a designated derivative instrument or, in the case of a foreign currency hedge, a designated non-derivative asset or liability for which the fair value or cash flows offset changes in the fair value or cash flows of the hedged item.

The hedged item may be an asset, a liability, a firm commitment, a highly probable scheduled transaction or a net investment in a foreign operation exposing the Group to fluctuations in fair value or future cash flows, and which is designated as being hedged.

Hedge effectiveness is monitored periodically by comparing changes in the fair value or cash flows of the hedged item to the changes in the fair value or cash flows of the hedge instrument in order to determine the degree of effectiveness.

A derivative instrument designated as a fair value hedge is initially recognized at fair value on the date on which the derivative contract is entered into. The carrying amount of the hedged item is adjusted for gains and losses attributable to the risk being hedged. The derivative is remeasured at fair value and gains and losses are recognized in the statement of income.

A derivative instrument designated as a cash flow hedge is initially recognized at fair value on the date on which the derivative contract is entered into. The effective portion of gains or losses on the hedging instrument is recognized in other comprehensive income in the cash flow hedge reserve, while the ineffective portion is recognized in the statement of income. Amounts taken to other comprehensive income are transferred to the statement of income when the hedged transaction is reflected in the statement of income, such as when financial income or financial expenses related to the hedge are recognized or when the forecast sale or purchase occurs.

For hedges of net investments in a foreign operation, the portion of gains or losses on the hedging instrument considered as the effective portion of the hedge is recorded directly in shareholders' equity. Any ineffective portion of the hedge is recognized in the statement of income.

Derivative financial instruments include the following items:

In EUR millions	Derivative assets as at December 31,		Derivative liabilities as at December 31,		Fair value through income		Gains or losses recognized through other comprehensive income	
	2020	2019	2020	2019	2020	2019	2020	2019
Atlas Re 2020, Atlas UK 2019 & Atlas IX 2016-1 [(1)]	100	85	-	-	(46)	(38)	-	-
Interest rate swaps	-	-	2	2	-	-	-	(1)
Cross currency swaps	42	79	-	-	(60)	14	22	31
Foreign currency forwards	57	44	83	27	(59)	58	12	(1)
Other	3	-	-	-	(2)	(2)	-	-
TOTAL	**202**	**208**	**85**	**29**	**(167)**	**32**	**34**	**29**

(1) The risk period for Atlas IX 2016-1 ended on December 31, 2019.

Catastrophe bonds

Atlas Capital UK 2019 PLC provides the Group with multi-year risk transfer capacity of USD 250 million to protect itself against named storms in the US, earthquakes in the US and Canada, and windstorms in Europe. The risk period for Atlas Capital UK 2019 runs from June 1, 2019, to May 31, 2023.

In 2020, SCOR has sponsored a new catastrophe bond ("cat bond"), Atlas Capital Reinsurance 2020 DAC, which provides the Group with multi-year risk transfer capacity of USD 200 million to protect itself against storms in the U.S. and earthquakes in the U.S. and Canada. The risk period for Atlas Capital Reinsurance 2020 DAC will run from April 30, 2020, to May 31, 2024.

These instruments are recognized as a derivatives and valued using a cumulated expected loss model that is based on a combination of market inputs to the extent that trades in this instrument are active and catastrophe modeling tools developed by a third-party service provider (AIR).

The significant unobservable inputs used in the valuation model are:

Unobservable inputs	Atlas Capital UK 2019 PLC	Atlas capital Re 2020 DAC
Expected loss US named storm based on AIR model	6.94%	5.46%
Expected loss US and Canadian earthquake based on AIR model	4.21%	3.51%
Expected loss European windstorm based on AIR model	1.55%	NA

A significant catastrophic event (US or Canadian Earthquake or a US Named Storm or a Europe Windstorm) that would occur during the coverage period of the respective bond would lead to a change in the fair value of the derivative instrument.

Interest rate swaps

SCOR has entered into interest rates swaps to cover its exposure to financial liabilities with variable interest rates relating to real estate investments. The fair value of these swaps is obtained from the banking counterparty and is based on market inputs. As part of the usual analysis of accounts processes, these third-party valuations are checked for reasonableness against internal models. The total notional amount relating to these swaps is EUR 44 million as at December 31, 2020 (December 31, 2019: EUR 86 million). Net interests paid under these swaps is not material in 2020 (2019: EUR 1 million).

Valuation and presentation

Cash-flow hedge accounting is applied when the hedging relationship is determined to be highly effective throughout the term of the hedge. Effectiveness testing is performed at the inception of the hedging relationship and at each reporting date throughout the term of the hedge relationship. Where hedge effectiveness is not attained, the hedging instrument (interest rate swap) is measured at fair value through income from the date the hedge relationship ceases to be effective. As at December 31, 2020, the fair value of the interest rate swaps was a liability of EUR 2 million (December 31, 2019: liability of EUR 2 million). The amount recognized in other comprehensive income in 2020 is not material (2019: EUR (1) million). The amount recognized in the statement of income in 2020 is not material (2019: EUR 0 million).

Cross-currency swaps

In order to hedge the foreign exchange risk associated with debts issued in USD (USD 625 million issued in 2018 and USD 125 million issued in 2019, see Note 14 – Financial debt), SCOR entered into cross-currency swaps which exchange principal and coupons on the notes from USD into EUR. The swaps mature on March 13, 2029.

Valuation and presentation

Cash flow hedge accounting is applied. The fair value of the swaps is obtained from the banking counterparty using market inputs. As part of the usual analysis of accounts processes, these third-party valuations are checked for reasonableness against internal models. The total related notional amount is USD 750 million as at December 31, 2020 (December 31, 2019: USD 625 million). The fair value of cross currency swaps is EUR 42 million as at December 31, 2020 (EUR 79 million as at December 31, 2019). No ineffectivness was identified on the remaining swap during 2020.

Forward currency contracts

SCOR purchases and sells forward currency contracts to reduce its overall exposure to balances held in currencies other than the functional currencies of its subsidiaries. The contracts are recorded at their fair value based on valuations provided by banking counterparties using market inputs.

Hedge of a net investment

At December 31, 2020 and 2019, one forward currency contract is designated as a hedge of a net investment (see Note 13 – Information on share capital, capital management, regulatory framework and consolidated reserves).

The outstanding contracts at December 31, 2020 and 2019, converted into EUR at the closing rates, were as follows:

	Forward sales		Forward purchases	
In EUR millions	Notional	Fair value	Notional	Fair value
December 31, 2020	1,495	33	1,996	(59)
December 31, 2019	1,735	17	1,114	-

Other

Contingent capital facility

See Note 13 – Information on share capital, capital management, regulatory framework and consolidated reserves, for the details on the issuance of warrants to J.P. Morgan in the context of the contingent capital facility program.

Amounts related to this transaction are recorded in the balance sheet as assets, recognized at fair value through income, and as other liabilities representing the amount of commission payable. In the absence of observable market inputs and parameters to reliably determine a fair value for these derivative instruments, the best measure of fair value is the expected cost of the instrument, corresponding to the total annual fees payable under the arrangement net of the warrants' subscription amounts received, amortized over the life of the instrument. These assets are disclosed as level 3 investments within insurance business investments (see Note 8.1 above).

The changes in fair value through income as presented above are recognized in investment income.

Note•9 ACCOUNTS RECEIVABLE FROM AND PAYABLE ON ASSUMED AND CEDED INSURANCE AND REINSURANCE TRANSACTIONS

A reinsurance asset is recognized to reflect the amount estimated to be recoverable under the reinsurance contracts in respect of the outstanding claims reported under reinsurance liabilities assumed. The amount recoverable from reinsurers is initially valued on the same basis as the underlying claims provision except in the case of non-proportional retrocession whether by risk or by event, where it is SCOR's policy to only recognize recoveries, including IBNR recoveries upon confirmation of the occurrence of a loss booked which triggers the retrocession contract.

The amount recoverable is reduced in the form of a bad debt provision when there is an event arising that provides objective evidence that the Group may not receive all amounts due under the contract and the event has a reliably measurable impact on the expected amount that will be recovered from the reinsurer.

Premiums payable in respect of reinsurance ceded are recognized in the period in which the reinsurance contract is entered into and includes estimates where the amounts are not determined at the reporting date. Retroceded premiums are expensed over the term of the reinsurance contract in the same manner as assumed business.

SCOR contracts with Atlas vehicles which meet the criteria of risk transfer according to IFRS 4 are accounted for as reinsurance ceded.

	As at December 31, 2020			As at December 31, 2019		
In EUR millions	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total
Gross receivables from ceding companies	48	400	448	514	443	957
Provision for bad debts	(2)	(8)	(10)	(2)	(9)	(11)
Estimated premiums receivable from cedents, net of commission	3,496	2,630	6,126	2,913	2,865	5,778
Accounts receivable from assumed insurance and reinsurance transactions	**3,542**	**3,022**	**6,564**	**3,425**	**3,299**	**6,724**
Amount due from reinsurers	150	140	290	126	228	354
Provision for bad debts	-	(4)	(4)	-	(3)	(3)
Accounts receivable from ceded reinsurance transactions	**150**	**136**	**286**	**126**	**225**	**351**
Amounts payable on assumed insurance and reinsurance transactions	**(375)**	**(335)**	**(710)**	**(536)**	**(374)**	**(910)**
Liabilities for cash deposits from retrocessionaires	(72)	(317)	(389)	(245)	(351)	(596)
Amount due to reinsurers	(15)	(65)	(80)	(19)	(84)	(103)
Estimated premiums payable to retrocessionaires, net of commission	(477)	(284)	(761)	(359)	(373)	(732)
Accounts payable on ceded reinsurance transactions	**(564)**	**(666)**	**(1,230)**	**(623)**	**(808)**	**(1,431)**

Accounts receivable from and payable to cedents and retrocessionaires are mostly due in less than one year. A complete aging of financial assets is included in the Universal Registration Document in Section 3.2.5 – Management of credit risks.

Note•10 MISCELLANEOUS ASSETS

Miscellaneous assets consist of:

In EUR millions	As at December 31, 2020	As at December 31, 2019
Other intangible assets	457	398
Right-of-Use assets	161	81
Tangible assets	747	738
Others	181	196
Miscellaneous assets	**1,546**	**1,413**

Note•10.1 OTHER INTANGIBLE ASSETS

The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition intangible assets are carried at cost less any accumulated amortization and impairment losses.

The useful lives of intangible assets are either finite or indefinite.

Intangible assets with finite useful lives are amortized over the expected useful economic life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for intangible assets with finite useful lives are reviewed annually. Changes in the expected useful life or the expected pattern of future economic benefits are accounted for prospectively by changing the amortization period or method as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of income in the expense category consistent with the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment at least annually. An additional test is performed in the event of an indication of loss of value. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assumption remains appropriate. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of income when the asset is derecognized.

Other intangible assets consist primarily of customer-related intangible assets arising from Non-Life business combinations and purchased software or development expenditure related to software.

The Group amortizes its other intangible assets with a finite life using the straight-line method over a one to ten year period.

In EUR millions	Other Intangible assets
Gross value at December 31, 2018	**494**
Foreign exchange rate movements	3
Additions	84
Disposals	(18)
Change in scope of consolidation	-
Gross value at December 31, 2019	**563**
Foreign exchange rate movements	(5)
Additions	92
Disposals (1)	(1)
Change in scope of consolidation	-
Gross value at December 31, 2020	**649**
Cumulative amortization and impairment at December 31, 2018	**(150)**
Foreign exchange rate movements	(2)
Amortization for the period	(8)
Impairment for the period	(5)
Cumulative amortization and impairment at December 31, 2019	**(165)**
Foreign exchange rate movements	2
Amortization for the period	(29)
Impairment for the period	-
Cumulative amortization and impairment at December 31, 2020	**(192)**
CARRYING VALUE AS AT DECEMBER 31, 2018	**344**
CARRYING VALUE AS AT DECEMBER 31, 2019	**398**
CARRYING VALUE AS AT DECEMBER 31, 2020	**457**

(1) Disposals are mainly related to the scrapping of fully amortized software.

Other intangible assets include all intangible assets except for goodwill and VOBA which are presented on separate balance sheet line items (refer to Note 6 – Goodwill and Note 7 – Value of business acquired).

Other intangible assets include other intangible assets with finite useful lives as at December 31, 2020 for a net value of EUR 304 million (December 31, 2019: EUR 245 million) and other intangible asset with indefinite useful life for EUR 153 million (December 31, 2019: EUR 153 million).

Similar to the increase of EUR 54 million net of amortization during the year ended December 31, 2019, the increase of EUR 59 million net of amortization during the year ended December 31, 2020 mainly relates to the capitalization of software development costs relating to the Group's accounting system and technical accounting system.

The Group conducted its annual assessment of the amortization periods and amortization methods of these finite useful life intangible assets and concluded that both the amortization periods and existing amortization methodology are appropriate. The amortization expense recognized for other intangible assets with finite useful life was EUR 29 million, EUR 8 million, and EUR 19 million, for the years ended December 31, 2020, 2019, and 2018 respectively.

The other intangible assets with indefinite useful life mainly include EUR 136 million relating to Château Mondot trademark. Château Mondot trademark was tested for impairment with the result that no impairment charge needs to be recognized (refer to Note 6 – Goodwill, for details). They also include the intangible assets associated with Lloyd's syndicate participations acquired through the Converium business combination. The Lloyd's intangible assets with a carrying amount of EUR 4 million as at December 31, 2020 (as at December 31, 2019: EUR 4 million) are deemed to have an indefinite useful life due to the ability to realize cash for these contractual rights through the Lloyd's auction process.

The prices of the Lloyd's syndicate participations from the Lloyd's auction process are key inputs in the impairment tests conducted. In 2020 no depreciation has been recognized. In 2019, an impairment of EUR 5 million was recognized due to the non-renewal of two participations in Lloyds syndicate.

Note•10.2 RIGHT OF USE ASSETS

Under IFRS 16 – Leases, right-of-use assets are assets that represents a SCOR's rights as lessee to use an underlying asset for the term of the respective lease contracts, determined as the non-cancellable period of a lease under consideration of extension and termination options in when their exercise is reasonably certain. Right-of-use assets are included in the balance sheet line item Miscellaneaous Assets and are measured at the amount of the related lease liability, considering up-front payments made, lease incentives received and initial direct costs where applicable. Subsequently, right-of-use assets are measured at cost, less accumulated depreciation and impairment, if any. Depreciation is determined in accordance with IAS 16 and recognized in the income statement.

SCOR uses the exemptions for certain short-term leases and leases of low-value assets and continues to recognize the lease payments for those contracts as an expense on a straight-line basis. IFRS 16 is not applied to leases for intangible assets (for example IT licenses).

The right-of-use assets amounted to EUR 161 million as of December 31, 2020. They correspond mainly to EUR 159 million in leased office space and EUR 2 million in car leases and office equipment.

In EUR millions	Right-of-use assets	Lands and Buildings	Transport	Other equipment
Gross value at January 1, 2019	**186**	**182**	**2**	**2**
Foreign exchange rate movements	4	4	-	-
Additions	20	18	1	1
Reclassification	-	-	-	-
Disposal	(9)	(8)	(1)	-
Change in scope of consolidation	-	-	-	-
Other	-	-	-	-
Gross value at December 31, 2019	**201**	**196**	**2**	**3**
Foreign exchange rate movements	(9)	(9)	-	-
Additions	119	119	-	-
Reclassification	(1)	(1)	-	-
Disposal	(76)	(75)	-	(1)
Change in scope of consolidation	-	-	-	-
Other	(2)	(2)	-	-
Gross value at December 31, 2020	**232**	**228**	**2**	**2**

In EUR millions	Right-of-use assets	Lands and Buildings	Transport	Other equipment
Cumulative depreciation and impairment at January 1, 2019	**(98)**	**(96)**	**(1)**	**(1)**
Depreciation for the period	(30)	(29)	(1)	-
Impairment for the period	-	-	-	-
Reclassification	-	-	-	-
Disposal	8	7	1	-
Cumulative depreciation and impairment at December 31, 2019	**(120)**	**(118)**	**(1)**	**(1)**
Depreciation for the period	(27)	(26)	-	(1)
Impairment for the period	-	-	-	-
Other	-	-	-	-
Disposal	76	75	-	1
Cumulative depreciation and impairment at December 31, 2020	**(71)**	**(69)**	**(1)**	**(1)**
CARRYING VALUE AS AT JANUARY 1, 2019	**88**	**86**	**1**	**1**
CARRYING VALUE AS AT DECEMBER 31, 2019	**81**	**78**	**1**	**2**
CARRYING VALUE AS AT DECEMBER 31, 2020	**161**	**159**	**1**	**1**

In 2020, increases are mainly due to the recognition of two new real estate rental contracts in Switzerland and the United States and decreases mainly relate to the corresponding previous contracts that have expired.

Operating lease contracts commitments

SCOR Services Switzerland entered into an agreement in July 2016 to rent a new building in Zurich. The minimum duration has been fixed to 10 years representing a total commitment of EUR 76 million (CHF 83 million). The expected starting date is May 2020. The right-of-use asset and the corresponding lease liability is recognized at this date.

There is no commitment in progress at year end 2020.

IFRS 16 exemptions

In the period under review, no significant expense relating to short term leases and to leases of low-value items has to be reported.

Revenues coming from sublease contracts represent EUR 3 million (2019: EUR 4 million, 2018: EUR 4 million) and are related to Switzerland, France and US.

Total cash outflow for leases is EUR 27 million as of December 31, 2020 (2019: EUR 30 million).

Refer to Note 14 – Financial liabilities for further information on lease liabilities.

Note•10.3 TANGIBLE ASSETS AND RELATED COMMITMENTS

Owner-occupied property is classified as tangible assets. Some buildings may be partially occupied by entities of the Group. Properties are recognized at cost, net of accumulated depreciation and impairment losses. Depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Category	Useful life
Land	Indefinite (not depreciated)
Buildings	
Building structure and exterior	30-80 years
Insulation	30 years
Technical installations	20 years
Fixtures and fittings	10-15 years

Repair and maintenance costs are charged to the statement of income during the financial period in which they are incurred. All costs directly associated with purchases or construction of property are capitalized. All subsequent value-enhancing capital expenditures are classified as acquisition costs and capitalized when it is probable that the future economic benefits related to the item will flow to the Group.

Owner-occupied property is assessed for impairment whenever there is an indication that it may be impaired. It is considered a corporate asset, which does not generate cash inflows independently. Hence, the assessment is made at the level of the cash generating units (CGU) or groups of CGUs to which the property belongs. Should impairment indicators exist, the Group determines the recoverable amount of the CGU or group of CGUs to which the property belongs and compares it to its carrying amount.

Tangible assets

Tangible assets as at December 31, 2020 amounted to EUR 747 million compared to EUR 738 million as at December 31, 2019 and primarily relate to own use property, office furniture and equipment, and building fixtures and fittings.

In EUR millions	Tangible Assets
Gross value at December 31, 2018	**890**
Foreign exchange rate movement	7
Additions	43
Reclassification	-
Disposals	(11)
Change in scope of consolidation	-
Other	-
Gross value at December 31, 2019	**929**
Foreign exchange rate movement	(13)
Additions	53
Reclassification	-
Disposals	(48)
Change in scope of consolidation	-
Other	-
Gross value at December 31, 2020	**921**
Cumulative depreciation and impairment at December 31, 2018	**(172)**
Depreciation for the period	(29)
Impairment for the period	-
Reclassification	-
Disposals	10
Cumulative depreciation and impairment at December 31, 2019	**(191)**
Depreciation for the period	(25)
Impairment for the period	-
Reclassification	-
Disposals	42
Cumulative depreciation and impairment at December 31, 2020	**(174)**
CARRYING VALUE AS AT DECEMBER 31, 2018	**718**
CARRYING VALUE AS AT DECEMBER 31, 2019	**738**
CARRYING VALUE AS AT DECEMBER 31, 2020	**747**

The increase in 2020 is mainly related to work in progress and to improvement costs for office space for a total of EUR 53 million. The increase is partially offset by the disposal of not fully amortized tangible assets (furniture and office equipment) of EUR 48 million.

The increase in 2019 is mainly related to work in progress and to improvement costs for office space for a total of EUR 43 million. The increase is partially offset by the disposal of not fully amortized tangible assets (furniture and office equipment) of EUR 11 million.

Property-related commitments received and granted

There is no commitment received or granted at year end 2020 and 2019.

Note • 11 DEFERRED ACQUISITION COSTS

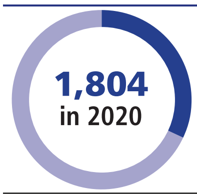
In reinsurance, the costs directly associated with the acquisition of new contracts, mainly comprising commissions, are recorded as assets on the balance sheet, to the extent that the contracts are profitable. They are amortized on the basis of the residual term of the contracts in Non-Life, and on the basis of the expected recognition of future margins for Life contracts.

	2020			2019			2018		
In EUR millions	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total
Carrying amount at January 1	**862**	**735**	**1,597**	**886**	**615**	**1,501**	**855**	**560**	**1,415**
Capitalization of new contracts over the period/ Change over the year	121	716	837	196	726	922	148	598	746
Change in scope of consolidation and contract portfolio exchanges	-	-	-	-	-	-	-	12	12
Amortization for the year	(134)	(740)	(874)	(155)	(617)	(772)	(171)	(562)	(733)
Impairment losses during the year	-	-	-	-	-	-	-	-	-
Changes in foreign exchange rates	(32)	(46)	(78)	2	11	13	18	7	25
Other changes (including change in shadow accounting)	(26)	-	(26)	(67)	-	(67)	36	-	36
Carrying amount at December 31	**791**	**665**	**1,456**	**862**	**735**	**1,597**	**886**	**615**	**1,501**

Note•12 CASH FLOW INFORMATION

Cash and cash equivalents comprise cash, net bank balances and short-term deposits or investments with a maturity of less than three months at the date of purchase or deposit. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. Money market funds are also classified as cash and cash equivalents, though only to the extent that the fund assets qualify as cash equivalents, or there are strict fund management policies and limits that allow the funds to qualify as cash equivalents.

Note•12.1 CASH AND CASH EQUIVALENTS

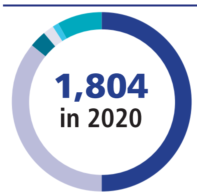


In EUR millions	As at December 31, 2020	As at December 31, 2019
32% Cash on hand	574	761
68% Short-term deposits and investments	1,230	674
CASH AND CASH EQUIVALENTS (1)	**1,804**	**1,435**

(1) Cash and cash equivalents include cash held by the Group on behalf of third parties as part of its asset management activity for a total amount of EUR 165 million on December 31, 2020 (December 31, 2019: EUR 211 million).

The Group's liquidity, defined as cash, cash equivalents, bank overdrafts and short-term government bonds with maturities of more than three months and less than twelve months, which is well diversified across a limited number of banks, amounts to EUR 1,988 million as at December 31, 2020 (December 31, 2019: EUR 1,532 million). It includes EUR 184 million of short-term governments bonds as at December 31, 2020 (December 31, 2019: EUR 97 million).

The table below shows the split by currencies of the Group's cash and cash equivalents balance.



In EUR millions	As at December 31, 2020	As at December 31, 2019
50% USD	900	452
36% EUR	646	675
3% GBP	56	103
2% CAD	33	50
1% CHF	20	1
8% Others	149	154
CASH AND CASH EQUIVALENTS	**1,804**	**1,435**

Note•12.2 NET CASH FLOWS FROM OPERATIONS

The following table reconciles consolidated net income to net cash flows provided by/(used in) operations as presented in the consolidated statement of cash flows:

In EUR millions	2020	2019	2018
Consolidated Group net income	**234**	**422**	**322**
Realized gains and losses on investment disposals	(149)	(128)	(114)
Change in accumulated amortization and other provisions	131	175	154
Changes in deferred acquisition costs	33	(125)	2
Net increase in contract liabilities	895	511	239
Change in fair value of financial instruments recognized at fair value through income (excluding cash and cash equivalents)	130	(68)	71
Other non-cash items included in operating results	369	155	66
Net cash flows provided by/(used in) operations, excluding changes in working capital	**1,643**	**942**	**740**
Change in accounts receivable and payable	(730)	(171)	118
Cash flows from other assets and liabilities	32	7	71
Change in taxes receivables and payables	43	63	(38)
Net cash flows provided by/(used in) operations	**988**	**841**	**891**

Dividend and interest cash receipts relating to investments held during the year were EUR 20 million (2019: EUR 30 million and 2018: EUR 20 million) and EUR 460 million (2019: EUR 551 million and 2018: EUR 551 million), respectively.

Tax cash outflows during the year was EUR 137 million (2019: outflow of EUR 97 million and 2018: outflow of EUR 252 million).

Note•12.3 CHANGE IN LIABILITIES FROM FINANCING ACTIVITIES

In EUR millions	As at January 1, 2020	Issuance of financial liabilities	Redemption of financial liabilities	Acquisitions	Foreign exchange rate movements	Others	As at December 31, 2020
Long-term debts [(1)]	**2,930**	**335**	**(188)**	**-**	**(53)**	**5**	**3,029**

(1) Long-term debts exclude debts related to IFRS 16.

Refer to Note 14 – Financial liabilities for further information.

Note•13 INFORMATION ON SHARE CAPITAL, CAPITAL MANAGEMENT, REGULATORY FRAMEWORK AND CONSOLIDATED RESERVES

A breakdown of the movements in the various reserves is provided in Section 4.5 – Consolidated statement of changes in shareholders' equity.

Share capital

Ordinary shares are classified in shareholders' equity when there is no contractual obligation to transfer cash or other financial assets to the holders.

Share issue costs

External costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax from the proceeds of the issue in the line "Additional paid-in capital".

Treasury shares

Treasury shares and any directly related costs are recorded as a deduction from shareholders' equity. When treasury shares are subsequently sold or reissued, any consideration received is included in consolidated shareholders' equity net of any directly related costs and tax effects. Accordingly, there is no related income, gain or loss recognized in the statement of income.

Share-based payments

The caption "Share-based payments" is used to offset the cost of services received in exchange for the granting of shares or stock options to Group employees. As the instruments granted are subordinated to the fulfillment of a vesting period by the employee, the increase in equity is initially recognized at the grant date in the line "Share-based payments". Once the shares are fully vested, they are recognized as ordinary shares under "Share capital" and "Additional paid-in capital".

Dividends

Dividends declared on ordinary shares are recognized as a liability when such dividends have been approved by shareholders at the relevant Annual Shareholders' Meeting.

Note•13.1 SHARE CAPITAL

Authorized share capital

The authorized share capital of the Company is composed of 186,730,076 shares at December 31, 2020, 187,049,511 shares at the end of 2019 and 193,085,792 shares at the end of 2018 with a par value of EUR 7.8769723 each.

Issued shares

The number of ordinary shares which were issued and fully paid in circulation as at December 31, 2020, 2019 and 2018 was as follows:

	2020	2019	2018
As at January 1	**187,049,511**	**193,085,792**	**193,500,317**
Share capital decrease – decision of the Board	(509,135)	(6,545,416)	(1,692,602)
Share capital increase – exercise of stock options – during the year	189,700	509,135	1,278,077
As at December 31	**186,730,076**	**187,049,511**	**193,085,792**
Nominal price per share *(in EUR)*	7.8769723	7.8769723	7.8769723
Share capital *(in EUR)*	**1,470,867,636**	**1,473,383,817**	**1,520,931,435**

In 2020, the movements are due to the following operations:

- the Board of Directors' meeting held on April 28, 2020 decided to reduce the Group's share capital by cancellation of 509,135 treasury shares for EUR 21 million (EUR 4 million in share capital and EUR 17 million in additional paid-in capital); and
- the issuance of new shares relates to the exercise of stock options for EUR 4 million (EUR 2 million in share capital and EUR 2 million in additional paid-in capital). This resulted in the creation of 189,700 new shares throughout the year.

In 2019, the movements are due to the following operations:

- the Board of Directors' meeting held on April 26, 2019 decided to reduce the Group's share capital by cancellation of 6,545,416 treasury shares for EUR 248 million (EUR 51 million in share capital and EUR 197 million in additional paid-in capital); and
- the issuance of new shares relates to the exercise of stock options for EUR 9 million (EUR 3 million in share capital and EUR 6 million in additional paid-in capital). This resulted in the creation of 509,135 new shares throughout the year.

In 2018, the movements are due to the following operations:

- the Board of Directors' meeting held on April 26, 2018 decided to reduce the Group's share capital by cancellation of 1,692,602 treasury shares for EUR 50 million (EUR 13 million in share capital and EUR 37 million in additional paid-in capital); and
- the issuance of new shares relates to the exercise of stock options for EUR 23 million (EUR 10 million in share capital and EUR 13 million in additional paid-in capital). This resulted in the creation of 1,278,077 new shares throughout the year.

The shares issued in 2020, 2019 and 2018 were issued at a par value of EUR 7.8769723 per share.

Treasury shares

The number of shares held as treasury shares by the Group and/or its subsidiaries at December 31, 2020 amounted to 259,567 shares compared to 668,058 shares at the end of 2019. These treasury shares are not entitled to dividends.

Information related to dividend distribution

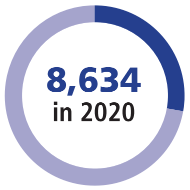
The resolution to be presented to the Annual Shareholders' Meeting called to approve, during the first half of 2021, the financial statements for the financial year 2020, sets out the distribution of a dividend of one euro and eighty cents (EUR 1.80) per share for the financial year 2020.

In line with SCOR's shareholder remuneration policy and given the Group's performance in 2019, the Board of Directors of SCOR SE, at its meeting of February 26, 2020, had decided to propose to the Shareholders' Meeting scheduled to be held on April 17, 2020, that a gross dividend of EUR 1.80 per share be distributed for the 2019 fiscal year.

In the context of Covid-19, the Annual Shareholders' Meeting, postponed to June 16, 2020, approved the subsequent proposal of the Board of Directors of SCOR SE, which had met on May 25, 2020, that no dividend will be distributed for the 2019 fiscal year and that the entire net income for 2019 will be allocated to distributable earnings.

Note•13.2 CAPITAL MANAGEMENT: OBJECTIVES AND APPROACH

The primary source of capital used by the Group is shareholders' equity and subordinated debt. The leverage ratio as at December 31, 2020 is 28.5%. For a description of the leverage ratio, see Universal Registration Document, Section 1.3.6 – Financial position, liquidity and capital resources.



In EUR millions		Book value as at December 31, 2020	Book value as at December 31, 2019
■ 28%	Subordinated debts	2,538	2,409
	Accrued interest on subordinated debts	(39)	(38)
■ 72%	Swaps on subordinated debts	(42)	(79)
	Shareholders' equity at book value	6,177	6,374
CAPITALIZATION AND INDEBTEDNESS		**8,634**	**8,666**

The Group's capital management policy is to optimize the utilization of its shareholders' equity and debt in order to maximize the short-term and long-term profitability for shareholders while at the same time providing its customers with an adequate level of security as measured by internal capital allocation models, rating agencies and national regulators. The realization of the capital management policy objectives is ensured through an integrated supervision of regulatory constraints at Group level, an annual strategic and financial planning process and regular updates of forecasts. The capital management process is ultimately subject to approval by the Board of Directors after a formal presentation to its Audit Committee. The Group's Board of Directors and Executive Committee regularly review the Group's risk profile to ensure that its risk appetite remains aligned with the Group's strategy.

The Groups' capital management objectives are to:

- match the profile of its assets and liabilities, taking into account the risks inherent to the business;
- maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximize shareholder value;
- ensure a high degree of capital fungibility;
- retain financial flexibility by maintaining strong liquidity and access to a range of capital markets;
- allocate capital efficiently and support the development of business by ensuring returns on capital employed meet the requirements of regulators and shareholders; and
- manage exposure to exchange rate fluctuations.

The objective of the Group's overall capital management process is the setting of target risk adjusted rates of return for business units, which are aligned with performance objectives and promote the creation of shareholder value.

In this regard, and in line with its strategic plan "Quantum Leap" for the period from mid-2019 to 2021, the Group aims to achieve the following two specific targets:

- a ROE ≥ 800 basis points above the five-year risk-free rate over the cycle (1);
- a solvency ratio (2) in the optimal range between 185% and 220%.

SCOR believes that its working capital is sufficient to meet the requirements of its consolidated companies. The Group reconciles its strategic objectives with the protection of its capital through its "capital shield" policy, which articulates the Group's risk appetite. This policy is based on an economic approach and aims to protect the Group against potential shock losses, some of which are not immediately recognized from a pure accounting view. The policy builds on the following four concepts:

Traditional retrocession

Retrocession used by the Group includes a wide range of protections including proportional and non-proportional covers. The Group selects the level of its retrocession to third parties once a year to ensure that its retained risk profile is in line with its predefined risk tolerance limits, to help the Group achieve its return on capital and solvency objectives.

(1) Based on a 5-year rolling average of 5-year risk-free rates.
(2) Ratio of Available Capital over SCR (Solvency Capital Requirements) according to the internal model.

Capital market solution

SCOR uses catastrophe bonds, mortality bonds and side-cars to protect the Group against catastrophic and extreme mortality events.

Solvency scale

SCOR's solvency is actively monitored and managed through a solvency scale coupled with a clear escalation process. The solvency scale includes an optimal solvency range targeted by the Group as a solvency ratio between 185% and 220%, as well as the management initiatives which could be carried out to steer the solvency position back to the optimal range if need be.

This optimal range enables the Group to absorb a significant amount of the volatility inherent to the reinsurance business, thereby limiting the frequency of turning to the market to maintain the Group's available capital above the SCR.

Contingent capital facility

On December 3, 2019, SCOR arranged a contingent capital facility with J.P. Morgan taking the form of a contingent equity line, providing the group with EUR 300 million coverage in case of extreme natural catastrophes or life events impacting mortality. Under this arrangement, SCOR issued 9.4 million warrants in favor of J.P. Morgan, each warrant giving J.P. Morgan the right to subscribe to two new SCOR shares. J.P. Morgan has undertaken to exercise accordingly the number of warrants necessary for the subscription of up to EUR 300 million (issuance premium included) of new shares, without exceeding 10% of SCOR's share capital, when the aggregate amount of (i) the estimated ultimate net losses resulting from eligible natural catastrophes incurred by the Group (in its capacity as an insurer/reinsurer) between January 1, 2020 and December 31, 2022 or (ii) the ultimate net claims amount recorded by SCOR Group Life segment (in its capacity as an insurer/reinsurer) over two consecutive semesters over the period from July 1, 2019 and December 31, 2022 reaches certain contractual thresholds subject to review by SCOR's Statutory Auditors. In addition, subject to no drawdown having already been conducted under the facility, if SCOR's daily volume-weighted average share price falls below EUR 10, an individual tranche of EUR 150 million will be drawn down out of the EUR 300 million facility.

J.P. Morgan is committed to subscribing the new shares, in case of exercise of the warrants, but does not intend to become a long-term shareholder of SCOR and would therefore resell the shares by way of private placements and/or sales on the open market. In this respect, SCOR and J.P. Morgan have entered into a profit sharing arrangement, whereby 75% of the gain generated by the resale of the new shares, if any, would be retroceded to SCOR. If the resale of the new shares occurs immediately upon exercise through an off-market transaction, the profit share owed to SCOR will be paid in the form of SCOR shares in order to limit the dilutive impact of the transaction for SCOR's shareholders.

In the absence of any extreme triggering event, no shares would be issued under the facility and this facility would therefore remain without any dilutive impact for the shareholders.

Note•13.3 REGULATORY FRAMEWORK

The main objective of insurance and reinsurance regulators is protecting the interests of policyholders. They ensure that the Group maintains an adequate solvency position to meet unforeseen liabilities arising from economic shocks or natural disasters.

The Group is subject to regulatory requirements in each of the jurisdictions in which it conducts business. Local authorities have broad supervisory and administrative powers over many aspects of the insurance and reinsurance industries.

Such regulations not only prescribe approval and monitoring of activities, but also impose obligations related to maintaining a certain level of capital (*e.g.* capital requirement) to cover the risk of default and insolvency on the part of the reinsurance companies and insurance companies and meet unforeseen liabilities.

The Group actively monitors the regulatory capital requirements of each of its operating subsidiaries within this capital management framework and aims to achieve full compliance in respect of all regulatory and solvency requirements in the countries in which it operates.

Failure of an operating company to meet the local regulatory capital requirements of the jurisdiction in which it operates could lead to supervision or administration of the activities of the operating company by the local regulator.

In the majority of countries in which the Group operates, regulatory filings are not prepared on an IFRS basis.

Note•13.4 CONSOLIDATED RESERVES

Included in other changes in consolidated reserves for the financial year 2020 is a net impact of EUR 5 million (net of tax) resulting from unrecognized intercompany expenses and overstated claims payments in prior years.

Note•14 FINANCIAL LIABILITIES

Interest on the Group's debt is included within financing expenses.

Subordinated debt and debt securities

These items comprise various subordinated debts or unsubordinated bonds issued by the Group. These borrowings are classified as financial liabilities, in accordance with IAS 32 – Financial Instruments: Presentation.

At initial recognition, all borrowings are recorded at fair value less directly attributable transaction costs. After initial recognition, they are measured at amortized cost using the effective interest rate method.

Real estate financing

This caption includes debt relating to the acquisition of real estate. At initial recognition, real estate financing is recorded at fair value less directly attributable transaction costs. After initial recognition, it is measured at amortized cost using the effective interest rate method.

Other financial liabilities

At initial recognition, other financial liabilities are recorded at fair value less directly attributable transaction costs. After initial recognition, they are measured at amortized cost using the effective interest rate method.

Lease liabilities are included in the balance sheet item Other Financial Liabilities. Interest expense on the lease liability are recognized in the income statement, in accordance with the effective interest rate method.

The following table presents an overview of the debt issued by the Group:

		As at December 31, 2020		As at December 31, 2019	
In EUR millions	Maturity	Net book value	Fair value	Net book value	Fair value
SUBORDINATED DEBT					
CHF 125 million	Perpetual	-	-	114	117
EUR 250 million	Perpetual	250	283	250	289
USD 625 million	Perpetual	522	553	569	572
USD 125 million	Perpetual	104	110	112	112
EUR 250 million	06/05/2047	253	292	253	289
EUR 600 million	06/08/2046	603	682	602	683
EUR 500 million	05/27/2048	509	608	509	605
EUR 300 million	09/17/2051	297	302	-	-
Total subordinated debt (1)		**2,538**	**2,830**	**2,409**	**2,667**
Investments properties financing		176	176	218	218
Own-use properties financing		311	311	299	299
Total real estate financing (2)		**487**	**487**	**517**	**517**
OTHER FINANCIAL DEBT (2)		**185**	**185**	**101**	**101**
TOTAL FINANCIAL DEBT		**3,210**	**3,502**	**3,027**	**3,285**

(1) Includes EUR 39 million in accrued interest at December 31, 2020 (December 31, 2019: EUR 38 million).
(2) These debts are not publicly traded. Therefore the carrying amounts are reflective of their fair value.

Note•14.1 SUBORDINATED DEBT

SCOR's subordinated debt is classified as financial liabilities as under the terms and conditions of the issuance contracts SCOR does not have an unconditional right to avoid delivering cash to settle contractual obligations and based on projected cash flows the instruments do not have an equity component.

CHF 125 million perpetual subordinated debt

On October 20, 2014, SCOR issued CHF 125 million in perpetual subordinated notes, redeemable by SCOR on each interest payment date from October 20, 2020. The coupon has been set at 3.375% (until October 20, 2020), and resets every 6 years at the prevailing 6-year CHF mid-swap rate +3.0275%.

On October 20, 2020, SCOR redeemed the CHF 125 million undated subordinated notes issued on October 20, 2014 on the first call date. These CHF 125 million were already refinanced from the proceeds of the USD 125 million notes issued in 2019.

EUR 250 million perpetual subordinated debt

On October 1, 2014, SCOR issued EUR 250 million in perpetual subordinated notes, redeemable by SCOR on each interest payment date from October 1, 2025. The coupon has been set at 3.875% (until October 1, 2025), and resets every 11 years at the prevailing 11-year EUR mid-swap rate +3.7%.

USD 625 million perpetual subordinated debt

On March 13, 2018, SCOR issued perpetual deeply subordinated notes on the "Regulation S" USD market in the amount of USD 625 million. The coupon has been set at 5.25%, until the first call date of March 13, 2029, and resets every 5 years thereafter at the prevailing 5-year US Treasury yield plus 2.37% (no step-up).

In March 2018, in order to hedge the foreign exchange risk associated with this new debt issued, SCOR entered into cross-currency swaps which exchange the principal and the coupons on the notes into Euro and mature on March 13, 2029. See Note 8 – Insurance business investments (Derivative instruments).

USD 125 million perpetual subordinated debt

On December 17, 2019, SCOR issued perpetual deeply subordinated notes on the "Regulation S" USD market in the amount of USD 125 million. These new notes are assimilated and form a single series with the existing USD 625 million perpetual deeply subordinated notes issued on March 13, 2018. The new issued notes bear the same terms and conditions as the original notes. The coupon has been set at 5.25%, until the first call date of March 13, 2029, and resets every 5 years thereafter at the prevailing 5-year US Treasury yield plus 2.37% (no step-up).

In December 2019, in order to hedge the foreign exchange risk associated with this new debt issued, SCOR entered into cross-currency swap which exchanges the principal and the coupons on the notes into Euro and mature on March 13, 2029. See Note 8 – Insurance business investments (Derivative instruments).

EUR 250 million dated subordinated debt

On June 5, 2015, SCOR issued EUR 250 million in dated subordinated notes on the Luxembourg Euro market, redeemable by SCOR at each interest payment date, from June 5, 2027. The coupon has been set at 3.25% (until June 5, 2027, the first call date), and resets every 10 years at the prevailing 10-year EUR mid-swap rate +3.20% (until June 5, 2047, final redemption date).

EUR 600 million dated subordinated debt

On December 7, 2015, SCOR issued EUR 600 million in dated subordinated notes on the Euro market, redeemable by SCOR at each interest payment date, from June 8, 2026. The coupon has been set to 3% (until June 8, 2026, the first call date), and resets every 10 years at the prevailing 10-year EUR mid-swap rate +3.25% (until June 8, 2046, final redemption date).

EUR 500 million dated subordinated debt

On May 27, 2016, SCOR issued EUR 500 million in dated subordinated notes on the Euro market, redeemable by SCOR at each interest payment date, from May 27, 2028. The coupon has been set to 3.625% (until May 27, 2028, the first call date), and resets every 10 years at the prevailing 10-year EUR mid-swap rate +3.90% (until May 27, 2048, final redemption date).

EUR 300 million dated subordinated debt

On September 17, 2020, SCOR issued fixed-term level 2 subordinated bonds for an amount of EUR 300 million. The interest rate served was set at 1.375% until September 17, 2031 and will be revised every 10 years at the 10-year EUR mid-swap rate + 2.6% (until September 17, 2051, final redemption date).

Early repayment clauses

Some provisions in the terms and conditions of notes allow for early redemption under certain conditions other than the liquidation of the issuer (*e.g.* tax, accounting and regulatory reasons). However, these early redemption cases are always (i) at the option of the issuer and no reimbursement can be imposed on the issuer by the noteholders; and (ii) subject to prior approval by the relevant supervisory authority.

Note•14.2 REAL ESTATE FINANCING

Real estate financing relates to the acquisition of investment property financed by bank loans of EUR 487 million (December 31, 2019: EUR 517 million), including real estate financing related to MRM property for EUR 77 million (December 31, 2019: EUR 78 million). The main real estate debt finances the Group's head office in Paris, avenue Kléber, and amounts to EUR 199 million as of December 31, 2020.

The other real estate financing is used to finance other property owned by the Group and bears fixed-rate interest or interest indexed to 3-monthEuribor covered by interest rate swaps and redeemable between 2020 and 2026. Interest rate swaps related to this financing have been accounted for as cash flow hedges (for further details, see Note 8 – Insurance business investments – Derivative instruments).

The majority of real estate financing contracts contain accelerated repayment clauses and other debt covenants. Such covenants define certain ratios to comply with, among which loan to value (LTV) ratio, defined as the relation between the carrying amount of the financing and the market value of the real estate being financed, interest coverage rates (ICR), representing the percentage at which interest expenses are covered by rental income, and debt service coverage ratio (DSCR), representing the percentage at which debt amortization and interest expenses are covered by rental income. Under existing financing contracts, LTV ratio vary between 20% and 70% and ICR/DSCR between 123% and 730%. As at December 31, 2020, the Group is in compliance with the LTV and ICR/DSCR covenants with respect to its banking partners.

In 2020, the main variation in property debts is due to the reimbursement of the loan subscribed by the SAS Pershing following the sale of one building and the amortization of the existing loans.

Note•14.3 OTHER FINANCIAL LIABILITIES

In EUR millions	As at December 31, 2020	As at December 31, 2019
Deposits and guarantees	2	2
Lease liabilities	181	97
Others	2	2
TOTAL OTHER FINANCIAL LIABILITIES	**185**	**101**

The amount of lease liabilities corresponds to the application of the IFRS 16 standard on lease contracts. In 2020, the increase compared to 2019 is mainly due to the recognition of two new real estate rental contracts in Switzerland and the United States.

Note•14.4 FINANCING EXPENSES

In EUR millions	2020	2019	2018
Interest on subordinated debt	(45)	(44)	(44)
Interest on perpetual subordinated debt	(48)	(43)	(52)
Interest expense on lease liability	(3)	(3)	-
Finance lease	-	-	-
Real estate financing	(15)	(14)	(14)
Other financial costs	(31)	(39)	(43)
TOTAL	**(142)**	**(143)**	**(153)**

The amounts presented in other financial liabilities include certain letters of credit charges, custodian and overdraft fees, amortization of issuance fees and other bank charges (commissions, etc.).

Note•14.5 MATURITY

Maturity profiles have been based on undiscounted contractual maturities and include contractual interest payments (including those from cross-currency and interest rate swaps). In the case of perpetual debt, or debt which is subject to multiple optional reimbursement dates, the analysis below has been prepared based on the assumption that the Company does not make use of any of the early optional reimbursement dates. Perpetual debts are classified in the column "over 5 years" (no maturity date).

As at December 31, 2020	Debt maturity profiles				
In EUR millions	Interest rate ranges	< 1 year	1-5 years	> 5 years *	Total **
Subordinated debt	1.38%-5.25%	91	596	3,706	4,393
Real estate debt	-0.55%-4.34%	77	139	335	551
Lease liabilities	0.04%-5.00%	25	77	79	181
Other financial debt	0.07%-0.80%	1	1	2	4
TOTAL		**194**	**813**	**4,122**	**5,129**

As at December 31, 2019	Debt maturity profiles				
In EUR millions	Interest rate ranges	< 1 year	1-5 years	> 5 years *	Total **
Subordinated debt	2.67%-5.25%	93	721	3,616	4,430
Real estate debt	0.79%-4.34%	61	200	298	559
Lease liabilities	0.32%-4.17%	21	39	36	96
Other financial debt	0.07%-0.80%	3	1	-	4
TOTAL		**178**	**961**	**3,950**	**5,089**

* *Accrued interest on perpetual debt as at December 31, 2020 of EUR 12 million (2019: EUR 13 million).*
** *Of the amounts above, EUR 68 million (2019: EUR 20 million) relate to variable rate debt. These amounts exclude debt which has been swapped from a variable interest rate to a fixed interest rate.*

Note•15 EMPLOYEE BENEFITS AND OTHER PROVISIONS

Provisions are recognized when the Group has a present legal, contractual or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

Where the Group expects the provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

Contingent liabilities are disclosed if there is a possible future obligation as a result of a past event, or if there is a present obligation as a result of a past event but either a payment is not probable or the amount cannot be reliably estimated.

The following table summarizes the amounts included in contingency provisions:

In EUR millions	Reserves for post employment benefits	Other reserves	Total
At January 1, 2019	**202**	**22**	**224**
Acquisition of a subsidiary	-	-	-
Current year provision	17	15	32
Used reserves	(15)	(6)	(21)
Reversal of unused reserves	-	-	-
Foreign exchange rate movements	2	-	2
Actuarial and experience (gains)/losses	31	-	31
At December 31, 2019	**237**	**31**	**268**
Acquisition of a subsidiary	-	-	-
Current year provision	1	3	4
Used reserves	(57)	(1)	(58)
Reversal of unused reserves	-	-	-
Foreign exchange rate movements	(3)	-	(3)
Actuarial and experience (gains)/losses	16	-	16
AT DECEMBER 31, 2020	**194**	**33**	**227**

Note•15.1 PROVISIONS FOR EMPLOYEE BENEFITS

The post-employment benefits granted by the Group vary based on legal obligations and local requirements. Group employees are entitled to short-term benefits, recognized as an expense for the period by the different entities of the Group (paid leave, sick leave and profit sharing), and long-term benefits and post-employment benefits classified as defined benefit or defined contribution plans (pensions).

Pension liabilities

The Group provides retirement benefits to its employees, in accordance with the laws and practices of each country. The main plans are in France, Switzerland, the US and Germany. Group employees in some countries receive additional pension benefits, paid as an annuity or in capital upon retirement. The benefits granted to Group employees are either in the form of defined contribution or defined benefit plans. Plan assets are generally held separately from the Group's assets.

For defined contribution plans the employer pays fixed contributions to an external institution, with no legal or constructive obligation to pay further contributions. As a result, only contributions paid or due for the financial year are charged to the Group's statement of income as overhead expenses. The payments made by the Group are expensed during the period in which the expense is incurred.

Defined benefit plans are those where an amount is paid to the employee upon retirement, which is dependent upon one or several factors such as age, years of service and salary. Defined benefit obligations and contributions are calculated annually by independent qualified actuaries using the projected unit credit method on the basis of information provided by the Group, taking into consideration actuarial assumptions, salary increase, retirement age, mortality, turnover and discount rates. Assumptions defined are based on the macroeconomic environment of each country where the Group operates. Modifications to actuarial assumptions or differences between these assumptions and actual outcomes give rise to actuarial differences which are recorded in other comprehensive income during the period in which they occur, in accordance with Group accounting principles. The obligation recognized on the balance sheet represents the present value of the defined benefit obligation at reporting date, less the market value of any plan assets as defined by IAS 19, where appropriate.

In assessing the Group's liability for these plans, the Group uses external actuarial valuations which involve professional judgments and estimates of mortality rates, rates of employee turnover, disability, early retirement, discount rates, future salary increases and future pension increases. These assumptions may differ from actual results due to changing economic conditions, higher or lower departure rates or longer or shorter life spans of participants. These differences may result in variability of pension income or expenses recorded in future years. Actuarial gains and losses arising from experience adjustments and the effects of changes in actuarial assumptions are reflected in shareholders' equity.

Changes in past service costs resulting from the adoption or modification of a defined benefit plan are fully and immediately recorded as income or expense. If a defined benefit plan is not wholly funded, provisions are recognized.

Other long-term benefits

In some countries, the Group rewards employees for length of service by granting them a lump sum after certain periods of service. The primary country providing this benefit is France. For such benefits in France, the present value of the obligation is calculated annually by an independent actuary using the projected unit credit method and is recognized on the balance sheet.

Post-employment and other long-term benefits

Provisions amounted to EUR 194 million and EUR 237 million at December 31, 2020 and 2019 respectively, and include post-employment benefits related to pension plans of EUR 189 million (2019: EUR 233 million) and provisions for other long-term benefits of EUR 5 million (2019: EUR 4 million).

Defined contribution plans

Defined contribution plans include plans whereby an employer makes periodic contributions to an external institution which manages all administrative and financial aspects. These institutions relieve the employer from all future obligations and manage the payment to employees of all amounts due (*e.g.* statutory pension scheme, complementary pension schemes (AGIRC/ARRCO in France), defined contribution retirement plans).

The amounts paid under defined contribution plans were EUR 29 million, for the year ended December 31, 2020 (2019: EUR 28 million; 2018: EUR 29 million). Contributions to these plans are recognized in the period to which they relate.

Defined benefit plans

An employer's obligation under a defined benefit plan is to provide the agreed amount of benefits to current and future beneficiaries.

Split of the obligation by geographical area

The defined benefit pension plans and other long-term benefits are mainly located in Switzerland, North America, France and Germany. These locations represent 45%, 22%, 15% and 13% respectively, as at December 31, 2020, (43%, 20%, 20% and 11%, respectively, as at December 31, 2019), of the Group's obligation under defined benefit plans.

These plans are mostly pre-financed *via* payments to external organizations which are separate legal entities.

Actuarial assumptions

	Switzerland	UK	Euro Zone	US	Canada
ASSUMPTIONS AS AT DECEMBER 31, 2020					
Discount rate	-	1.40%	0.45%	2.39%	2.35%
Salary increase	1.50%	-	2.50%	-	-
ASSUMPTIONS AS AT DECEMBER 31, 2019					
Discount rate	0.20%	2.00%	0.77%	3.17%	2.90%
Salary increase	1.50%	-	2.50%	-	-
ASSUMPTIONS AS AT DECEMBER 31, 2018					
Discount rate	0.90%	3.00%	1.57%	4.15%	3.95%
Salary increase	1.50%	-	2.50%	-	-

Discount rates are defined with reference to high quality long-term corporate bonds with maturities consistent with the duration of the obligations evaluated. Management considers "AAA" and "AA" rated bonds to be high quality.

As at December 31, 2020 and 2019, the sensitivities of provisions to a change in discount rate are as follows:

	Impact on obligation *	
In EUR millions	2020	2019
Impact of increase in discount rate by 0.25 bp	(18)	(18)
Impact of decrease in discount rate by 0.25 bp	19	19

* *The result of change in discount rate is recorded with the offsetting impact in the other comprehensive income.*

The average duration of plans by geographical area is disclosed in the table below:

	Switzerland	UK	Euro Zone	US	Canada	Global
Duration as at December 31, 2020	19 years	27 years	11 years	14 years	9 years	16 years
Duration as at December 31, 2019	19 years	25 years	9 years	13 years	8 years	15 years

Defined benefits pension cost

	2020				2019				2018			
In EUR millions	Total	Switzer-land	Europe	North America	Total	Switzer-land	Europe	North America	Total	Switzer-land	Europe	North America
Service cost, net of plan amendments	(2)	(7)	5	-	11	6	5	-	7	4	3	-
Interest cost on obligation	5	-	2	3	9	2	3	4	7	1	2	4
Interest income on plan assets	(3)	-	(1)	(2)	(5)	(2)	(1)	(2)	(4)	(1)	(1)	(2)
Amortization of actuarial gains and losses through profit and loss for other long term benefits	-	-	-	-	1	-	1	-	-	-	-	-
Administration expenses recognized in pension expense	1	-	-	1	1	-	-	1	1	-	-	1
Settlement	-	-	-	-	-	-	-	-	-	-	-	-
Total pension cost	**1**	**(7)**	**6**	**2**	**17**	**6**	**8**	**3**	**11**	**4**	**4**	**3**

The actual returns on plan assets were EUR 13 million for the year ended December 31, 2020 (2019: EUR 25 million and 2018: EUR (4) million).

Balance sheet amounts

In EUR millions	As at December 31, 2020	As at December 31, 2019	As at December 31, 2018
Defined benefit obligation	475	503	450
Plan assets	281	266	248
Deficit	194	237	202
Asset ceiling limitation	-	-	-

The following table reconciles movements in the balance sheet amounts for the years ended December 31, 2020, 2019 and 2018:

In EUR millions	Total 2020	Switzer-land	Europe	North America	Total 2019	Switzer-land	Europe	North America	Total 2018	Switzer-land	Europe	North America
RECONCILIATION OF DEFINED BENEFIT OBLIGATION												
Obligation as at January 1	**503**	**217**	**184**	**102**	**450**	**187**	**164**	**99**	**424**	**182**	**142**	**100**
Service cost	12	7	5	-	11	6	5	-	11	7	4	-
Interest cost on obligation	5	-	2	3	9	2	3	4	7	1	2	4
Employee contributions	4	4	-	-	4	4	-	-	3	3	-	-
Past service costs	(14)	(14)	-	-	-	-	-	-	(4)	(3)	(1)	-
Acquisition/divestiture	-	-	-	-	-	-	-	-	-	-	-	-
Settlement	-	-	-	-	(11)	-	-	(11)	-	-	-	-
Benefit payments	(54)	(6)	(44)	(4)	(21)	(11)	(5)	(5)	(17)	(7)	(6)	(4)
Actuarial (gains)/losses due to change in assumptions (1)	24	8	6	10	56	25	19	12	7	(7)	19	(5)
Experience (gains)/losses	2	(4)	6	-	(4)	(1)	(3)	-	9	5	3	1
Effect of foreign exchange	(7)	3	(1)	(9)	9	5	1	3	10	6	1	3
Obligation as at December 31	**475**	**215**	**158**	**102**	**503**	**217**	**184**	**102**	**450**	**187**	**164**	**99**
RECONCILIATION OF FAIR VALUE OF PLAN ASSETS												
Fair value of assets as at January 1	**266**	**174**	**35**	**57**	**248**	**159**	**30**	**59**	**242**	**154**	**30**	**58**
Interest income on plan assets	3	-	1	2	5	2	1	2	4	1	1	2
Employer contributions	57	7	44	6	15	6	6	3	17	6	6	5
Employee contributions	4	4	-	-	4	4	-	-	3	3	-	-
Acquisition/divestiture	-	-	-	-	-	-	-	-	-	-	-	-
Settlement	-	-	-	-	(11)	-	-	(11)	-	-	-	-
Benefit payments	(54)	(6)	(44)	(4)	(21)	(11)	(5)	(5)	(17)	(7)	(6)	(4)
Asset gains/(losses) due to experience	10	1	-	9	20	10	2	8	(8)	(3)	(1)	(4)
Administration expenses paid	(1)	-	-	(1)	(1)	-	-	(1)	(1)	-	-	(1)
Effect of foreign exchange	(4)	2	(1)	(5)	7	4	1	2	8	5	-	3
Fair value of assets as at December 31	**281**	**182**	**35**	**64**	**266**	**174**	**35**	**57**	**248**	**159**	**30**	**59**
NET DEFINED BENEFIT OBLIGATION AS AT DECEMBER 31 – DEFICIT	**194**	**33**	**123**	**38**	**237**	**43**	**149**	**45**	**202**	**28**	**134**	**40**

In EUR millions	Total 2020	Switzer-land	Europe	North America	Total 2019	Switzer-land	Europe	North America	Total 2018	Switzer-land	Europe	North America
Asset ceiling limitation	-	-	-	-	-	-	-	-	-	-	-	-
Accrued/(prepaid)	**194**	**33**	**123**	**38**	**237**	**43**	**149**	**45**	**202**	**28**	**134**	**40**
ANALYSIS OF FUNDED STATUS												
Funded or partially funded obligation as at December 31	371	209	66	96	372	213	63	96	326	184	49	93
Fair value of plan assets as at December 31	**281**	**182**	**35**	**64**	**266**	**174**	**35**	**57**	**248**	**159**	**30**	**59**
Funded status as at December 31 – deficit	90	27	31	32	106	39	28	39	78	25	19	34
Unfunded obligation as at December 31	104	6	92	6	131	4	121	6	124	3	115	6
TOTAL FUNDED STATUS AS AT DECEMBER 31 – DEFICIT	**194**	**33**	**123**	**38**	**237**	**43**	**149**	**45**	**202**	**28**	**134**	**40**

(1) Actuarial (gains)/losses due to changes in assumptions include for 2020 actuarial (gains)/losses due to changes in financial assumptions for EUR 25 million (EUR 51 million in 2019) and actuarial (gains)/losses due to change in demographic assumptions for EUR 0 million (EUR 5 million in 2019).

The following table summarizes the movements in accrued (prepaid) balances recorded in the consolidated balance sheet as at December 31, 2020, 2019 and 2018:

In EUR millions	Total 2020	Switzer-land	Europe	North America	Total 2019	Switzer-land	Europe	North America	Total 2018	Switzer-land	Europe	North America
Accrued/(Prepaid) as at January 1	**237**	**43**	**149**	**45**	**202**	**28**	**134**	**40**	**182**	**28**	**112**	**42**
Total pension cost	1	(7)	6	2	17	6	8	3	11	4	4	3
Benefits paid by employer	-	-	-	-	-	-	-	-	-	-	-	-
Employer contribution	(57)	(7)	(44)	(6)	(15)	(6)	(6)	(3)	(17)	(6)	(6)	(5)
Acquisitions/divestitures	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial (gains)/losses immediately recognized in other comprehensive income (OCI)	16	3	12	1	31	14	13	4	24	1	23	-
Effect of foreign exchange	(3)	1	-	(4)	2	1	-	1	2	1	1	-
ACCRUED/(PREPAID) AS AT DECEMBER 31	**194**	**33**	**123**	**38**	**237**	**43**	**149**	**45**	**202**	**28**	**134**	**40**

Plan assets

The following table includes the allocation of plan assets as at December 31, 2020 and 2019:

In EUR millions	Total	Switzerland	Europe	North America
2020				
Equities	98	24%	46%	59%
Debt securities	132	59%	12%	31%
Property	30	16%	-	-
Insurance contracts	12	-	35%	-
Other	9	1%	7%	10%
TOTAL	**281**	**100%**	**100%**	**100%**
2019				
Equities	86	25%	49%	44%
Debt securities	124	57%	9%	39%
Property	28	16%	-	-
Insurance contracts	12	-	34%	-
Other	16	2%	8%	17%
TOTAL	**266**	**100%**	**100%**	**100%**

As at December 31, 2020, employer contributions for the year ahead are expected to amount to EUR 13 million (2019: EUR 51 million).

Note•15.2 OTHER PROVISIONS

At December 31, 2020, other provisions (EUR 33 million; at December 31 2019: EUR 31 million) include mainly EUR 22 million related to provisions for litigation (2019: EUR 23 million) and EUR 4 million covering contingent liabilities related to the Generali U.S. acquisition in 2013 (2019: EUR 4 million). For more information on litigation, refer to Note 26 – Litigation.

Note•16 NET CONTRACT LIABILITIES

Reinsurance reserves

The Group maintains reserves to cover its estimated liability for future claims and benefit payments resulting from reinsurance treaties known and incurred but not reported (IBNR). Reserves are reviewed by management during the year, using new information as soon as it is available, and are adjusted if necessary. Management considers many factors when establishing reserves, including:

- information from ceding companies;
- historical developments, such as reserve patterns, claims payments, number of claims to be paid and product mix;
- internal methods to analyze the Group's experience;
- most recent legal interpretations concerning coverage and commitments;
- economic conditions;
- biometric developments such as mortality, morbidity and longevity; and
- socio-economic factors such as policyholder behavior.

Reinsurance reserves are presented gross excluding the share retroceded to SCOR's reinsurers and measured on the level of individual reinsurance contracts or homogeneous segments of contracts. Retroceded reserves are estimated using the same methods and assumptions and are presented as assets.

Non-Life business

In determining the amount of its reserves, the Group uses actuarial techniques that take into account quantitative loss experience data, together with qualitative factors, where appropriate. The reserves are also adjusted to reflect the volume of business underwritten, reinsurance treaty terms and conditions, and diversity in claims processing that may potentially affect the Group's commitment over time.

However, it is difficult to accurately value the amount of reserves required, especially in view of changes in the legal environment, including civil liability law, which may impact the development of the reserves. While this process is complicated and subjective for the ceding companies, the inherent uncertainties in these estimates are even greater for the reinsurer, primarily because of the longer time period between the date of an occurrence and the request for payment of the claim to the reinsurer, the diversity of contract development schemes, whether treaty or facultative, dependence on the ceding companies for information regarding claims, and different reserving practices among ceding companies. In addition, trends that have affected development of liabilities in the past may not necessarily occur or affect liability development to the same degree in the future. Thus, actual losses and policy benefits may deviate, perhaps significantly, from estimates of reserves reflected in the Group's consolidated financial statements.

Claim reserves for losses and claims settlement expenses are recognized for payment obligations from reinsurance losses that have occurred but have not yet been settled. They are recognized under reserves for reinsurance losses reported before the reporting date and reserves for IBNR claims, and are calculated on the basis of their ultimate cost, undiscounted, except for workers' compensation claims in the US, payment in annuity on Motor Liability and Medical Malpractice which are discounted.

Life business

In the Life business, treaty linked liabilities include mathematical reserves, unearned premium reserves and claim reserves.

Mathematical reserves are calculated underwriting reserves relating to expected claims and benefit payments to ceding companies in Life reinsurance. Mathematical reserves are generally calculated as the present value of projected future payments to cedents less the present value of projected future premiums still payable. The calculation includes assumptions relating to expected future mortality, morbidity, longevity, disability, lapses, interest rates and expenses. The mathematical reserves are established on initial recognition of a contract on the basis of best estimate assumptions and allow for an adequate safety margin for the risks of change, error and random fluctuation.

Claim reserves for losses and claims settlement expenses are recognized for payment obligations from reinsurance losses that have occurred but have not yet been settled. They are recognized under reserves for reinsurance losses reported before the reporting date and reserves for IBNR claims.

Unearned premium reserves (Non-Life and Life business)

Unearned premium reserves are related to written premiums receivable but allocated to future risk periods.

Retrocessionaires' share (Non-Life and Life business)

The share of retrocessionaires in insurance and investment liabilities is calculated according to the contractual conditions on the basis of gross reserves. Allowances are established for estimated credit risks.

Contracts not meeting risk transfer criteria

Reserves for investment or financial reinsurance contract liabilities are recognized for reinsurance contracts that do not meet the risk transfer criteria described in IFRS 4.

Liability adequacy test

Assets and liabilities relating to reinsurance contracts are subject each year to a liability adequacy test under IFRS 4.

For the Non-Life segment, the test is performed in the event the ultimate underwriting combined ratio is in excess of 100% of the unearned premium reserve, net of deferred acquisition costs. The liability adequacy test is performed at the level of the actuarial segment and then aggregated at the entity level.

The liability adequacy test for the Life segment compares the carrying amount of the reserves less deferred acquisition costs and value of business acquired with the fair value of the liabilities from the reinsurance portfolio recognized. Fair value is calculated as the present value of the projected future cash flows using current actuarial assumptions and inputs. In case of deficiency, SCOR would impair deferred acquisition costs and value of business acquired and increase reserves. The liability adequacy test is performed at the level of portfolios that are managed together and are subject to broadly similar risks.

Embedded derivatives

Derivatives embedded in reinsurance contracts that meet the definition of an insurance contract and are closely linked with the features and risks of the reinsurance host contract are not separated and are measured in accordance with the reinsurance host contract.

Derivatives embedded in reinsurance contracts that do not meet the definition of an insurance contract are separated, measured at fair value in accordance with IAS 39, with changes in their fair value recognized in income.

	As at December 31, 2020			As at December 31, 2019		
In EUR millions	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total
GROSS CONTRACT LIABILITIES						
Gross claim reserves	7,163	13,001	20,164	6,618	13,253	19,871
Mathematical reserves	6,994	-	6,994	7,884	-	7,884
Unearned premium reserves	173	2,831	3,004	178	2,980	3,158
Total gross insurance contract liabilities	**14,330**	**15,832**	**30,162**	**14,680**	**16,233**	**30,913**
Reserves for financial contracts	-	339	339	-	323	323
Total gross contract liabilities	**14,330**	**16,171**	**30,501**	**14,680**	**16,556**	**31,236**
REINSURANCE RECOVERABLE						
Ceded claims reserves & claims expense reserves	(624)	(971)	(1,595)	(685)	(1,300)	(1,985)
Ceded mathematical reserves	56	-	56	33	-	33
Ceded unearned premium reserves	-	(242)	(242)	-	(275)	(275)
Ceded contract liabilities	**(568)**	**(1,213)**	**(1,781)**	**(652)**	**(1,575)**	**(2,227)**
NET CONTRACT LIABILITIES	**13,762**	**14,958**	**28,720**	**14,028**	**14,981**	**29,009**

Contract liabilities are subject to the use of estimates. Payments linked to these reserves are usually not fixed, neither by amount nor by due date. Liquidity information related to contract liabilities is included in the Universal Registration Document, in Section 3.1.5 – Liquidity risks.

An aging analysis of reinsurance assets is included in the Universal Registration Document, in Section 3.2.5 – Management of credit risks.

Refer to Note 2 – Significant events and Covid-19 for information on the impact of the Covid-19 pandemic.

Note•16.1 SCOR GLOBAL P&C

The first table of this section presents the net claims reserves, net unearned premiums reserves and net deferred acquisition costs with ten years of history, recorded at the exchange rates applicable at each corresponding reporting date.

The next table of the section provides Non-Life claims development information per underwriting year and reporting period, taking into account the neutralization of fluctuations in foreign exchange rates.

A significant portion of SCOR Global P&C's reserves relates to liabilities payable in currencies other than Euro. To permit an analysis of claims developments excluding the impact of foreign exchange movements, all figures are translated into Euro at current balance sheet foreign exchange rates as of the date of these financial statements.

The first part of the table shows net incurred losses which is the sum of paid claims, the change in claims reserves and incurred but not reported reserves and the claims handling provisions, net of external retrocession.

The second part of the table shows net paid claims at constant exchange rates.

Finally, the third part of the table presents the net earned premiums history at current balance sheet foreign exchange rates per underwriting year.

In EUR millions	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gross claims reserves & estimates – end of year (1)	9,696	10,602	10,857	10,691	11,088	11,750	11,784	12,318	12,815	13,253	13,001
Ceded claims reserves & estimates – end of year (1)	412	765	690	629	619	634	660	1,175	1,283	1,300	971
Net claims reserves & estimates – end of year	9,284	9,837	10,167	10,062	10,469	11,116	11,124	11,143	11,532	11,953	12,030
UNEARNED PREMIUM RESERVE (UPR)											
Gross UPR – end of year	1,384	1,516	1,683	1,663	1,938	2,239	2,261	2,270	2,496	2,980	2,831
Ceded UPR – end of year	51	84	93	101	142	187	167	160	208	275	242
Net UPR – end of year	1,333	1,432	1,590	1,562	1,796	2,052	2,094	2,110	2,288	2,705	2,589
DEFERRED ACQUISITION COSTS (DAC)											
Gross DAC – end of year	278	325	359	379	441	536	551	560	615	735	665
Ceded DAC – end of year	1	5	7	8	10	14	13	9	25	34	27
Net DAC – end of year	277	320	352	371	431	522	538	551	590	701	638

In EUR millions	≤2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
NET CLAIMS INCURRED TRIANGLES (2)											
CURRENT YEAR	**-**	**1,355**	**1,650**	**1,767**	**1,689**	**1,742**	**1,803**	**2,163**	**2,204**	**2,207**	**2,063**
1 year later	-	2,407	2,688	2,794	2,816	2,864	3,196	3,566	3,776	4,061	-
2 years later	-	2,523	2,702	2,776	2,868	2,940	3,319	3,701	4,009	-	-
3 years later	-	2,426	2,660	2,715	2,881	2,872	3,300	3,711	-	-	-
4 years later	-	2,367	2,630	2,691	2,838	2,880	3,313	-	-	-	-
5 years later	-	2,348	2,661	2,633	2,800	2,880	-	-	-	-	-
6 years later	-	2,320	2,606	2,605	2,800	-	-	-	-	-	-
7 years later	-	2,331	2,603	2,602	-	-	-	-	-	-	-
8 years later	-	2,282	2,592	-	-	-	-	-	-	-	-
9 years later	-	2,271	-	-	-	-	-	-	-	-	-
10 years later	(14)	-	-	-	-	-	-	-	-	-	-
NET CLAIMS PAID TRIANGLES (2)											
Current year	-	99	52	72	68	34	65	111	(6)	(5)	39
1 year later	-	947	944	1,044	1,054	948	1,151	1,492	1,478	1,386	-
2 years later	-	1,326	1,410	1,508	1,482	1,420	1,758	2,055	2,155	-	-
3 years later	-	1,718	1,860	1,986	2,109	2,083	2,420	2,770	-	-	-
4 years later	-	1,830	1,984	2,125	2,253	2,264	2,617	-	-	-	-
5 years later	-	1,903	2,090	2,211	2,337	2,391	-	-	-	-	-
6 years later	-	1,952	2,176	2,295	2,425	-	-	-	-	-	-
7 years later	-	1,995	2,242	2,343	-	-	-	-	-	-	-
8 years later	-	2,031	2,274	-	-	-	-	-	-	-	-
9 years later	-	2,049	-	-	-	-	-	-	-	-	-
10 years later	152	-	-	-	-	-	-	-	-	-	-
Earned premiums (2)	**-**	**3,631**	**4,036**	**4,100**	**4,436**	**4,617**	**4,892**	**4,963**	**5,383**	**5,664**	**2,940**

(1) At period end exchange rates.
(2) At constant exchange rate.

The table below presents a reconciliation of the opening and closing liability for claims reserves and claims estimates of SCOR Global P&C for the years ended December 31, 2020 and 2019.

In EUR millions	2020	2019
GROSS CLAIMS RESERVES AND CLAIMS ESTIMATES AS AT JANUARY 1	**13,253**	**12,815**
Ceded claims reserves and claims estimates as at January 1	**(1,300)**	**(1,283)**
Net claims reserves and claims estimates as at January 1	**11,953**	**11,532**
Revaluation of opening balance at current year end exchange rates	(573)	180
Net claims reserves and claims estimates as at January 1 – revalued	**11,380**	**11,712**
Net claims incurred relating to the current calendar year	2,063	2,339
Net claims incurred for prior calendar years	2,071	1,535
Total net claims incurred	**4,134**	**3,874**
Net claims payments for the current calendar year	(39)	2
Net claims payments for prior calendar years	(3,445)	(3,635)
Total net claims payments	**(3,484)**	**(3,633)**
Other movements	-	-
Net claim reserves and claims estimates as at December 31	**12,030**	**11,953**
Ceded claims reserves and claims estimates as at December 31	**(971)**	**(1,300)**
GROSS CLAIMS RESERVES AND CLAIMS ESTIMATES AS AT DECEMBER 31	**13,001**	**13,253**

Analysis of asbestos & environmental IBNR reserves and claims paid

	For the year ended December 31			
	Asbestos		Environment	
	2020	2019	2020	2019
Gross reserves, including IBNR reserves *(in EUR millions)*	49	68	5	8
% of Non-Life gross reserves	0.3%	0.4%	0.0%	0.0%
Claims paid *(in EUR millions)*	6	4	1	1
Net % of Group Non-Life claims paid	0.2%	0.1%	0.0%	0.0%
Actual number of claims notified under non-proportional and facultative treaties *(in units)*	11,268	11,176	8,641	8,612
Average cost per claim *(in EUR)* (1)	20,114	21,533	4,892	5,223

(1) Does not include claims which do not incur any cost and claims notified only for precautionary reasons and whose amount is not evaluated.

Note•16.2 SCOR GLOBAL LIFE

The change in SCOR Global Life mathematical reserves for the years ended December 31, 2020 and 2019 is as follows:

In EUR millions	2020	2019
Gross mathematical reserves as at January 1	**7,884**	**8,095**
Change in scope of consolidation	-	-
Change in reserves from portfolio movements and actuarial calculation	(726)	(301)
Impact of foreign exchange movements	(164)	90
Gross mathematical reserves as at December 31	**6,994**	**7,884**
Reinsurance Recoverable	**-**	**-**
Ceded mathematical reserves as at January 1	**33**	**(95)**
Change in scope of consolidation	-	-
Change in reserves from portfolio movements and actuarial calculation	34	126
Impact of foreign exchange movements	(11)	2
Ceded mathematical reserves as at December 31	**56**	**33**
NET MATHEMATICAL RESERVES AS AT JANUARY 1	**7,917**	**8,000**
NET MATHEMATICAL RESERVES AS AT DECEMBER 31	**7,050**	**7,917**

Liability adequacy test

The liability adequacy test conducted at each closing date did not detect any deficiency for either SCOR Global P&C or SCOR Global Life.

Rating: Share of retrocessionaires in contract liabilities

An analysis of the share of retrocessionaires in the Group's contract liabilities by rating of the retrocessionaires and collateral from retrocessionaires in favor of SCOR at December 31, 2020 and 2019 is as follows:

In EUR millions	AAA	AA	A	BBB	< BBB	Not rated	Total as at December 31, 2020
Share of retrocessionaires contract liabilities	**-**	**451**	**846**	**60**	**9**	**415**	**1,781**
Securities pledged	-	-	18	5	-	600	623
Deposits received	-	24	294	19	-	50	387
Letters of credit	-	15	113	-	-	9	137
Total collateral from retrocessionaires in favor of SCOR (1)	**-**	**39**	**425**	**24**	**-**	**659**	**1,147**
Share of retrocessionaires contract liabilities net of collateral	**-**	**412**	**421**	**36**	**9**	**(244) (2)**	**634**

(1) The total collateral from retrocessionaires is related to the contract liabilities recorded in the balance sheet and also to potential losses that have not yet occurred.
(2) To limit credit risk related to retrocessionaires, certain unrated retrocessionaires are obliged to pledge assets for the value of their maximum potential contract liability, even though the actual retrocessionaire liability to SCOR recorded in the balance sheet is lower.

In EUR millions	AAA	AA	A	BBB	< BBB	Not rated	Total as at December 31, 2019
Share of retrocessionaires contract liabilities	**-**	**631**	**1,089**	**38**	**6**	**463**	**2,227**
Securities pledged	-	-	19	6	-	924	949
Deposits received	-	121	382	22	-	63	588
Letters of credit	-	64	89	-	-	8	161
Total collateral from retrocessionaires in favor of SCOR (1)	**-**	**185**	**490**	**28**	**-**	**995**	**1,698**
Share of retrocessionaires contract liabilities net of collateral	**-**	**446**	**599**	**10**	**6**	**(532) (2)**	**529**

(1) The total collateral from retrocessionaires is related to the contract liabilities recorded in the balance sheet and also to potential losses that have not yet occurred.
(2) To limit credit risk related to retrocessionaires, certain unrated retrocessionaires are obliged to pledge assets for the value of their maximum potential contract liability, even though the actual retrocessionaire liability to SCOR recorded in the balance sheet is lower.

Note•17 STOCK OPTIONS AND SHARE ALLOCATIONS

The Group has established various long-term compensation plans (stock options and free shares allocations) in favor of some of its employees and Corporate Executive Officers. The terms of these plans are defined, and approved or agreed by its Board of Directors at the grant date. The plans are equity settled only.

These awards result in the recognition of personnel charges with a corresponding increase in equity over the vesting period.

The total amount recognized over the vesting period is measured by reference to the fair value of long term compensation instruments granted, and by reference to the number of instruments expected to vest, taking into account presence conditions and performance conditions when they are not linked to the stock price. At each closing date, the number of instruments that are expected to vest is reviewed and the impact of any adjustments to initial estimates is recognized in the income statement with a corresponding increase in equity over the remaining vesting period.

The dilutive effect of options granted is reflected in the diluted earnings per share calculation.

The total expense for 2020 relating to share-based payments is EUR 32 million (2019: EUR 32 million, 2018: EUR 43 million), with EUR 1 million (2019: EUR 1 million, 2018: EUR 1 million) relating to stock options granted under the 2016 to 2020 plans (2019: 2015 to 2019, 2018: 2014 to 2018) and EUR 31 million (2019: EUR 31 million, 2018: EUR 42 million) relating to free shares allocated under the 2014 to 2020 plans (2019: 2013 to 2019, 2018: 2012 to 2018).

The share-based payment plans are described below.

Note•17.1 STOCK OPTION PLANS

The Group grants its employees and Corporate Executive Officers stock purchase or subscription option plans under the following terms:

Plan	Date of award by the Board	Options exercisable on	Date of expiration of plan	Exercise price *(in EUR)*	New shares issued subject to option plans
2010	March 18, 2010	March 19, 2014	March 19, 2020	18.40	1,378,000
2010	October 12, 2010	October 13, 2014	October 13, 2020	17.79	37,710
2011	March 22, 2011	March 23, 2015	March 23, 2021	19.71	703,500
2011	September 1, 2011	September 2, 2015	September 2, 2021	15.71	308,500
2012	March 23, 2012	March 24, 2016	March 24, 2022	20.17	938,000
2013	March 21, 2013	March 22, 2017	March 22, 2023	22.25	716,000
2013	October 2, 2013	October 3, 2017	October 3, 2023	24.65	170,000
2013	November 21, 2013	November 22, 2017	November 22, 2023	25.82	25,000
2014	March 20, 2014	March 21, 2018	March 21, 2024	25.06	694,875
2014	December 1, 2014	December 2, 2018	December 2, 2024	24.41	9,000
2015	March 20, 2015	March 21, 2019	March 21, 2025	29.98	669,131
2015	December 18, 2015	December 19, 2019	December 19, 2025	35.99	45,250
2016	March 10, 2016	March 11, 2020	March 11, 2026	31.58	631,368
2016	December 1, 2016	December 2, 2020	December 2, 2026	29.57	750
2017	March 10, 2017	March 11, 2021	March 11, 2027	33.78	480,000
2017	December 1, 2017	December 2, 2021	December 2, 2027	34.75	145,410
2018	March 8, 2018	March 9, 2022	March 9, 2028	35.10	380,000
2018	December 22, 2018	December 23, 2022	December 23, 2028	40.81	198,088
2019	March 7, 2019	March 8, 2023	March 8, 2029	38.66	428,000
2019	October 25, 2019	October 26, 2023	October 26, 2029	37.11	148,140
2020	April 28, 2020	April 29, 2024	April 29, 2030	21.43	428,000
2020	November 5, 2020	November 6, 2024	November 6, 2030	23.31	189,326

The stock options can be exercised after four years regardless of whether the employee is still actively employed by the Group.

The terms and conditions of the stock option plans of April 28, 2020 and November 5, 2020, which are similar to those previously granted by SCOR, provide that the options allocated can be exercised at the earliest four years after the grant date, if the presence condition is met in addition to the satisfaction of certain performance conditions, which are based on the strict compliance with the Group's ethical principles as set out on the Group's code of conduct (the "Group Code of Conduct"), on the fulfilment of the corporate social responsibility (CSR) training obligation, on the solvency ratio and the SCOR Group’s ROE (in fiscal year 2020, 2021 and 2022 for the two last conditions). The plan of November 5, 2020 also provides for a performance condition on the Total Shareholder Return (TSR) of SCOR among a panel of peers.

The table below presents the changes and the current stock option plans at the end of the year along with the average corresponding exercise price.

	2020		2019	
	Number of options	Average exercise price *(in EUR per share)*	Number of options	Average exercise price *(in EUR per share)*
Outstanding options at January 1	4,481,085	29.39	4,466,743	27.10
Options granted during the period	617,326	22.01	576,140	38.26
Options exercised during the period	189,700	18.44	509,135	19.46
Options expired during the period	36,500	18.40	7,500	15.50
Options forfeited during the period	296,256	32.25	45,163	30.02
Outstanding options at December 31	**4,575,955**	**23.78**	**4,481,085**	**29.39**
Exercisable at December 31	**2,510,531**	**25.61**	**2,300,397**	**23.78**

The average weighted remaining life of the options is 5.30 years in 2020 (5.55 years in 2019).

The fair value of options is estimated by using the Black-Scholes method, which takes into account the terms and conditions under which the options were granted. The following table lists the characteristics used during 2020, 2019 and 2018:

	November 5, 2020 Plan	April 28, 2020 Plan	October 25, 2019 Plan	March 7, 2019 Plan	December 22, 2018 Plan	March 8, 2018 Plan
Fair value at grant date *(in EUR)*	1.22	2.59	2.29	2.18	1.61	1.88
Exercise price *(in EUR)*	23.31	21.43	37.11	38.66	40.81	35.10
Expected life	4 years	4 years	4 years	4 years	4 years	4 years
Historical volatility [(1)]	25.53%	20.16%	18.56%	18.18%	18.03%	17.90%
Dividend	7.87%	5.74%	5.00%	5.00%	4.90%	4.77%
Risk-free interest rate	-0.700%	-0.628%	-0.604%	-0.360%	-0.240%	0.017%

(1) The historical volatility used to determine the fair value of stock options is based on the historical volatility over periods corresponding to the expected average maturity of the options granted, which is partially adjusted to eliminate extreme deviations and to better reflect long-term trends.

Note•17.2 FREE SHARE ALLOCATION PLANS

The Group allocates free shares to its employees under the following terms:

Date of grant	Date of vesting	Number of shares originally granted	Estimated price on grant date *(in EUR)*
March 5, 2013 (LTIP)	March 6, 2021	232,500	22.22
March 4, 2014 (LTIP)	March 5, 2020	31,500	24.70
March 4, 2014 (LTIP)	March 5, 2022	88,500	24.70
March 4, 2015	March 5, 2017	240,000	29.36
March 4, 2015 (LTIP)	March 5, 2021	40,000	29.36
December 18, 2015 (LTIP)	December 19, 2021	106,432	34.59
February 23, 2016 (LTIP)	February 24, 2022	257,732	31.82
February 21, 2017	February 22, 2020	505,000	32.72
February 21, 2017 (LTIP)	February 22, 2023	50,000	32.72
December 1, 2017	December 2, 2020	728,612	34.08
December 1, 2017 (LTIP)	December 2, 2023	232,238	34.08
February 21, 2018	February 22, 2021	475,000	35.81
December 22, 2018	December 23, 2021	841,082	37.88
December 22, 2018 (LTIP)	December 23, 2024	96,596	37.88
December 23, 2018	December 24, 2021	249,923	37.88
February 19, 2019	February 20, 2022	535,000	38.32
February 19, 2019 (LTIP)	February 20, 2025	205,000	38.32
October 23, 2019	October 24, 2022	890,800	36.90
October 23, 2019 (LTIP)	October 24, 2025	91,798	36.90
April 28, 2020	April 29, 2023	535,000	26.12
November 5, 2020	November 6, 2023	1,188,385	22.86
November 5, 2020 (LTIP)	November 6, 2026	68,280	22.86

All grants under the free share plans of April 28, 2020 and November 5, 2020 (except LTIP) are subject to a 3-year presence condition, and to performance conditions which are based on the strict compliance with the Group's ethical principles as set out on the Group's code of conduct, on the fulfilment of the corporate social responsibility (CSR) training obligation, on the solvency ratio and the SCOR Group’s ROE in fiscal year 2020, 2021 and 2022. The plan of November 5, 2020 also provides for a performance condition on the Total Shareholder Return (TSR) of SCOR among a panel of peers. It also provides for a two-year sale restricted period following the vesting period for 664,074 shares, grouped together in the plan entitled Plan 2 below.

All shares granted under the “LTIP” plans of November 5, 2020 are subject to a 6-year presence condition and to performance conditions which are based on the strict compliance with the Group's ethical principles as set out on the Group's code of conduct (the "Group Code of Conduct"), on the fulfilment of the corporate social responsibility (CSR) training obligation, on the solvency ratio, on the SCOR Group’s ROE and on the Total Shareholder Return (TSR) of SCOR among a panel of peers between 2020 and 2025.

The fair value of the free shares corresponds to the market value adjusted for dividends and non-transferability costs, estimated using a forward acquisition/disposal method. The following table lists the characteristics used in 2020, 2019 and 2018:

	November 5, 2020 Plan 1	November 5, 2020 Plan 2	November 5, 2020 Plan (LTIP)	April 28, 2020 Plan	October 23, 2019 Plan	October 23, 2019 Plan (LTIP)
Fair value *(in EUR)*	15.69	14.22	12.59	21.99	31.76	27.34
Vesting period	3 years	3 years	6 years	3 years	3 years	6 years
Dividend	7.87%	7.87%	7.87%	5.74%	5.00%	5.00%

	February 19, 2019 Plan	February 19, 2019 Plan (LTIP)	December 23, 2018 Plan	December 22, 2018 Plan	December 22, 2018 Plan (LTIP)	February 21, 2018 Plan
Fair value *(in EUR)*	32.98	28.39	32.70	32.70	28.23	31.03
Vesting period	3 years	6 years	3 years	3 years	6 years	3 years
Dividend	5.00%	5.00%	4.90%	4.90%	4.90%	4.77%

Note•18 INCOME TAXES

The tax expense for the period comprises current and deferred tax. Tax is recognized in the statement of income except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

The current income tax expense is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period in countries where the Group's subsidiaries and branches operate and generate taxable income. Management periodically evaluates positions taken to prepare tax returns. Assessing the outcome of uncertain tax positions requires judgments to be made regarding the result of negotiations with, and enquiries from, tax authorities in a number of jurisdictions. An entity needs to consider whether an uncertain tax treatment will be accepted by the tax authorities. If acceptance is considered probable no provision is required. If acceptance is not considered probable, this uncertainty must be reflected by determining an expected value or the most likely amount. SCOR considered uncertain tax positions individually and by measuring the most likely amount. Provisions for tax contingencies require management to make judgments and estimates in relation to tax issues and exposures. Amounts provided are based on management's interpretation of country specific tax law and the likelihood of a settlement. Tax benefits are recognized to the extent that it is probable that they can be sustained. In arriving at this position, management reviews each material tax benefit to assess whether a provision should be taken against full recognition of the benefit on the basis of potential settlement through negotiation and/or litigation.

Deferred taxes are recognized using the balance sheet liability method, for all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amount on the balance sheet.

The main temporary differences arise from tax losses carried forward and the revaluation of certain financial assets and liabilities including derivative contracts, certain insurance contract liabilities, provisions for pensions and other post-retirement benefits. In addition, temporary differences arise on acquisitions due to the difference between the fair values of the net assets acquired and their tax base. Deferred tax liabilities are recognized on taxable temporary differences arising from investments in subsidiaries, associates and joint ventures, except where it is probable that the difference will not reverse in the foreseeable future.

Deferred taxes are not recognized in respect of temporary differences arising from the initial recognition of goodwill, or from goodwill for which amortization is not deductible for tax purposes, or from the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting nor taxable income or loss at the time of the transaction.

Deferred tax assets are recognized on net operating losses carried forward to the extent that it is probable that future taxable income will be available against which they can be offset. Management makes assumptions and estimates related to income projections to determine the availability of sufficient future taxable income. SCOR uses a discounted cash flow model comprising an earnings model, which considers forecasted earnings, and other financial ratios of legal entities based on Board-approved business plans, which incorporate key drivers of the underwriting result. Business plans include assessments of gross and net premium expectations, expected loss ratios and expected general expense ratios, together with actuarial assumptions. To the extent that net operating losses carried forward cannot be utilized or expire, deferred income tax expenses may be recorded in the future.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets and liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets and liabilities are assessed at the tax rate applicable in the fiscal year in which the asset will be realized or the liability settled, based on the tax rates (and tax regulations) that have been enacted or substantially enacted at the reporting date.

Note•18.1 INCOME TAX EXPENSE

The main components of corporate income taxes for the years ended December 31, 2020, 2019 and 2018 are presented below:

In EUR millions	2020	2019	2018
AMOUNTS REPORTED IN THE CONSOLIDATED STATEMENT OF INCOME			
Current tax – current year	(175)	(157)	(64)
Current tax – prior years	(5)	(4)	(14)
Deferred taxes due to temporary differences	31	(60)	(53)
Deferred taxes from tax losses carried-forward	59	74	29
Changes in deferred taxes due to changes in tax rates or tax law	(16)	-	(5)
Corporate income tax (expense)/benefit reported in statement of income	**(106)**	**(147)**	**(107)**
Impact from us tax reform reported in statement of income	**-**	**-**	**(68)**
TOTAL INCOME TAX (EXPENSE)/BENEFIT REPORTED IN STATEMENT OF INCOME	**(106)**	**(147)**	**(175)**
INCOME TAX (EXPENSE)/BENEFIT REPORTED IN EQUITY	**(32)**	**(103)**	**96**

Note•18.2 RECONCILIATION OF EXPECTED TO ACTUAL CORPORATE INCOME TAX EXPENSE

A reconciliation of the income tax expense, obtained by applying the French tax rate of 32.02% for 2020, 34.43% for 2019 and 2018 to income (loss) before corporate income taxes and excluding share in results of associates, to the actual corporate income tax expense recorded in the consolidated statement of income is presented in the table below. The effective tax rate in 2020 is 31.5% (2019: 25.7% and 2018: 34.7%).

The main reconciling items are due to the difference between the local corporate income tax rate of each taxable entity and the French tax rate, permanent differences reported by each entity, reduced tax rates for certain transactions and other specific items.

In EUR millions	2020	2019	2018
Income before income tax (excluding share in results of associates)	**337**	**570**	**505**
Theoretical income tax at 32.02% (for 2020), 34.43% (for 2019) and 34.43% (for 2018)	(108)	(196)	(174)
RECONCILING ITEMS TO ACTUAL INCOME TAX (EXPENSE)/BENEFIT			
Differences between French and local corporate income tax rates	38	63	77
Tax-exempt income	11	7	18
Non-deductible expenses	(25)	(29)	(16)
Write-down and reversal of previous write-down of deferred tax assets	-	(1)	-
Change in tax risk provision	(4)	26	-
Non creditable/refundable withholding tax	(4)	(3)	(3)
Change in corporate income tax rates	(16)	-	(5)
Share based payments	(4)	(4)	7
Corporate income taxes prior years	18	(8)	(13)
Impact from US tax reform	-	-	(68)
Others	(12)	(2)	2
ACTUAL INCOME TAX (EXPENSE)/BENEFIT	**(106)**	**(147)**	**(175)**

The difference between French and local tax rates reflects the geographical tax rate mix of the Group.

Income tax risk provisions have been reviewed and adjusted as part of the regular tax risk provisioning process.

Corporate income taxes from prior years result mainly from extended tax loss carry back of US entities to prior periods with 35% corporate tax rate (2017 and earlier) compared to the actual tax rate of 21% (Coronavirus Aid, Relief, and Economic Security Act, CARES Act) and timing differences between the date of approval of financial statements and the corporate tax returns filing dates.

French corporate tax rate

For 2020, the French corporate income tax rate is 32.02% for companies with a turnover exceeding EUR 250 million as provided by the 2020 French Finance Bill.

The progressive decrease in corporate income tax rate results in a global French corporate income tax rate of 32.02% for 2020 and 28.41% for 2021 respectively. From 2022 onwards, the tax rate is 25.83%.

In 2019 and 2018, the French corporate income tax rate was 34.43% for companies with a turnover exceeding EUR 250 million.

US corporate tax rate

On December 22, 2017, the US Congress enacted the Tax Cuts and Jobs Act (the "TCJA"), introducing a new minimum tax regime, referred to as the Base Erosion and Anti-Abuse Tax ("BEAT") which acted almost as a 5% tax on all deductible payments to non-US affiliates – and gross premiums specifically – starting in 2018. The BEAT increased to 10% for fiscal years beginning in 2019 and will further increase to 12.5% for taxable years beginning in 2026 or later. More precisely, BEAT is payable if, calculated on a modified taxable income base, it is higher than the regular federal corporate tax in a given year.

In 2018, SCOR has assessed the TCJA implications, in particular with respect to certain complex provisions including the BEAT. SCOR has implemented an alternate business structure to adapt to the new environment by establishing a new Irish entity, SCOR Life Ireland dac, which is treated as a US taxpayer.

The execution of this implementation was subject to certain standard regulatory approvals which have been obtained before the end of 2018. The TCJA implications including the implementation of the new business structure resulted in an expense of USD 81 million (EUR 68 million) which has been recognized in SCOR's 2018 result.

In 2020, USD 16 million (EUR 14 million) BEAT expense was recognized as part of the current income tax (USD 25 million, EUR 22 million in 2019).

The standard tax rates for the primary locations in which the Group has operations are as follows:

	2020	2019	2018
France	32.02%	34.43%	34.43%
Switzerland	21.15%	21.15%	21.15%
Germany	32.45%	32.45%	32.45%
Ireland	12.50%	12.50%	12.50%
United Kingdom	19.00%	19.00%	19.00%
United States	21.00%	21.00%	21.00%
Singapore	17.00%	17.00%	17.00%

Note•18.3 CORPORATE INCOME TAX EFFECTS RELATING TO OTHER COMPREHENSIVE INCOME

	2020			2019			2018		
In EUR millions	Before tax amount	Tax (expense) / benefit	Net of tax amount	Before tax amount	Tax (expense) / benefit	Net of tax amount	Before tax amount	Tax (expense) / benefit	Net of tax amount
Remeasurements of post-employment benefits	(16)	4	(12)	(31)	7	(24)	(24)	6	(18)
Items that will not be reclassified subsequently to profit and loss	**(16)**	**4**	**(12)**	**(31)**	**7**	**(24)**	**(24)**	**6**	**(18)**
Effects of changes in foreign exchange rates	(523)	(3)	(526)	126	(3)	123	145	2	147
Revaluation of available-for-sale assets	199	(40)	159	660	(144)	516	(511)	111	(400)
Shadow accounting	(71)	13	(58)	(202)	45	(157)	125	(26)	99
Net gains/(losses) on cash flow hedges	22	(6)	16	30	(8)	22	(6)	3	(3)
Other changes	1	-	1	2	-	2	(7)	-	(7)
Items that will be reclassified subsequently to profit income	**(372)**	**(36)**	**(408)**	**616**	**(110)**	**506**	**(254)**	**90**	**(164)**
TOTAL	**(388)**	**(32)**	**(420)**	**585**	**(103)**	**482**	**(278)**	**96**	**(182)**

Note•18.4 DEFERRED TAX

Deferred tax assets and liabilities and the related expense or benefit as at and for the years ended December 31, 2019 and December 31, 2020, were generated by the following items:

In EUR millions	Opening balance at January 1, 2019	Changes through P&L	Changes through OCI	Other move-ments	Foreign exchange gains and losses	Balance at December 31, 2019	Changes through P&L	Changes through OCI	Other move-ments	Foreign exchange gains and losses	Balance at December 31, 2020
DEFERRED TAX LIABILITIES											
Deferred acquisition costs	(325)	(18)	(2)	-	(7)	(352)	39	(1)	-	24	(290)
Unrealized revaluations and temporary differences on investments	(36)	(3)	(68)	(4)	(1)	(112)	(4)	(38)	(12)	10	(156)
Retirement scheme	(16)	(2)	-	-	-	(18)	(2)	-	-	(1)	(21)
Equalization reserves	(49)	3	-	-	-	(46)	5	-	-	(1)	(42)
Value of business acquired	(290)	13	-	-	(7)	(284)	9	-	-	21	(254)
Financial instruments	(17)	8	(16)	(4)	-	(29)	-	(1)	2	1	(27)
Insurance contract liabilities/assets	(102)	(59)	-	1	(3)	(163)	12	(3)	(5)	11	(148)
Shadow accounting	(26)	-	21	-	-	(5)	-	1	-	(1)	(5)
Other temporary differences	(119)	10	-	1	-	(108)	(19)	-	-	6	(121)
TOTAL DEFERRED TAX LIABILITIES	**(980)**	**(48)**	**(65)**	**(6)**	**(18)**	**(1,117)**	**40**	**(42)**	**(15)**	**70**	**(1,064)**
DEFERRED TAX ASSETS											
Deferred acquisition costs	197	(5)	-	-	5	197	(20)	-	-	(16)	161
Unrealized revaluations and temporary differences on investments	85	15	(56)	5	-	49	10	(3)	12	(3)	65
Retirement scheme	58	5	7	1	1	72	(7)	4	-	(1)	68
Equalization reserves	-	-	-	-	-	-	-	-	-	-	-
Net operating losses for carry forward	438	69	-	-	4	511	41	-	-	(14)	538
Financial instruments	28	(9)	(11)	4	-	12	(1)	(5)	(2)	-	4
Insurance contract liabilities/assets	184	17	-	1	3	205	17	-	-	(12)	210
Shadow accounting	-	-	22	-	-	22	-	14	-	(4)	32
Other temporary differences	337	(30)	-	(2)	6	311	(6)	-	1	(18)	288
TOTAL DEFERRED TAX ASSETS	**1,327**	**62**	**(38)**	**9**	**19**	**1,379**	**34**	**10**	**11**	**(68)**	**1,366**

In accordance with IFRS deferred tax netting rules, the amount of deferred tax liabilities and deferred tax assets stated in the balance sheet are as follows:

In EUR millions	2020	2019	2018
Deferred tax liabilities	(260)	(270)	(207)
Deferred tax assets	562	532	554
Net deferred tax assets (liabilities)	**302**	**262**	**347**

Note•18.5 EXPIRATION OF TAX LOSSES AVAILABLE FOR CARRYFORWARD

As at December 31, 2020, the operating tax losses available for carryforward expire as follows:

In EUR millions	Available tax loss carryforwards	Tax loss carryforwards for which no DTA is recognized	At December 31, 2020 Deferred tax assets recognized	At December 31, 2019 Deferred tax assets recognized
2020	-	-	-	1
2021	-	-	-	-
2022	7	(1)	1	1
2023	15	-	3	-
2024	94	-	22	-
Thereafter	706	(5)	146	208
Indefinite	1,594	(149)	366	301
TOTAL	**2,416**	**(155)**	**538**	**511**

The recognition of deferred tax assets for tax loss carryforwards is assessed based on the availability of sufficient future taxable income and local tax rules, *e.g.* unlimited carry forward in France but the utilization of tax losses is capped at EUR 1 million plus 50% of the remaining current year's taxable result, 20-year carryforward period for US Non-Life companies, 15-year carryforward for losses incurred before 2018 and unlimited carry forward for losses incurred after 2018 for US Life companies. Considering SCOR's activity and in particular its exposure to natural catastrophes, the time horizon over which the Group expects to utilize its losses carryforward can evolve. SCOR remains confident it will utilize all recognized tax loss carryforwards prior to their expiration.

Operating losses which have not been recognized as deferred tax assets relate primarily to the French Tax Group.

Note•19 INVESTMENT INCOME

The tables below show the analysis by type of investment income and split by category of financial assets:

Note•19.1 ANALYSIS BY TYPE

In EUR millions	2020	2019	2018
Interest income on investments	421	474	435
Dividends	19	30	20
Rental income from real estate	31	38	42
Other income (including from cash and cash equivalents)	(32)	(9)	(18)
Other investments expenses	(8)	(11)	(12)
Investment revenues	**431**	**522**	**467**
Interest income on funds withheld and contract deposit	165	164	157
Interest expense on funds withheld and contract deposit	(2)	(6)	(6)
Interest on deposits	**163**	**158**	**151**
Realized gains and losses on investments	**196**	**86**	**127**
Change in fair value of investments	**18**	**25**	**(13)**
Investment impairment	(39)	(24)	(6)
Real estate amortization and impairment	(22)	(16)	(26)
Change in investment impairment and amortization	**(61)**	**(40)**	**(32)**
Currency gains (losses)	**(13)**	**3**	**(13)**
INVESTMENT INCOME	**734**	**754**	**687**

Note•19.2 ANALYSIS BY CATEGORY OF FINANCIAL ASSET

In EUR millions	2020	2019	2018
Real estate investments	56	71	26
Available for sale investments	478	522	532
Investments at fair value through income	(5)	28	6
Loans and receivables	189	184	170
Derivative instruments	(108)	16	(19)
Other (including from cash and cash equivalents), net of other investment expenses	124	(67)	(28)
INVESTMENT INCOME	**734**	**754**	**687**

Note•20 NET RETROCESSION RESULT

The table below shows the net retrocession result for the years ended December 31, 2020, 2019 and 2018:

	2020			2019			2018		
In EUR millions	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total	SCOR Global Life	SCOR Global P&C	Total
Ceded written premiums	(892)	(896)	(1,788)	(846)	(1,052)	(1,898)	(646)	(833)	(1,479)
Change in ceded unearned premiums reserves	-	(16)	(16)	-	61	61	-	35	35
Ceded earned premiums	**(892)**	**(912)**	**(1,804)**	**(846)**	**(991)**	**(1,837)**	**(646)**	**(798)**	**(1,444)**
Ceded claims	844	423	1,267	571	682	1,253	549	472	1,021
Ceded commissions	66	153	219	87	170	257	47	112	159
Net retrocession result	**18**	**(336)**	**(318)**	**(188)**	**(139)**	**(327)**	**(50)**	**(214)**	**(264)**

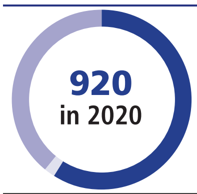
The retrocession results of SCOR Global Life in the reporting periods reflect changes in the retrocession portfolio, the claims development over the 3 year-period, correlated reserving adjustments and experience refund calculations.

Note•21 OTHER OPERATING AND ADMINISTRATIVE EXPENSES

Allocation of expenses by function

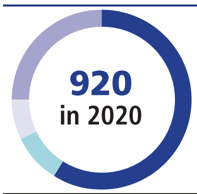
In accordance with IAS 1 – Presentation of Financial Statements, the Group has opted to present expenses by function in the statement of income. The costs are allocated to four categories (acquisition and administrative expenses, claims settlement expenses, investment management expenses and other current operating expenses) based on allocation keys defined by management.

Other operating and administrative expenses include expenses incurred by the Group, excluding gross commissions, as follows:



In EUR millions	2020	2019	2018
59% Staff costs	543	541	527
2% Taxes other than income taxes	22	26	20
39% Other costs	355	370	346
OTHER OPERATING AND ADMINISTRATIVE EXPENSES	**920**	**937**	**893**

These expenses are further allocated into categories by function as follows:



In EUR millions	2020	2019	2018
59% Acquisition and administrative expenses	541	564	537
9% Investment management expenses	80	75	68
7% Claims settlement expenses	63	63	62
25% Other current operating expenses	236	235	226
OTHER OPERATING AND ADMINISTRATIVE EXPENSES	**920**	**937**	**893**

The Group audit fees for services rendered during the year are subject to a quarterly review and approval by the Audit Committee. All such audit fees presented in the table below have been approved in full by the Audit Committee.

Amount (excluding taxes)	Ernst & Young				Mazars				KPMG				Total			
In EUR thousands	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Audit [(1)]	**514**	**5,966**	**37%**	**85%**	**3,835**	**3,610**	**94%**	**95%**	**4,612**	**-**	**84%**	**-**	**8,961**	**9,576**	**81%**	**88%**
SCOR SE	4	2,015	-	29%	1,510	1,665	37%	44%	1,572	-	29%	-	3,086	3,680	28%	34%
Fully consolidated subsidiaries	510	3,951	37%	56%	2,325	1,945	57%	51%	3,040	-	55%	-	5,875	5,896	53%	54%
Other audit related [(2)]	**832**	**995**	**59%**	**14%**	**252**	**204**	**6%**	**5%**	**421**	**-**	**8%**	**-**	**1,505**	**1,199**	**14%**	**11%**
SCOR SE	522	39	37%	1%	198	158	5%	4%	135	-	3%	-	855	197	8%	2%
Fully consolidated subsidiaries	310	956	22%	13%	54	46	1%	1%	286	-	5%	-	650	1,002	6%	9%
Other [(3)]	**62**	**92**	**4%**	**1%**	**13**	**14**	**-**	**-**	**430**	**-**	**8%**	**-**	**505**	**106**	**5%**	**1%**
Legal, tax, social security	62	92	4%	1%	13	14	-	-	430	-	8%	-	505	106	5%	1%
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**1,408**	**7,053**	**100%**	**100%**	**4,100**	**3,828**	**100%**	**100%**	**5,463**	**-**	**100%**	**-**	**10,971**	**10,881**	**100%**	**100%**

(1) *Statutory audit and certification of local and consolidated financial statements.*
(2) *Other specific audit assignments related to the statutory audit engagement. Additional audit fees incurred were due mainly to review of actuarial disclosures, review of CSR report, review of Solvency II reports as well as various mandatory procedures.*
(3) *Other services, provided by the Auditors to the fully consolidated companies and due diligence.*

The term of office of the firm ERNST & YOUNG, titular Statutory Auditor, has expired at the end of the General Meeting called to approve the financial statements for the financial year ended December 31, 2019, which took place on June 16, 2020. The firm ERNST &YOUNG was replaced by the firm KPMG SA during this General Meeting.

Note•22 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net income available to ordinary shareholders by the weighted average number of ordinary shares outstanding over the year, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

For the calculation of diluted earnings per share, the weighted average number of outstanding shares is adjusted to take into account the potential conversion of all stock options and share allocation plans.

Potential or contingent share issues are considered as dilutive when their conversion into shares would decrease net earnings per share.

Basic and diluted earnings per share are calculated as follows for the years ended December 31, 2020, 2019 and 2018 respectively:

	At December 31, 2020			At December 31, 2019			At December 31, 2018		
In EUR millions	Net income (numerator)	Shares [(1)] (denominator) *(in thousands)*	Net income per share *(in EUR)*	Net income (numerator)	Shares [(1)] (denominator) *(in thousands)*	Net income per share *(in EUR)*	Net income (numerator)	Shares [(1)] (denominator) *(in thousands)*	Net income per share *(in EUR)*
Net income – Group share	234	-	-	422	-	-	322	-	-
BASIC EARNINGS PER SHARE									
Net income attributable to ordinary shareholders	**234**	**186,243**	**1.26**	**422**	**185,759**	**2.27**	**322**	**187,341**	**1.72**
DILUTED EARNINGS PER SHARE									
Dilutive effects	-	-	-	-	-	-	-	-	-
Stock options and share-based compensation [(2)]	-	1,674	-	-	1,880	-	-	2,255	-
Net income attributable to ordinary shareholders and estimated conversions	**234**	**187,917**	**1.25**	**422**	**187,638**	**2.25**	**322**	**189,596**	**1.70**

(1) Average number of shares during the period.
(2) Calculated assuming all options are exercised where the average SCOR share price for the year exceeds the option exercise price.

The exercise of stock options has consistently led to treasury shares being cancelled as decided by the Shareholders' Meeting of the Company in order to avoid any dilutive effect of such exercise upon the share capital.

Note•23 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to directly or indirectly control the other party or exercises significant influence over the other party in making financial or operational decisions.

The Group's related parties include:

- key management personnel, close family members of key management personnel, and all entities which are controlled, significantly influenced by, or for which significant voting power is held by key management personnel or their close family members;
- associates.

There is no shareholder (except key management personnel) meeting the criteria of a related party according to IAS 24 – Related Party Disclosures, for the years ended December 31, 2020, 2019 and 2018.

SCOR SE is the ultimate parent of the Group.

The Group has several business relationships with related parties. Transactions with such parties are carried out in the ordinary course of business and on substantially the same terms and conditions – including interest rates and collateral – as those prevailing at the same time for comparable transactions with third parties.

Transactions with associates for the financial years ended December 31, 2020, 2019 and 2018 were carried out on an arm's length basis and their volume is not material.

Transactions with key management personnel

Key management personnel are those individuals having responsibility and authority for planning, directing and controlling the activities of the Group. The Group considers that the members of the Executive Committee and the Board constitute key management personnel for the purposes of IAS 24.

The total gross compensation of key management personnel, allocated or paid, which includes short-term employee benefits, post-employment benefits, other long-term benefits, termination benefits and share-based payments, for the years ended December 31, 2020, 2019, and 2018 is outlined below:

In EUR	2020	2019	2018
Fixed cash compensation (1)	6,060,451	5,991,365	5,832,784
Variable cash compensation (1)	4,663,736	5,061,445	4,603,272
Profit sharing (1)	8,003	7,624	3,423
Premiums/allowances (1)	66,798	72,966	65,106
Share-based payments (2)	13,089,232	24,398,653	15,832,066
Termination benefits (1)	-	-	-
Retirement benefits (3)	2,899,067	3,627,218	3,141,237
Directors' fees (1)	61,000	76,000	70,000
TOTAL COMPENSATION AND BENEFITS	**26,848,287**	**39,235,271**	**29,547,888**

(1) Amounts paid during the year.
(2) It should be noted that the figures stated above do not represent paid compensation but correspond to actuarial estimates in line with AFEP-MEDEF corporate governance code for the allocation of free shares and subscription options during the reference period. The value is calculated according to the same assumptions as those used for the Group accounts (IFRS 2).
(3) Contributions paid to the defined contribution plans and service cost on the defined benefit plans. The total commitment of the Group for defined benefit retirement plans in France, Germany, the UK, the US and Switzerland for Executive Committee members (including the Chairman and Chief Executive Officer) as at December 31, 2020 amounts to EUR 46 million (EUR 41 million as at December 31, 2019 and EUR 57 million as at December 31, 2018), i.e. 10% of the total commitment of the Group for pension plans of EUR 475 million.

Each member of the Executive Committee benefits from the use of a vehicle for business purposes. The Chairman and Chief Executive Officer has a company car (with a shared driver).

Note•24 COMMITMENTS RECEIVED AND GRANTED

Rights and obligations, not recognized on the balance sheet, but which could modify the amount or the composition of the Group's net assets are disclosed as commitments.

The general reinsurance environment requires that underwriting liabilities be collateralized, either directly through the reinsurance treaty with the ceding company, or indirectly through the requirements of local regulators of the countries where SCOR's entities operate. These collateral arrangements can take the form of cash deposits to ceding companies, which are booked on the balance sheet, of pledged assets which generate a commitment given and are disclosed in the table below, or of letters of credit in which a financial institution provides the ceding company with a guarantee against the default of SCOR. Reciprocally, SCOR receives collaterals from its retrocessionaires which are booked as commitments received, with the exception of deposits which are recognized on the balance sheet.

In addition to assets pledged on the reinsurance business, SCOR's assets may be restricted when they are used as collateral to obtain letters of credit from banks or as securities for real estate debts or pensions liabilities. Those restricted assets are reported as pledged assets in the commitment disclosures.

A commitment received is recognized for potential sources of liquidity such as unused lines of credit, unused loans capacity or unused letters of credit purchased to financial institutions but not provided to ceding companies.

Irrevocable purchase and disposal commitments of assets, as well as investment or lending commitments are disclosed in this note as commitments.

In EUR millions	As at December 31, 2020	As at December 31, 2019
COMMITMENTS RECEIVED		
Unused lines of credit and letters of credit	684	316
Letters of credit – retrocessionaires	137	161
Pledged assets	1,375	1,107
Endorsements, sureties	3	6
Other commitments received	-	-
TOTAL COMMITMENTS RECEIVED	**2,199**	**1,590**
COMMITMENTS GIVEN		
Pledged assets	4,466	4,847
Endorsements, sureties	20	23
Investment commitments	357	258
Other commitments given	3	4
TOTAL COMMITMENTS GIVEN	**4,846**	**5,132**

Pledged assets granted and received

SCOR has pledged financial assets to ceding companies, regulators, financial institutions and pension plans for a total amount of EUR 4,466 million (2019: EUR 4,847 million).

In addition, SCOR pledges assets to the benefit of its consolidated subsidiaries as collateral for its internal retrocessions. As at December 2020, the amount of assets pledged internally is EUR 2,149 million (as at December 2019: EUR 2,047 million).

The total carrying amount of financial assets pledged to the benefit of SCOR as collateral is EUR 1,375 million (2019: EUR 1,107 million). These amounts include securities pledged by retrocessionaires for a total amount of EUR 624 million (2019: EUR 949 million) detailed in Note 16 – Net contract liabilities. The remaining amount relates to pledged assets received on assumed reinsurance.

Letters of credit

As security for the Group's technical liabilities, various financial institutions have provided sureties for the Group in the form of letters of credit. The total amount, not included in the table above, as at the reporting date was EUR 1,434 million (2019: EUR 1,364 million). In accordance with the terms of these letter of credit facilities, the Group must meet certain minimum requirements relating to net worth. The Group currently meets all such requirements.

As at December 31, 2020, SCOR has an outstanding letter of credit capacity of EUR 231 million (as at December 31, 2019: EUR 161 million), recognized as a commitment received from banks. This outstanding capacity can be used to provide collateral on the forthcoming underwritten business.

Letters of credits received from external retrocessionaires are recognized as a commitment received for EUR 137 million (as at December 31, 2019: EUR 161 million) and are detailed in Note 16 – Net contract liabilities.

Investment commitments

SCOR is committed to grant loans and to invest in various investment funds for a total amount of EUR 357 million (2019: EUR 258 million). Those amounts do not include the commitments taken by SCOR on behalf of third parties as part of its asset management activity.

Real estate commitments

Minimum payments under operating lease commitments, estimated future minimum rental income amounts as part of SCOR's real estate investment activities and commitments to purchase or dispose real estate properties are not included in the table above but are disclosed within Note 10 – Miscellaneous assets and Note 8 – Insurance business investments.

Contingent liabilities

Contingent liabilities are disclosed in Note 15.2 – Other provisions.

Note•25 INSURANCE AND FINANCIAL RISKS

All of the following paragraphs form an integral part of the Group consolidated financial statements. They are disclosed in Section 3 – Risk factors and risk management mechanisms.

Note•25.1 INSURANCE RISKS

Please see Section 3.1.2 – Underwriting risks related to the P&C and Life reinsurance businesses and Section 3.2.2 – Management of Underwriting risks related to the P&C and Life reinsurance businesses.

Note•25.2 MARKET RISKS

Please see Section 3.1.3 – Market risks and Section 3.2.4 – Management of market risks.

Note•25.3 CREDIT RISKS

Please see Section 3.1.4 – Credit risks and Section 3.2.5 – Management of credit risks.

Note•25.4 LIQUIDITY RISKS

Please see Section 3.1.5 – Liquidity risks and Section 3.2.6 – Management of liquidity risks.

Note•26 LITIGATION

Comisión Nacional de la Competencia

On November 12, 2009, and following an administrative sanctioning procedure, the Spanish competition authority (*Comisión Nacional de la Competencia*, or the "CNC") sanctioned SCOR Global P&C SE Ibérica Sucursal, a branch of SCOR Global P&C, and a number of other insurance and reinsurance companies for an alleged infringement of Article 1 of Law 15/2007, of July 3, 2007, on Competition (the "Competition Act" which prohibits agreements and concerted practices that may have as an object or effect the restriction of competition in the market). The infraction would have consisted in an agreement to set the minimum price and other commercial conditions applied to customers in the market for decennial insurance for constructions in Spain. Pursuant to such decision, SCOR was sentenced to pay a fine of EUR 18.6 million. Other insurers and reinsurers were also fined in relation to the same matter.

On December 21, 2009 SCOR filed an appeal to the sanctioning decision before the Administrative Chamber of the National Audience (*Audiencia Nacional*, or the "AN").

On December 28, 2012, the AN issued its judgment on the appeal, annulling the decision of the CNC. The AN accepted SCOR's grounds and declared that the Company had not infringed the Competition Act. Consequently, the economic sanction imposed on SCOR by the CNC was annulled.

The State Attorney (*Abogado del Estado*) representing the CNC has appealed the AN judgment to the Supreme Court (*Tribunal Supremo*) in January 2013. The Supreme Court has accepted the State attorney's appeal on October 10, 2013.

On June 2, 2015, SCOR received the decision from the Spanish Supreme Court on the State Attorney's appeal. In its decision, the Supreme Court confirmed that SCOR, together with certain other market participants, were part of an antitrust violation. However, the Supreme Court canceled the fine imposed by the Agency and requested it to be recalculated. On July 2, 2015, SCOR filed an action for annulment of the Supreme Court decision. On September 15, 2015, this action was dismissed by the Supreme Court. On November 3, 2015, SCOR filed an appeal against the Supreme Court's decision in front of the Spanish Constitutional Court. This action was dismissed on February 26, 2016.

In March 2016, the CNMC (*Comisión Nacional de los Mercados y la Competencia*, former CNC) has commenced the reevaluation procedure of SCOR's fine imposed in 2009.

On March 9, 2017, the CNMC issued a resolution in which it confirmed SCOR's fine at the amount of EUR 18.6 million. SCOR has appealed the CNMC's resolution in front of the AN, and on April 25, 2019, the AN has rejected SCOR's appeal. Subsequently, on June 5, 2019, SCOR has appealed this decision in front of the Spanish Supreme Court. On January 30, 2020 SCOR was notified that the Spanish Supreme Court has not accepted SCOR's appeal, thereby triggering the requirement to pay the EUR 18.6 million fine. On February 25, 2020 SCOR has filed an appeal to the Spanish Constitutional Court against the decision of the Spanish Supreme Court. On September 25, 2020, SCOR had been informed that the Spanish Constitutional Tribunal declared SCOR's appeal inadmissible. This decision is final.

Litigation gives rise to an accrual when it meets the recognition requirements of a provision under IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. See Note 15 – Employee benefits and other provisions for details of accruals booked. In certain instances, in accordance with IAS 37.92, some required information, in particular the amount of accruals, is not disclosed as they could seriously prejudice the position of SCOR in a dispute with other parties.

In addition to the litigation described above, SCOR is involved in court, arbitration and other formal or informal dispute resolution proceedings in its normal course of business. Based on Management's assessment these current proceedings are not expected to have a significant negative impact on the consolidated financial statements.

Legal actions against Thierry Derez, Covéa and Barclays

As announced in SCOR's press release dated January 29, 2019, the gravity of the facts brought to the attention of SCOR and its governance bodies relating to the misconduct committed to the detriment of SCOR, in the context of the preparation and submission by Covéa, on August 24, 2018, of its unsolicited takeover proposal for SCOR, compelled SCOR to initiate legal actions against Thierry Derez, Covéa SGAM, Covéa Coopérations and Barclays.

These legal actions consist of:

- a criminal action, by way of a direct prosecution ("citation directe") before the Criminal Court of Paris ("Tribunal correctionnel de Paris"), against Thierry Derez, for breach of trust ("abus de confiance");
- a criminal action, by way of a direct prosecution ("citation directe") before the Criminal Court of Paris ("Tribunal correctionnel de Paris"), against Covéa SGAM and Covéa Coopérations, for concealment of breach of trust ("recel d'abus de confiance");
- a civil action against Barclays before the High Court of Justice of London, for serious breach of confidence and trade secrets;
- a civil action ("action en responsabilité civile"), before the Commercial Court of Paris ("Tribunal de commerce de Paris"), against Thierry Derez, for serious breach of his legal and fiduciary duties and obligations as a director of SCOR in his personal capacity (regarding in particular loyalty, conflicts of interest, and confidentiality) as well as SCOR's trade secrets ("secret des affaires"); and
- a civil action ("action en responsabilité civile"), before the Commercial Court of Paris ("Tribunal de commerce de Paris"), against Covéa SGAM and Covéa Coopération, for having directly participated in and benefitted from the serious breaches by Thierry Derez.

In the criminal proceedings by way of direct prosecution ("citation directe") before the Criminal Court of Paris ("Tribunal correctionnel de Paris") against Thierry Derez, Covéa SGAM and Covéa Coopérations, the hearings on the merits are expected to be held in July 2021.

In the civil proceedings before the Commercial Court of Paris ("Tribunal de commerce de Paris") against Thierry Derez, the Commercial Court of Paris ruled on November 10, 2020 that Thierry Derez had violated his legal and fiduciary duties and obligations as a director of SCOR in his personal capacity (regarding loyalty, conflicts of interest and confidentiality), by disclosing confidential SCOR information and documents to Covéa and its advisors with the aim of wrongfully favoring the preparation and execution of an unsolicited takeover bid for SCOR by Covéa. Thierry Derez was ordered to pay the amount of EUR 479,376, plus interest, in compensation for the damage caused to SCOR. The Court also ruled that Covéa SGAM and Covéa Coopérations had participated and benefited in full knowledge of the misconduct committed by Thierry Derez, and that the public communication of their unsolicited takeover bid for SCOR had been wrongful. Thierry Derez, Covéa SGAM and Covéa Coopérations are ordered *in solidum* to pay the sum of EUR 19,603,191, plus interest, in compensation for the damage caused to SCOR. Thierry Derez, Covéa SGAM and Covéa Coopérations have appealed against the judgment of November 10, 2020.

In the claim against Barclays for breach of confidence and trade secrets, the High Court of Justice of London has declined, by judgment delivered on January 30, 2020, Barclays' application to stay the proceedings until the judgment of the Paris Criminal Court ("Tribunal correctionnel de Paris") in the criminal proceedings. The trial before the High Court of Justice of London is expected to take place in June 2021.

Note•27 SUBSEQUENT EVENTS

Subsequent events relate to relevant and material events that occur between the reporting date and the date when the financial statements are approved for issue by the Board of Directors. Such events lead to:

- an adjustment of the consolidated financial statements if they provide evidence of conditions that existed at the reporting date, and if relevant and material;
- additional disclosure if they relate to conditions which did not exist at the reporting date, and if relevant and material.

None.

4.7. INFORMATION ON HOLDINGS

The holdings held directly by SCOR SE are detailed in the following sections:

- Section 1.2.3 – Organizational structure of SCOR;
- Appendix B – 5 – Notes to the corporate financial statements, Note 2 – Investments – Subsidiaries and affiliates.

As at December 31, 2020, SCOR SE held indirectly shares or units in the companies representing at least 10% of the consolidated net assets or generating at least 10% of the consolidated net income or loss. These holdings are listed below:

	Registered office	Type of business	% Capital
SCOR Life Ireland dac	6th Floor, 2 Grand Canal Square – Dublin 2 – D02 A342 – Ireland	Reinsurance	100%
SCOR Global Life Americas Reinsurance Company	101 South Tryon Street, Suite 3200 – 28280 Charlotte – United States	Reinsurance	100%
SCOR Reinsurance Company	28 Liberty Street, Suite 5400 – 10005 New York – United States	Reinsurance	100%

4.8. STATUTORY AUDITORS

4.8.1. PRINCIPAL AUDITORS

Name	Date of first appointment	End of current appointment
MAZARS Represented by Maxime Samoen and Guillaume Wadoux Tour Exaltis – 61, rue Henri Regnault 92075 Paris-La Défense cedex, France CRCC of Versailles	June 22, 1990	Date of the Shareholders' Meeting called to approve the financial statements for the financial year ended December 31, 2025
KPMG SA Represented by Pierre Planchon and Antoine Esquieu Tour EQHO – 2, avenue Gambetta 92400 Courbevoie, France CRCC of Versailles	June 16, 2020	Date of the Shareholders' Meeting called to approve the financial statements for the financial year ended December 31, 2025

4.8.2. ALTERNATIVE AUDITORS

None

4.8.3. RESIGNATION OR NON-RENEWAL OF AUDITORS

The term of office of the firm ERNST & YOUNG, titular Statutory Auditor, has expired at the end of the General Meeting called to approve the financial statements for the financial year ended December 31, 2019, which took place on June 16, 2020.

Pursuant to Article L. 823-3-1 of the French Commercial Code, modified by the Law n°2016-1691 of December 9, 2016, the term of office of both titular Statutory Auditors of SCOR SE would have expired at the end of the 2026 General Meeting. In order to phase these changes, it has been decided to replace ERNST & YOUNG Audit as early on as the 2020 General Meeting, held on June 16, 2020.

4.8.4. FEES PAID BY THE GROUP TO THE AUDITORS

See Section 4.6.21 – Notes to the consolidated financial statements, Note 21 – Other operating and administrative expenses for a breakdown of audit fees.

4.9. AUDITING OF HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The date of the most recently audited financial information is December 31, 2020.

In application of EC Commission Regulation No. 809/2004, the following information is included by reference in this Universal Registration Document:

- The report of the Statutory Auditors on the consolidated financial statements for the financial year ended December 31, 2019 published on pages 240 to 245 of the Universal Registration Document filed with the AMF on March 13, 2020 under Number D.20-0127 (and from pages 240 to 245 of the free translation into English of such Universal Registration Document, such translation being available on SCOR's website www.scor.com).
- The report of the Statutory Auditors on the consolidated financial statements for the financial year ended December 31, 2018 published on pages 249 to 254 of the Registration Document filed with the AMF on March 4, 2019 under Number D.19-0092 (and from pages 249 to 254 of the free translation into English of such Registration Document, such translation being available on SCOR's website www.scor.com).

The report of the Statutory Auditors on the consolidated financial statements for the financial year ended December 31, 2020 is reproduced below.

This is a translation into English of the auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.This auditors' report includes information required by European regulation and French law, such as information about the appointment of the auditors or verification of the management report and other documents provided to shareholders.This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the annual General Meeting of SCOR SE,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of SCOR SE for the year ended December 31, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2020 consisting of the persons and entities included in the consolidation and of the results of its operations for the year then ended in accordance with IFRS accounting principles as adopted in the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "*Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements*" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1, 2020 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) N° 537/2014.

Justification of Assessments – Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of technical reserves related to reinsurance contracts

(Please refer to notes 1 and 16 of the notes to the consolidated financial statements)

Risk identified	Our response
The gross insurance and investment contract liabilities amount to EUR 30 501 million as at December 31, 2020. These liabilities are established to cover the Group's commitments and the payment of benefits relating to reported events or events incurred but not yet reported. As stated in note 16 of the notes to the Consolidated financial statements, the Group uses in determining the amount of technical reserves related to its Non-Life business, actuarial techniques that take into account quantitative loss experience data, together with qualitative factors, where appropriate. Technical reserves related to Life business are estimated using actuarial methods based on the present value of projected future payments to cedents less the present value of projected future premiums to be paid by cedents. The calculation includes assumptions relating to expected future mortality, morbidity, longevity, disability, lapses, as well as expected future interest rates and expenses. Inherent uncertainties in the Life and Non-Life reserves' estimates are enhanced for reinsurers because of the longer time period between the date of an occurrence and the request for payment of the claim to the reinsurer, the diversity of contract development schemes, the dependence on ceding companies for information regarding claims and differing reserving practices among ceding companies. Assets and liabilities relating to reinsurance contract liabilities are subject each year to a liability adequacy test under IFRS 4. In these circumstances, we considered the measurement of technical reserves related to reinsurance contracts as a key audit matter.	To cover the risk on the measurement of technical reserves, our audit approach was the following: • we obtained an understanding of the report of the Group chief actuary on the global adequacy of reserves; • we updated our understanding of the procedures and methods of measurement used in determining the technical reserves; • we obtained an understanding of the internal controls framework and tested the efficiency of key controls established by management in order to assess the completeness and reliability of the data and of the implemented models; • we appreciated the actuarial methods and parameters used as well as the assumptions chosen for a selection of contracts; • we performed procedures to analyze differences between expected claims and occurred claims in order to control subsequently the quality of estimates produced by the management; • we performed, with our Non-Life actuarial specialists integrated in the audit team, a recalculation using our own assumptions and tools, of technical reserves for the most sensitive actuarial segments reserves; • for Non-Life business, we analyzed the documentation supporting measurement of reserves related to catastrophes, both man-made and natural; • For Life and Non-Life businesses, we analyzed the documentation supporting the impact of Covid-19 in the measurement of technical reserves; • we included within our team members with specific skills in IT systems to perform procedures aiming at evaluating the internal control environment of the systems used by the management and test the functioning of several automated processes as well as general IT controls that support those processes; • We examined the methodology and outputs of the liability adequacy tests carried out by management.

Measurement of reinsurance premiums

(Please refer to notes 1 and 5 of the notes to the consolidated financial statements)

Risk identified	Our response
Gross written premiums in 2020 amount respectively to EUR 9 208 million for the Life segment SCOR Global Life and EUR 7 160 million for the Non-Life segment SCOR Global P&C, as stated in note 5 of the notes to the Consolidated financial statements. The reinsurance entities of the Group record accounts transmitted by ceding companies upon receipt. Accounts not yet received from ceding companies at the end of the 2020 financial year are estimated, in order to better reflect the Group's reinsurance commitments in the financial statements. Written and earned reinsurance premiums are also estimated. As stated in note 1 of the notes to the Consolidated financial statements: gross written and earned premiums are based upon reports received from ceding companies, supplemented by the Group's own estimates of premiums for which ceding companies' reports have not yet been received. Observing a large part of estimates in the written premiums related to a year is specific to the reinsurance business. Management reviews its estimates and assumptions periodically, based on experience and other factors. Actual premiums can turn out to be different from management estimates. The contracts assumed and retroceded by the Group are subject to different IFRS accounting rules depending on whether they fall within the scope of IFRS 4 – Insurance Contracts or IAS 39 – Financial instruments: Recognition and Measurement. In these circumstances, we considered that the measurement of reinsurance premiums to be a key audit matter.	To cover the risk on the measurement of reinsurance premiums, we implemented the following audit approach: • We obtained an understanding of the internal controls framework on processes related to Life and Non-Life premium estimates and we tested the efficiency of key controls established by management; • We examined the consistency of premium estimates over the period, comparing them both to the operational plan prepared by management and approved by the Board of Directors and to premiums actuals from previous financial years and we investigated, if any, significant differences identified; • We performed, for a selection of contracts, a deep analysis of underlying assumptions taking into account the activity, the records of reinsurance accounts received, and any new information received from ceding companies; • For new contracts underwritten in 2020, we performed on a sampling basis, controls on the consistency of premium estimates based on new business information available at the underwriting department; • We examined the documentation and tests performed by the group regarding the classification of contracts between insurance contracts and financial contracts; • We included within our team members with specific skills in IT systems to perform procedures aiming at evaluating the internal control environment of the systems used by the management and test the functioning of several automated processes, as well as general IT controls that support those processes.

Valuation of Goodwill on the Non-Life Business unit and Value of business acquired (VoBA) on Life reinsurance portfolios

(Please refer to notes 5, 6 and 7 of the notes to the consolidated financial statements)

Risk identified	Our response
The Group's intangible assets are mainly composed of goodwill on the Non-Life Business unit and Value of Business Acquired net of amortization of Life reinsurance portfolios respectively for EUR 755 million and EUR 1 099 million as at December 31, 2020. ***Goodwill*** Goodwill represents the future economic benefits arising from assets acquired in a business combination that are not individually identified and separately recognized. It is initially measured at cost which is calculated as the difference between the consideration transferred and the net fair value of identifiable assets and assumed liabilities at the acquisition date. Their fair value depends on forecasts and budgets established by the management. As part of the yearly impairment testing on goodwill, the Group assesses whether the recoverable amount of cash generating units (CGU) to which the goodwill is allocated, is at least equal to their total carrying value, as stated in note 6 of the notes to the Consolidated financial statements. If it is determined that an impairment exists, the total carrying amount is adjusted to the recoverable value. Estimates performed to determine the recoverable value of the Group CGUs are based on assumptions and extrapolations involving a significant part of judgement. Furthermore, any negative deviation of expected future results could have an impact on the recoverable value and lead to an impairment of the goodwill.	We examined the methodology used by management to determine whether the potential impairment of the CGUs has been properly applied: We evaluated the models and calculations of the Group company in: • comparing multiples and discount rates used per country with our internal databases; • comparing the expected turnover growth with the economic data of the reinsurance sector; • analyzing the process of preparing and approving budgets and forecasts established by management and approved by the Board of Directors; • analyzing the consistency of information and assumptions used in these models: on the one hand, with the budgets and forecasts abovementioned, on the other hand, with our knowledge of the sector, during the review of the strategic plan, through interviews with members of the executive committee and during studies of the Group's budget process.
Life reinsurance value of business acquired Value of Business Acquired (VoBA) represents the value of Life reinsurance portfolios acquired in a business combination. It corresponds to the present value of expected future cash flows for the assumed and the retroceded reinsurance business. As stated in note 7 of the notes to the Consolidated financial statements, VoBA is amortized over the lifetime of the underlying reinsurance portfolio based on schedules derived from the run-off patterns of expected profit. These projections are assessed and updated regularly. Assets and liabilities relating to reinsurance contracts are subject each year to a liability adequacy test under IFRS 4. The review of flow projections and assumptions used involve a significant part of judgement and uncertainties. Furthermore, it significantly impacts the amortization schedule of VoBA. In these circumstances we consider the valuation of intangible assets to be a key audit matter.	Including our Life Actuarial Specialists in the audit team, we have completed the following procedures: • we assessed the application of internal procedures on the evaluation of VoBAs, as well as their amortization patterns; • in order to analyze the valuation of VoBAs and their correct amortization, we examined the expected cash flows on the relevant portfolios; • we assessed the recoverability of the VoBAs taking into consideration the liability adequacy test.

Deferred tax: measurement of deferred tax assets on tax losses carried forward

(Please refer to note 18 of the notes to the consolidated financial statements)

Risk identified	Our response
Deferred tax assets on tax losses carried forward An asset of EUR 538 million related to tax losses carried forward is recognized in the balance sheet of the Group at financial year ended 2020. Deferred tax assets are recognized on net operating losses carried forward to the extent that it is probable that future taxable income will be available against which they can be offset. As stated in note 18 of the notes to the Consolidated financial statements, management makes assumptions and estimates related to income projections to determine the availability of sufficient future taxable income. To the extent that net operating losses carried forward could not be utilized or would expire, deferred income tax expenses may be recorded in the future to reduce corresponding deferred tax assets We consider deferred tax assets on losses carried forward to be a key audit matter, given the Management's judgement related to their recognition in the balance sheet.	With team members with specific tax skills, our audit approach consisted in performing the following procedures on the main entities contributing to the Group's deferred tax assets on losses carried forward: • we obtained an understanding of the internal controls framework on processes of the tax department related to the deferred tax measurement; • we examined the documentation prepared annually by the tax department on deferred tax assets. • we examined the business plans used and the probability that tax losses will be utilized in the future. We notably appreciated the tax rates used as well as the profits' forecasts and underlying assumptions, with specific attention to the legal expiry periods in force in certain countries.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information, given in the management report of the Board of Directors

We have no matters to report as to its fair presentation and the consistency with the consolidated financial statements, reminded that it is not our responsibility to conclude on the fairness or consistency with the financial statements of the solvency related information required by article L. 356-23 of the French Insurance code (Code des assurances).

We attest that the consolidated non financial statement required by Article L. 225 102-1 of the French Commercial Code is included in the Group's management report, it being specified that, in accordance with the provisions of article L. 823-10 of this Code, the information contained in this statement has not been the subject of verifications of fairness or consistency of our means with the consolidated financial statements and must be reported by an independent third party

Report on Other Legal and Regulatory Requirements

Format of the presentation of the consolidated financial statements intended to be included in the annual financial report

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the consolidated financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation No 2019/815 of 17 December 2018 to years beginning on or after January 1st, 2021. Therefore, this report does not include a conclusion on the compliance with this format of the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2 I of the French Monetary and Financial Code (code monétaire et financier).

Appointment of the Auditors

We were appointed as statutory auditors of SCOR SE by the annual general meeting held on June 22, 1990 for MAZARS and on June 16, 2020 for KPMG S.A.

As at December 31, 2020, MAZARS and KPMG Audit were in the 31st year and 1st year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS accounting principles as adopted in the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Auditors' Responsibilities for the Audit of the consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code *(Code de commerce)*, our audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for the audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Collects information related to persons and entities included in the scope of consolidation that it deems sufficient and appropriate to express an opinion on the consolidated financial statements. The auditor is responsible for the management, supervision and execution of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense and Courbevoie, February 23, 2021

The Auditors

French original signed by

MAZARS		KPMG SA	
Maxime SIMOEN	Guillaume WADOUX	Pierre PLANCHON	Antoine ESQUIEU

OTHER INFORMATION AUDITED BY THE STATUTORY AUDITORS

The Universal Registration Document as a whole is the subject of a completion letter sent by the Statutory Auditors to SCOR.

The related party agreements executed in 2020 or continued during 2020, as defined by Articles L. 225-38 *et seq* of the French Commercial Code are the subject of a specific report by the Statutory Auditors in Section 2.3.3.

SCOR SE's corporate accounts for the financial years ended December 31, 2020, 2019 and 2018, included respectively in Appendix B of this Universal Registration Document, in Appendix C of the Universal Registration Document filed with the AMF on March 13, 2020 under the number D.20-0127 and in Appendix C of the Registration Document filed with the AMF on March 4, 2019 under the number D.19-0092, were the subject of reports by the Statutory Auditors, featured respectively in Appendix B of this Universal Registration Document, in Appendix C of the Universal Registration Document filed with the AMF on March 13, 2020 under the number D.20-0127 and in Appendix C of the Registration Document filed with the AMF on March 4, 2019 under the number D.19-0092.

Notes 1, 2, 3, 4, 5 and 6 of this Universal Registration Document relate to the non-financial performance statement. The information published in this section has been reviewed by one of the Statutory Auditors whose report is presented in section 6.

05

SCOR SHARES, SHARE CAPITAL AND GENERAL INFORMATION

5.1. SCOR SHARES

5.1.1. TRENDS IN THE SCOR SE SHARE PRICE THROUGHOUT 2020

The following table presents the volume of transactions and trends in the SCOR SE share price on the Euronext Paris stock market throughout the financial year 2020:

Month	Volume	Value *(in EUR millions)*	Higher *(in EUR)*	Lower *(in EUR)*
January	7,389,097	282	39.12	37.03
February	11,828,604	427	38.75	32.10
March	24,539,125	558	33.54	15.88
April	10,805,621	240	27.74	19.15
May	17,442,790	403	27.00	22.06
June	16,013,057	398	27.84	21.84
July	11,687,167	278	26.00	21.80
August	9,138,624	201	23.36	20.58
September	12,714,904	296	25.16	20.86
October	9,461,093	222	25.66	22.98
November	12,178,411	333	30.62	20.80
December	8,063,464	221	29.42	25.50

5.1.2. LISTING

In 1989, the Company and UAP Réassurances, a subsidiary of the state-owned Société Centrale de l'Union des Assurances de Paris, combined their Non-Life and Life reinsurance businesses. Following a reverse merger with Compagnie Générale des Voitures, the Company listed its ordinary shares on the Paris stock exchange and changed its name to SCOR SA and to SCOR in 1996. In the same year, UAP Réassurances sold its 41% stake in SCOR through an IPO. SCOR's American depositary receipts (ADRs) were also listed on the New York stock exchange at that time.

Following the delisting by SCOR of its American Depositary Receipts from the New York Stock Exchange (NYSE) in 2007, the final listing of the ADRs on the NYSE occurred on June 4, 2007 and the Company's securities were deregistered with the US Securities and Exchange Commission (SEC) on September 4, 2007.

Since this date, the ADRs are traded on the US over-the-counter market under the code SCRYY. In addition, SCOR announced on May 24, 2007 to maintain its ADRs program managed by The Bank of New York Mellon as a sponsored level 1 facility. ADRs holders have been able to choose to hold their ADRs following the delisting from the NYSE and the end of the registration of the Company at the US Securities and Exchange Commission (SEC).

As at the date of this Universal Registration Document, SCOR SE's shares are listed on the Euronext Paris stock market and on the SIX Swiss Exchange (formerly SWX Swiss Exchange) in Zurich, where they were admitted for trading on August 8, 2007.

The ordinary shares are included on the following indices: SBF 120, SBF TOP 80 EW, CAC Next 20, CAC Large 60, CAC Large 60 EW, CAC All-Shares, CAC All Tradable, CAC Financials, Euronext FAS IAS, Next 150 Index, Euronext France Next 40 EW, Ethibel® Sustainability Index Excellence Europe (ESI EXC Europe and ESI EXC Europe VM), CAC® Large 60 Responsible Investment SW, Euronext Europe 500, Euronext Eurozone 300, and Euronext Core Europe 100 ESG EW.

The SBF 120 index consists of the 120 most actively traded French stocks. The SBF TOP 80 EW is an equal weighted index that reflects the performance of the 80 French stocks which are the most traded of the continuous segments not included in the CAC 40 index. The CAC Next 20 index includes the most representative stocks in terms of free float-adjusted capitalization and share turnover not included in the CAC 40 index. The CAC Large 60 index is composed of the constituents of the CAC 40 and CAC Next 20 indices. The CAC Large 60 EW is an equal weighted index that reflects the performance of the 60 largest and most actively traded shares listed on Euronext Paris. The CAC All-Shares index is composed of all the stocks listed on Euronext Paris with an annual velocity ratio of over 5%. The CAC All Tradable index includes all the stocks of the Euronext Paris market with a free float of at least 20%. The CAC Financials index is composed of the stocks included in the CAC All Tradable index belonging to the financial sector. The Euronext FAS IAS index is composed of the stocks included in the CAC All Tradable index that fulfill the following conditions: at least 3% of the capital is controlled by employees, a minimum of 25% of the workforce in France shall own shares of the company and a minimum of 15% of the overall workforce shall own shares of the company. The Next 150 index reflects the performance of Eurozone stocks ranked from 151 to 300 by market capitalization. The Euronext France Next 40 EW is composed of companies ranked from 41 to 80 in the SBF 120 index in terms of free float market capitalization. . The ESI Europe indices universe is composed of companies included in the Russell Developed Europe Index that display the best performance in the field of Corporate Social Responsibility. The Ethibel family (ESI) consists of two variants: one regular and one "Multiplier" version whereby a factor between 0.5 and 1.5 is applied in order to align the sector weights of the ESI Europe index with the sector distribution of the Russell Developed Europe. Inclusion in the regular ESI Europe index means automatic inclusion in the 'Multiplier' version. The CAC® Large 60 Responsible Investment SW consists of all the companies that are expected to be included in the CAC Large 60, whereby the weighting is based on the Responsible Investment score as provided by Mirova/ISS-oekom. The Euronext Europe 500 tracks the performance of a portfolio of 500 stocks in Europe, ranked by the highest free float in value as a percentage of market capitalization. The Euronext Europe 300 tracks the performance of a portfolio of 300 stocks in Eurozone, ranked by the highest free float in value as a percentage of market capitalization. The Euronext Core Europe 100 ESG EW is an equal weighted index that reflects the performance of the top 100 stocks, based on Vigeo ESG score, from Belgium, France, Germany, Luxembourg, and the Netherlands.

5.2. SHARE CAPITAL & SHAREHOLDERS

5.2.1. CAPITAL OWNERSHIP

5.2.1.1. MAIN SHAREHOLDERS

As of December 31, 2020, SCOR's shareholders are mainly institutional as they represent 81% of SCOR's share capital. Institutional shareholders come mainly from Europe (73%), the United States (25%) and Asia (2%). The rest of the share capital is split between treasury shares (less than 1%), employees (5%), retail (2%), brokerage (3%) and others (9%).

To SCOR's knowledge, based on public threshold notifications, SCOR SE's share capital is distributed as follows as at December 31, 2020:

As at December 31, 2020	Number of shares	% of capital	% voting rights (1)
Groupe Covea (France) (2)	15,767,803	8.44%	8.46%
Treasury shares	259,567	0.14%	0.00%
Employees and executive directors (3)(4)	8,773,748	4.70%	4.71%
Others	161,928,958	86.72%	86.84%
TOTAL	**186,730,076**	**100.00%**	**100.00%**

(1) The percentage of voting rights is determined on the basis of the number of shares at year-end, excluding the Company's own treasury shares.
(2) As per Covea's press release published on January 30, 2019, stating "Covéa reminds that it currently holds 8.17% of the share capital in SCOR", representing 15,767,803 shares of SCOR's capital as of December 31, 2018.
(3) Overall number of shares held by employees and executive directors (including performance shares granted prior to the publication of Law No. 2015-990 of August 6, 2015).
(4) As at December 31, 2020, employee shareholdings, as defined in Article L. 225-102 of the French Commercial Code, amount to 1.64% of the capital.

As at December 31, 2019	Number of shares	% of capital	% voting rights (1)
Groupe Covea (2)	15,767,803	8.43%	8.46%
Treasury shares	668,058	0.36%	0.00%
Employees and executive directors (3)(4)	8,405,004	4.49%	4.51%
Others	162,208,646	86.72%	87.03%
TOTAL	**187,049,511**	**100.00%**	**100.00%**

(1) The percentage of voting rights is determined on the basis of the number of shares at year-end, excluding the Company's own treasury shares.
(2) As per Covea's press release published on January 30, 2019, stating "Covéa reminds that it currently holds 8.17% of the share capital in SCOR", representing 15,767,803 shares of SCOR's capital as of December 31, 2018.
(3) Overall number of shares held by employees and executive directors (including performance shares granted prior to the publication of Law No. 2015-990 of August 6, 2015).
(4) As at December 31, 2019, employee shareholdings, as defined in Article L. 225-102 of the French Commercial Code, amount to 1.29% of the capital.

There is no covenant stipulating preferential terms for the sale or purchase of SCOR ordinary shares and representing 0.5% or more of the Company's share capital or voting rights that has been notified to the Company and the AMF.

To SCOR's knowledge, 945,010 ordinary shares have been pledged.

To SCOR's knowledge, there is no shareholder agreement, or other agreement, among Company shareholders pursuant to which they act in concert.

To the Company's knowledge, there have been no transactions between executives, corporate officers, or shareholders holding more than 5.0% of the Company's share capital, or of the company controlling them, and the Company on terms other than market terms.

To its knowledge, except as disclosed above, the Company is not directly or indirectly owned or controlled by any other corporation, foreign government or any other natural or legal person jointly or severally and it is not aware of any contractual arrangements that may at a subsequent date result in a change of control of the Company.

To SCOR's knowledge, the percentages of share capital and voting rights held by its directors and Executive Committee members were 4.32% of the capital and 4.33% of the voting rights as at December 31, 2020 (December 31, 2019: 4.25% of the capital and 4.27% of the voting rights).

SCOR discloses below the threshold declarations sent by the significant shareholders in 2020. SCOR is not responsible for ensuring the completeness of these declarations.

Public threshold notifications of Allianz Global Investors received in 2020

On January 6, 2020, Allianz Global Investors GmbH declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,371,027 shares or 5.01% of the capital and 9,371,027 voting rights or 5.01% of the voting rights in SCOR SE.

On January 23, 2020, Allianz Global Investors GmbH declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,275,061 shares or 4.96% of the capital and 9,275,061 voting rights or 4.96% of the voting rights in SCOR SE.

On March 24, 2020, Allianz Global Investors GmbH declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,397,246 shares or 5.02% of the capital and 9,397,246 voting rights or 5.02% of the voting rights in SCOR SE.

On March 27, 2020, Allianz Global Investors GmbH declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,329,612 shares or 4.99% of the capital and 9,329,612 voting rights or 4.99% of the voting rights in SCOR SE.

On April 17, 2020, Allianz Global Investors GmbH declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,383,272 shares or 5.01% of the capital and 9,383,272 voting rights or 5.01% of the voting rights in SCOR SE.

On November 9, 2020, Allianz Global Investors GmbH declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,247,369 shares or 4.95% of the capital and 9,247,369 voting rights or 4.95% of the voting rights in SCOR SE.

Public threshold notifications of Norges received in 2020

On July 13, 2020, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,464,852 shares or 5.07% of the capital and 9,464,852 voting rights or 5.07% of the voting rights in SCOR SE.

On July 15, 2020, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 8,015,617 shares or 4.29% of the capital and 8,015,617 voting rights or 4.29% of the voting rights in SCOR SE.

On July 30, 2020, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,349,001 shares or 5.01% of the capital and 9,349,001 voting rights or 5.01% of the voting rights in SCOR SE.

On July 31, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,013,406 shares or 4.83% of the capital and 9,013,406 voting rights or 4.83% of the voting rights in SCOR SE.

On August 4, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,494,739 shares or 5.09% of the capital and 9,494,739 voting rights or 5.09% of the voting rights in SCOR SE.

On August 6, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 8,944,342 shares or 4.79% of the capital and 8,944,342 voting rights or 4.79% of the voting rights in SCOR SE.

On August 10, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,390,138 shares or 5.03% of the capital and 9,390,138 voting rights or 5.03% of the voting rights in SCOR SE.

On August 11, 2020, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,255,602 shares or 4.96% of the capital and 9,255,602 voting rights or 4.96% of the voting rights in SCOR SE.

On August 19, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,408,442 shares or 5.04% of the capital and 9,408,442 voting rights or 5.04% of the voting rights in SCOR SE.

On August 21, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 8,810,186 shares or 4.72% of the capital and 8,810,186 voting rights or 4.72% of the voting rights in SCOR SE.

On August 25, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,487,462 shares or 5.08% of the capital and 9,487,462 voting rights or 5.08% of the voting rights in SCOR SE.

On August 26, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 8,864,229 shares or 4.75% of the capital and 8,864,229 voting rights or 4.75% of the voting rights in SCOR SE.

On August 28, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,488,232 shares or 5.08% of the capital and 9,488,232 voting rights or 5.08% of the voting rights in SCOR SE.

On August 31, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 8,864,230 shares or 4.75% of the capital and 8,864,230 voting rights or 4.75% of the voting rights in SCOR SE.

On November 2, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,536,145 shares or 5.11% of the capital and 9,536,145 voting rights or 5.11% of the voting rights in SCOR SE.

On November 10, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,215,963 shares or 4.94% of the capital and 9,215,963 voting rights or 4.94% of the voting rights in SCOR SE.

On November 11, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,355,811 shares or 5.01% of the capital and 9,355,811 voting rights or 5.01% of the voting rights in SCOR SE.

On November 12, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,294,109 shares or 4.98% of the capital and 9,294,109 voting rights or 4.98% of the voting rights in SCOR SE.

On November 16, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,464,727 shares or 5.07% of the capital and 9,464,727 voting rights or 5.07% of the voting rights in SCOR SE.

On November 17, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 8,950,564 shares or 4.79% of the capital and 8,950,564 voting rights or 4.79% of the voting rights in SCOR SE.

On November 19, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,468,841 shares or 5.07% of the capital and 9,468,841 voting rights or 5.07% of the voting rights in SCOR SE.

On November 20, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,052,798 shares or 4.85% of the capital and 9,052,798 voting rights or 4.85% of the voting rights in SCOR SE.

On November 23, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,673,118 shares or 5.18% of the capital and 9,673,118 voting rights or 5.18% of the voting rights in SCOR SE.

On November 24, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,152,806 shares or 4.90% of the capital and 9,152,806 voting rights or 4.90% of the voting rights in SCOR SE.

On November 25, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,431,134 shares or 5.05% of the capital and 9,431,134 voting rights or 5.05% of the voting rights in SCOR SE.

On November 30, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,251,048 shares or 4.96% of the capital and 9,251,048 voting rights or 4.96% of the voting rights in SCOR SE.

On December 4, Norges Bank declared to have exceeded the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,651,803 shares or 5.17% of the capital and 9,651,803 voting rights or 5.17% of the voting rights in SCOR SE.

On December 14, Norges Bank declared that its shareholding fell below the threshold of 5.0% of the capital and voting rights in SCOR SE and that it held 9,144,027 shares or 4.90% of the capital and 9,144,027 voting rights or 4.90% of the voting rights in SCOR SE.

5.2.1.2. ACQUISITION BY THE COMPANY OF TREASURY SHARES

Stock buyback program in force on the date of filing this Universal Registration Document (program authorized by the Ordinary and Extraordinary Shareholders' Meeting of June 16, 2020)

On June 16, 2020, the Shareholders' Meeting, in its 16th resolution, authorized the Board of Directors, with the option to sub-delegate, to trade on the Company's shares in the framework of the 2020-2021 annual share repurchase program. The program allows to buy, sell and transfer Company shares pursuant, inter alia, to the provisions of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, Articles L. 225-210 *et seq.* and L. 22-10-62 *et seq.* of the French Commercial Code and to the General Regulation (*Règlement général*) of the French Financial Markets Authority *(Autorité des marchés financiers)*.

The maximum number of shares that may be bought back under this authorization was set at 10% of the number of shares comprising the Company share capital as of the date of such purchases, it being specified that (i) when the shares are purchased to enhance liquidity of shares in the conditions set forth by applicable laws and regulations, the number of shares taken into account for calculation of the 10% limit shall correspond to the number of shares purchased less the number of shares resold during the period covered by the authorization, and (ii) the number of treasury shares shall be taken into account so that the Company never holds shares in excess of 10% of its share capital.

Such transactions on securities can be carried out for any purposes permitted or which would become authorized under applicable laws and regulations, including for purposes of the following objectives:

- stimulation of the secondary market or provision of liquidity to the Company's shares by an investment service provider through a liquidity contract in accordance with a code of practice recognized by the regulation;
- setting-up, implementation or hedging of any stock option plans, other plans for allocation of shares and, generally, any form of allocation to employees and/or corporate officers (mandataires sociaux) of the Company and/or of affiliated companies, including hedging of any Company stock option plan pursuant to the provisions of Articles L. 225-177 *et seq.* and L. 22-10-56 *et seq.* of the French Commercial Code, allocation of free shares of the Company in conjunction with the provisions of Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.* of the French Commercial Code, allocation of Company shares pursuant to a profit sharing scheme (participation aux fruits de l'expansion de l'entreprise) or allocation or transfer of Company shares within the framework of any employee savings plan (plan d'épargne salariale), including in conjunction with the provisions of Articles L. 3321-1 *et seq.*, and L. 3332-1 *et seq.*, of the French Labor Code;
- purchase of Company shares for retention and subsequent remittance in exchange or as payment, in particular in conjunction with financial or external growth transactions, without exceeding the limit set by paragraph 6 of Article 22-10-62 of the French Commercial Code in conjunction with a merger, spin-off or contribution;
- compliance with all obligations related to the issuance of securities granting access to capital;
- cancellation of any shares repurchased, within the limits established by law, in conjunction with a reduction in share capital approved or authorized by the Shareholders' Meeting.

Such transactions are carried out, under the conditions authorized by the stock exchange authorities, by any means, including on a regulated market, on a multilateral trading facility, *via* a systematic internalizer or over-the-counter, including, inter alia, by buying or selling blocks, by applying derivative financial instruments, listed on a regulated stock exchange or over-the-counter, or by the implementation of optional strategies and, if applicable, by any third party authorized for such purpose by the Company.

Such transactions are be carried out in accordance with applicable regulations, at any time, in one or several times. By way of exception, the Board of Directors shall not, unless previously authorized by the Shareholders' Meeting, use this authorization during any public bid initiated by a third party on Company shares until the end of the offer acceptance period; it is however specified in this respect that the Company shall remain authorized to carry out the transactions covered by this resolution (i) if the public offering in question is to be completed entirely in cash and (ii) for the strict requirement of compliance with any undertakings made by the Company prior to the filing of the public offering in question, concerning the servicing or coverage of all stock options, other share allocations and, generally speaking, all forms of allocation in favor of employees and/or corporate officers (*mandataires sociaux*) of the Company and/or of any companies related thereto. Regarding the authorization granted under the conditions set out at (i) and (ii) above, it is also specified that should the transactions in question be liable to cause the public offering considered to fail, their implementation must be the subject of authorization or confirmation from the Shareholders' Meeting.

The Shareholders' Meeting set the maximum purchase price at EUR 60 per share (excluding acquisition fees).

It granted to the Board of Directors, with the option to sub-delegate under the conditions provided for by law, in order to carry out all adjustments to the maximum price, including in the event of a capital increase by capitalization of reserves and the allocation of free shares, as well as in the event of a split or a reverse stock split of Company shares.

All powers would be granted to the Board of Directors, with the option to sub-delegate under the conditions provided for by law, to implement this resolution including to carry out all stock exchange orders, enter into any agreements with a view, *inter alia*, to keeping share purchase and sale records, to establish all documents, including information documents, to proceed with any adjustments anticipated by this resolution, to carry out all declarations and formalities with the French Financial Markets Authority (*Autorité des marchés financiers*) and others and, more generally, to do whatever may be necessary.

The shares buy-back authorization described above is granted for a maximum duration of eighteen (18) months with effect from the Combined Shareholders' Meeting dated June 16, 2020 expiring no later than December 15, 2021, unless the Annual General Meeting of Shareholders called to approve the financial statements for the fiscal year ended December 31, 2020, approves the resolution described below pursuant to Articles L. 22-10-62 et seq. of the French Commercial Code.

Summary of the transactions carried out by SCOR SE on its own shares in the course of the financial year 2020

In the context of the abovementioned buyback program, SCOR carried out, between January 1, 2020 and December 31, 2020:

- the purchase of 4,059,626 treasury shares, including (1);
- the purchase of 4,563,633 call options (European and American call options);
- the sale of 3,023,889 treasury shares;
- the transfer of 937,468 treasury shares;
- the cancellation of 509,135 treasury shares.

On December 31, 2020, on the basis of the 3,392,107 call options (European call options) purchased during 2019,

- 170,037 options were exercised during 2019 (1) ;
- 610,214 options are null and void.

On December 31, 2020, SCOR held 259,567 shares compared with 668,058 shares at December 31, 2019. The par value of these treasury shares is EUR 2,044,602.07 and their book value is EUR 7,962,992.45. The average purchase price is EUR 25.57. The average sale price is EUR 26.02. The amount of fees is EUR 106,760.82.

Objectives of the transactions carried out in the course of the financial year 2020 and allocation of the treasury shares

As at December 31, 2020, the treasury shares owned by SCOR SE represented 0.14% of the share capital. On such date, the portfolio of treasury shares was allocated as follows:

- 142,572 treasury shares allocated to the stimulation of the secondary market or provision of liquidity to the Company's shares;
- 50,210 treasury shares allocated to the hedging of any form of allocation to employees and/or corporate officers (*mandataires sociaux*) of the Company and/or of affiliated companies;
- 0 treasury shares allocated to the retention and subsequent remittance in exchange or as payment;
- 0 treasury shares allocated to the compliance with all obligations related to the issuance of securities granting access to capital;
- 66,785 treasury shares allocated to their cancellation.

Description of the new share repurchase program 2021/2022 submitted for authorization to the Ordinary and Extraordinary Shareholders' Meeting which will approve the accounts for the financial year ending December 31, 2020

The stock buyback authorization described in the above paragraph will expire on December 15, 2021 at the latest, unless the Shareholders' Meeting which will approve the accounts for the financial year ending December 31, 2020 approves the resolution described below, in accordance with the provisions of Articles L. 225-210 *et seq.* and L. 22-10-62 and subsequent of the French Commercial Code.

This resolution is intended to authorize a new share repurchase program under the following conditions:

This authorization would allow the Board of Directors, with the option to sub-delegate under the conditions provided for by applicable regulation, to buy, sell and transfer Company shares pursuant, *inter alia*, to the provisions of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, Articles L. 225-210 *et seq.* and L. 22-10-62 *et seq.* of the French Commercial Code and to the General Regulation (*Règlement général*) of the French Financial Markets Authority *(Autorité des marchés financiers)*.

The maximum number of shares that could be bought back under this authorization would be set at 10% of the number of shares comprising the Company share capital as of the date of such purchases, it being specified that (i) when the shares are purchased to enhance liquidity of shares in the conditions set forth by applicable laws and regulations, the number of shares taken into account for calculation of the 10% limit shall correspond to the number of shares purchased less the number of shares resold during the period covered by the authorization, and (ii) the number of treasury shares shall be taken into account so that the Company never holds shares in excess of 10% of its share capital.

Such transactions on securities would be carried out for any purposes permitted or which would become authorized under applicable laws and regulations, including for purposes of the following objectives:

- stimulation of the secondary market or provision of liquidity to the Company's shares by an investment service provider through a liquidity contract in accordance with a code of practice recognized by the regulation;
- setting-up, implementation or hedging of any stock option plans, other plans for allocation of shares and, generally, any form of allocation to employees and/or corporate officers (*mandataires sociaux*) of the Company and/or of affiliated companies, including hedging of any Company stock option plan pursuant to the provisions of Articles L. 225-177 *et seq.* and L. 22-10-56 *et seq.* of the French Commercial Code, allocation of free shares of the Company in conjunction with the provisions of Articles L. 225-197-1 *et seq.* and L. 22-10-59 *et seq.* of the French Commercial Code, allocation of Company shares pursuant to a profit sharing scheme (*participation aux fruits de l'expansion de l'entreprise*) or allocation or transfer of Company shares within the framework of any employee savings plan (*plan d'épargne salariale*), including in conjunction with the provisions of Articles L. 3321-1 *et seq.*, and L. 3332-1 *et seq.,* of the French Labor Code;
- purchase of Company shares for retention and subsequent remittance in exchange or as payment, in particular in conjunction with financial or external growth transactions, without exceeding the limit set by paragraph 6 of Article L. 22-10-62 of the French Commercial Code in conjunction with a merger, spin-off or contribution;

- compliance with all obligations related to the issuance of securities granting access to capital;
- cancellation of any shares repurchased, within the limits established by law, in conjunction with a reduction in share capital approved or authorized by the Shareholders' Meeting.

Such transactions would be carried out, under the conditions authorized by the stock exchange authorities, by any means, including on a regulated market, on a multilateral trading facility, *via* a systematic internalizer or over-the-counter, including, *inter alia*, by buying or selling blocks, by applying derivative financial instruments, listed on a regulated stock exchange or over-the-counter, or by the implementation of optional strategies and, if applicable, by any third party authorized for such purpose by the Company.

Such transactions would be carried out in accordance with applicable regulations, at any time, in one or several times. By way of exception, the Board of Directors shall not, unless previously authorized by the Shareholders' Meeting, use this authorization during any public bid initiated by a third party on Company shares until the end of the offer acceptance period; it is however specified in this respect that the Company shall remain authorized to carry out the transactions covered by this resolution (i) if the public offering in question is to be completed entirely in cash and (ii) for the strict requirement of compliance with any undertakings made by the Company prior to the filing of the public offering in question, concerning the servicing or coverage of all stock options, other share allocations and, generally speaking, all forms of allocation in favor of employees and/or corporate officers (*mandataires sociaux*) of the Company and/or of any companies related thereto. Regarding the authorization granted under the conditions set out at (i) and (ii) above, it is also specified that should the transactions in question be liable to cause the public offering considered to fail, their implementation must be the subject of authorization or confirmation from the Shareholders' Meeting.

5.2.1.3. EMPLOYEE SHAREHOLDING

See Section 2.2.3.4 "Plans providing employee profit sharing".

The maximum purchase price would be EUR 60 (excluding acquisition fees). Based on the shares representing the Company's share capital on December 31, 2020 as established by the Board of Directors on February 23, 2021 (without taking into account the number of treasury shares held by the Company), the theoretical maximum number of shares which may be acquired amounts to 18,673,007 and the theoretical maximum amount allocated to the share buy-back program pursuant to this resolution amounts to EUR 1,120,380,420 (excluding acquisition fees).

All powers would be granted to the Board of Directors, with the option to sub-delegate under the conditions provided for by law, in order to carry out all adjustments to the maximum price, including in the event of a capital increase by capitalization of reserves and the allocation of free shares, as well as in the event of a split or a reverse stock split of Company shares.

All powers would be granted to the Board of Directors, with the option to sub-delegate under the conditions provided for by law, to implement this resolution including to carry out all stock exchange orders, enter into any agreements with a view, *inter alia*, to keeping share purchase and sale records, to establish all documents, including information documents, to proceed with any adjustments anticipated by this resolution, to carry out all declarations and formalities with the French Financial Markets Authority *(Autorité des marchés financiers)* and others and, more generally, to do whatever may be necessary.

The shares buy-back authorization described above would be for a maximum duration of eighteen (18) months from its approval by the Shareholders' Meeting of SCOR SE. It would supersede the unused portion of the authorization granted by the shareholders at the Ordinary and Extraordinary Shareholders' Meeting of June 16, 2020, in its 16th resolution.

5.2.1.4. DESCRIPTION OF SCOR'S SHARE CAPITAL

	Changes						
Change in capital	Stock option plans	Share issue price *(in EUR)*	Number of shares	Share capital *(in EUR)*	Additional paid-in capital *(in EUR)*	Successive amounts of capital *(in EUR)*	Cumulative number of shares
12/31/2017						**1,524,196,637**	**193,500,317**
Exercise of subscription option	05/22/2008	15.63	36,000	283,571.00	279,109.00		
Exercise of subscription option	09/10/2008	15.63	191,590	1,509,149.00	1,485,403.00		
Exercise of subscription option	03/23/2009	14.92	279,550	2,202,008.00	1,968,040.00		
Cancellation of treasury shares	NA	NA	1,692,602	13,332,579.00	36,330,992.00		
Exercise of subscription option	03/18/2010	18.40	287,737	2,266,496.00	3,027,864.00		
Exercise of subscription option	10/12/2010	17.79	1,700	13,391.00	16,852.00		
Exercise of subscription option	03/22/2011	19.71	112,500	886,159.00	1,331,216.00		
Exercise of subscription option	09/01/2011	15.71	11,000	86,647.00	86,163.00		
Exercise of subscription option	03/23/2012	20.17	148,500	1,169,730.00	1,825,515.00		
Exercise of subscription option	03/21/2013	22.25	154,000	1,213,054.00	2,213,446.00		
Exercise of subscription option	10/02/2013	24.65	8,000	63,016.00	134,184.00		
Exercise of subscription option	11/21/2013	25.82	5,000	39,385.00	89,715.00		
Exercise of subscription option	03/20/2017	25.06	38,750	305,233.00	665,842.00		
Exercise of subscription option	01/12/2014	24.41	3,750	29,539.00	61,980.00		
12/31/2018						**1,520,931,435**	**193,085,792**
Exercise of subscription option	03/23/2009	14.92	145,450	1,145,706.00	1,023,972.00		
Exercise of subscription option	11/25/2009	17.12	5,000	39,385.00	46,215.00		
Exercise of subscription option	03/18/2010	18.40	139,965	1,102,500.00	1,472,856.00		
Exercise of subscription option	10/12/2010	17.79	2,500	19,692.00	24,783.00		
Cancellation of treasury shares	NA	NA	6,545,416	51,558,061.00	196,755,194.00		
Exercise of subscription option	03/22/2011	19.71	11,500	90,585.00	136,080.00		
Exercise of subscription option	09/01/2011	15.71	3,000	23,631.00	23,499.00		
Exercise of subscription option	03/23/2012	20.17	63,000	496,249.00	774,461.00		
Exercise of subscription option	03/21/2013	22.25	51,345	404,443.00	737,983.00		
Exercise of subscription option	03/20/2014	25.06	55,500	437,172.00	953,658.00		
Exercise of subscription option	03/20/2015	24.41	31,875	251,078.00	526,831.00		
12/31/2019						**1,473,383,817**	**187,049,511**
Exercise of subscription option	3/18/2010	18.40	125,000	984,622.00	1,315,378.00		
Exercise of subscription option	12/10/2010	17.79	4,300	33,871.00	42,626.00		
Exercise of subscription option	3/22/2011	19.71	18,500	145,724.00	218,911.00		
Exercise of subscription option	01/09/2011	15.71	30,000	236,309.00	234,991.00		
Cancellation of treasury shares	NA	NA	509,135	4,010,442.29	-		
Exercise of subscription option	3/23/2012	20.17	4,900	38,597.00	60,236.00		
Exercise of subscription option	3/20/2014	25.06	4,750	37,416.00	81,619.00		
Exercise of subscription option	3/20/2015	29.98	2,250	17,723.00	49,732.00		
12/31/2020						**1,470,867,636**	**186,730,076**

For further details, see Section 4.6 – Notes to the consolidated financial statements, Note 13 – Information on share capital, capital management, regulatory framework and consolidated reserves and to Appendix B – 5.2.3 – Notes to the corporate financial statements – Shareholders' equity.

5.2.1.5. EXISTENCE OF NON-EQUITY SHARES

Not applicable.

5.2.2. OPERATIONS ON THE SHARE CAPITAL

5.2.2.1. CHANGES IN THE SHARE CAPITAL

The table below provides for the evolution of SCOR SE's share capital since the beginning of the financial year 2017:

Operation	Date of the authorization of the Shareholders' Meeting	Date of operation	Number of shares issued/ cancelled	Nominal value of the issued/ cancelled shares *(in EUR)*	Amount of the increase/ decrease of the share capital *(in EUR)*	Cumulated amount of the share capital further to the operation *(in EUR)*	Cumulated number of shares composing the share capital further to the operation
Reduction of the share capital by cancellation of self-owned shares to neutralize the dilutive effect resulting from the exercise of stock-options	• April 27, 2017	April 27, 2017 according to the decision of the Board of Directors on April 27, 2017	554,112	7.8769723	4,364,724.88	1,512,224,741.93	191,980,457
Increase of the share capital resulting from the exercise of stock-options as from January 1 to 31 December 2017	• May 24, 2007 • May 7, 2008 • April 15, 2009 • April 28, 2010 • May 4, 2011 • May 3, 2012 • April 25, 2013	Situation on December 31, 2017 acknowledged by the Board of Directors on February 21, 2018	1,519,860	7.8769723	11,971,895.12	1,524,196,637.05	193,500,317
Reduction of the share capital by cancellation of self-owned shares to neutralize the dilutive effect resulting from the exercise of stock-options	• April 26, 2018	April 26, 2018 according to the decision of the Board of Directors on April 26, 2018	1,692,602	7.8769723	13,332,579.07	1,510,864,057.98	191,807,715
Increase of the share capital resulting from the exercise of stock-options as from January 1 to 31 December 2018	• May 7, 2008 • April 15, 2009 • April 28, 2010 • May 4, 2011 • May 3, 2012 • April 25, 2013 • May 6, 2014	Situation on December 31, 2018 acknowledged by the Board of Directors on February 19 2019	1,278,077	7.8769723	10,067,377.13	1,520,931,435.11	193,085,792
Reduction of the share capital by cancellation of self-owned shares (i) in the framework of the share buy back program of stock shares for up to EUR 200 million and (ii) to neutralize the dilutive effect resulting from the exercise of stock-options	April 26, 2019	April 26, 2019 according to the decision of the Board of Directors on April 26, 2019	6,545,416	7.8769723	51,558,060.53	1,469,373,374.58	186,540,376

Operation	Date of the authorization of the Shareholders' Meeting	Date of operation	Number of shares issued/ cancelled	Nominal value of the issued/ cancelled shares *(in EUR)*	Amount of the increase/ decrease of the share capital *(in EUR)*	Cumulated amount of the share capital further to the operation *(in EUR)*	Cumulated number of shares composing the share capital further to the operation
Increase of the share capital resulting from the exercise of stock-options as from January 1 to 31 December 2019	• May 7, 2008 • April 15, 2009 • April 28, 2010 • May 4, 2011 • May 3, 2012 • April 25, 2013 • May 6, 2014	Situation on December 31, 2019 acknowledged by the Board of Directors on February 26 2020	509,135	7.8769723	4,010,442	1,473,383,816.88	187,049,511
Reduction of the share capital by cancellation of self-owned shares to neutralize the dilutive effect resulting from the exercise of stock-options	• April 26, 2020	April 28, 2020 by the Board of Directors on April 28, 2020	509,135	7.8769723	4,010,442	1,469,373,374.58	186,540,376
Increase of the share capital resulting from the exercise of stock-options as from January 1 to 31 December 2020	• April 15, 2009 • April 28, 2010 • May 4, 2011 • April 25, 2013 • May 6, 2014	Situation on December 31, 2020 acknowledged by the Board of Directors on February 23, 2021	189,700	7.8769723	1,494,261.65	1,470,867,636.23	186,730,076

Given the exercise of 131,000 options for the subscription of shares since January 1, 2021, on the date of the Universal Registration Document, SCOR SE's existing share capital amounts to EUR 1,471,899,519.60 divided into 186,861,076 shares with a nominal value of EUR 7.8769723 each.

See Section 4.6.24 – Notes to the consolidated financial statements, Note 24 – Commitments received and given.

5.2.3. POTENTIAL SHARE CAPITAL

The potential volume of new shares from outstanding share-based compensation plans stood at 5,886,629 shares as of December 31, 2020, broken down as follows:

Potential volume of new shares from outstanding share-based compensation plans linked to Group executive and employee compensation instruments	**5,886,629**
of which number of potential new shares from outstanding stock option plans (options allocated but not vested + options vested but not exercised)	4,575,955
of which number of potential new shares from outstanding free share plans (free shares allocated but not vested) (1)	0
of which number of potential new shares from outstanding warrants	0
of which unused authorizations still outstanding (2)	1,310,674

(1) The free share allocation plans currently in force only allocate outstanding shares.
(2) Authorization granted by the Shareholders' Meeting of June 16, 2020 in its 27th resolution (stock options).

Notably, no new shares can be issued in relation to outstanding share-based compensation in the form of free shares, as these shares are derived exclusively from the purchase of existing shares and not from the issuance of new shares.

If, nonetheless, free shares were taken into account in the calculation of the potential volume of new shares from outstanding share-based compensation, this theoretical volume (which corresponds to outstanding shares or new shares to be issued) would stand at 13,342,387 on December 31, 2020, due to the addition of (i) outstanding free share allocation plans (shares allocated but not vested on December 31, 2020, *i.e.* 5,712,423 shares) and, (ii) the unused part of the authorization granted by the Shareholders' Meeting of June 16, 2020 in its 28th resolution concerning the free allocation of outstanding shares (1,743,335 shares).

The Company's fully diluted issued share capital, as defined below, stood at 210,006,082 shares as of December 31, 2020, broken down as follows:

Fully diluted issued share capital	**210,006,082**
of which total shares comprising the share capital	186,730,076
of which number of potential new shares from outstanding options	4,575,955
of which number of potential new shares from outstanding free shares (1)	0
of which number of potential new shares from outstanding warrants	0
of which potential shares from other securities convertible or redeemable into new shares (2)	18,700,051

(1) The free share allocation plans currently in force only allocate outstanding shares.
(2) 18,700,051 shares underlying the warrants issued on December 3, 2019 under the contingent capital facility with an exercise period starting on January 1, 2020 and expiring on May 1, 2023.

If, despite the absence of the dilutive effect mentioned above, free shares were taken into account in the calculation of the potential volume of new shares from outstanding share-based compensation plans and unused part of authorizations, the fully diluted share capital would stand at 217,461,840 on December 31, 2020.

As of December 31, 2020, the potential volume of new shares from outstanding share-based compensation plans and unused part of the authorizations linked to Group executive and employee compensation instruments stands at 2.80% of the fully diluted share capital.

If free shares were taken into account in the calculation of the potential volume of new shares from outstanding sharebased compensation plans and unused part of the authorizations and in the calculation of the fully diluted share capital, this theoretical volume (which corresponds to outstanding shares or new shares to be issued) would stand at 6.14% of the fully diluted share capital on December 31, 2020.

5.2.4. FINANCIAL AUTHORIZATIONS

5.2.4.1. NUMBER OF SHARES AUTHORIZED UNDER CONVERTIBLE SECURITIES AND STOCK OPTION PLANS

Issuance of warrants	As at December 31, 2019	As at December 31, 2020	On the date of the Universal Registration Document	Date of availability of the warrants	Expiration date
December 3, 2019	18,700,051	18,700,051	18,700,051	January 1, 2020	May 1, 2023
TOTAL	**18,700,051**	**18,700,051**	**18,700,051**		

Stock option plans	As at December 31, 2019	As at December 31, 2020	On the date of the Registration Document	Date of availability of options	Expiration date
03/22/2011	243,000	224,500	93,500	03/22/2015	03/23/2021
09/01/2011	48,000	18,000	18,000	09/01/2015	09/02/2021
03/23/2012	344,000	339,100	339,100	03/23/2016	03/24/2022
03/21/2013	345,155	345,155	345,155	03/21/2017	03/22/2023
10/02/2013	77,000	77,000	77,000	10/02/2017	10/03/2023
11/21/2013	-	-	-	11/21/2017	11/22/2023
03/20/2014	548,875	544,125	544,125	03/20/2018	03/21/2024
12/01/2014	2,250	2,250	2,250	12/01/2018	12/02/2024
03/20/2015	526,317	521,817	521,817	03/21/2019	03/21/2025
03/20/2015	-	2,250	2,250	09/13/2019	03/21/2025
12/18/2015	-	-	-	12/19/2019	12/19/2025
03/10/2016	523,420	433,446	433,446	03/10/2020	03/11/2026
03/10/2016	-	2,250	2,250	09/01/2020	03/11/2026
12/01/2016	750	638	638	12/01/2020	12/02/2026
03/10/2017	410,000	350,000	350,000	03/11/2021	03/11/2027
12/01/2017	133,458	126,108	126,108	12/02/2021	12/03/2027
12/01/2017	-	1,350	1,350	06/02/2022	12/03/2027
03/08/2018	348,000	308,000	308,000	03/09/2022	03/09/2028
12/22/2018	188,920	181,402	181,402	12/23/2022	12/23/2028
12/22/2018	-	2,598	2,598	06/23/2023	12/23/2028
03/07/2019	428,000	380,000	380,000	03/07/2023	03/08/2029
10/25/2019	148,140	144,462	144,462	10/25/2023	10/25/2029
10/25/2019	-	2,178	2,178	04/25/2024	10/25/2029
04/28/2020	-	380,000	380,000	04/29/2024	04/29/2030
11/05/2020	-	189,326	189,326	11/06/2024	11/06/2030
TOTAL	**4,315,285**	**4,575,955**	**4,444,955**		

See paragraph of the Section 5.2.5 – Amount of convertible securities, exchangeable securities or securities with subscription warrants for a description of the warrants issued.

5.2.4.2. NUMBER OF SHARES INITIALLY AUTHORIZED AT THE DATE OF THE SHAREHOLDERS' MEETING AND NUMBER OF OUTSTANDING SHARES AUTHORIZED AT THE DATE OF THE UNIVERSAL REGISTRATION DOCUMENT

Resolutions	Number of shares initially authorized at the date of the Shareholders' Meeting of June 16, 2020	Number of shares authorized at the date of the Universal Registration Document	Duration of authorization and expiration date
DELEGATIONS OF AUTHORITY GRANTED BY THE EXTRAORDINARY SHAREHOLDERS' MEETING OF JUNE 16, 2020			
17th resolution (Delegation of authority granted to the Board of Directors in order to take decisions with respect to capital increase by capitalization of retained earnings, reserves or share premium)	25,390,466 shares	25,390,466 shares	26 months August 15, 2022
18th resolution (Delegation of authority granted to the Board of Directors for the purpose of deciding upon the issuance of shares and/or of securities granting access immediately or at term to ordinary shares to be issued, with preferential subscription rights) (1)	74,616,150 shares	74,616,150 shares	26 months August 15, 2022
19th resolution (Delegation of authority granted to the Board of Directors for the purpose of deciding the issuance, in the framework of a public offering, except in the case of an offering referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code, of shares and/or securities granting access immediately or at term to ordinary shares to be issued, with cancellation of preferential subscription rights and with compulsory priority) (1)	18,654,037 shares	18,654,037 shares	26 months August 15, 2022
20th resolution (Delegation of authority granted to the Board of Directors for the purpose of deciding the issuance, in the framework of an offer referred to in paragraph 1° of Article L. 411-2 of the French Monetary and Financial Code, of shares and/or securities granting access immediately or at term to ordinary shares to be issued, with cancellation of preferential subscription) (1)	18,654,037 shares	18,654,037 shares	26 months August 15, 2022
21th resolution (Delegation of authority granted to the Board of Directors for the purpose of deciding the issuance, in consideration for securities contributed to the Company in the framework of any exchange tender offer initiated by the Company, of shares and/or securities granting access immediately or at term to ordinary shares to be issued, with cancellation of preferential subscription rights) (1)	18,654,037 shares	18,654,037 shares	26 months August 15, 2022
22th resolution (Delegation of authority granted to the Board of Directors for the purpose of issuing shares and/or securities granting access immediately or at term to ordinary shares to be issued, as cp,soderatop, fpr securities contributed to the Company in the framework of contributions in kind limited to 10% of its share capital, without preferential subscription rights) (1)	18,654,037 shares	18,654,037 shares	26 months August 15, 2022
24th resolution (Delegation of authority granted to the Board of Directors for the purpose of issuing warrants for the issuance of ordinary shares of the Company, with cancellation of shareholders' preferential subscription rights to the benefit of categories of entities meeting specific characteristics, with a view to implementing a contingent capital program) (1)	18,654,037 shares	18,654,037 shares	18 months December 15, 2021
25th resolution (Delegation of authority granted to the Board of Directors for the purpose of issuing warrants for the issuance of ordinary shares of the Company, with cancellation of shareholders' preferential subscription rights to the benefit of a categories of entities meeting specific characteristics, with a view to implementing an ancillary own funds program) (1)	18,654,037 shares	18,654,037 shares	18 months December 15, 2021

Resolutions	Number of shares initially authorized at the date of the Shareholders' Meeting of June 16, 2020	Number of shares authorized at the date of the Universal Registration Document	Duration of authorization and expiration date
29th resolution (Delegation of authority granted to the Board of Directors in order to carry out an increase in share capital by the issuance of shares reserved to the members of savings plans (*plans d'épargne*), with cancellation of preferential subscription rights to the benefit of such members) (1)	3,000,000 shares	3,000,000 shares	18 months December 15, 2021
AUTHORIZATIONS GRANTED BY THE EXTRAORDINARY SHAREHOLDERS' MEETING OF JUNE 16, 2020			
23th resolution (Authorization granted to the Board of Directors for the purpose of increasing the number of shares issued in accordance with the 18th, 19th and 20th resolutions in the event of over-subscription to the share capital increase, with or without cancellation of pre-emptive subscription rights)		This resolution can only be used with the 18th, 19th and 20th resolutions and is in any case capped by the 30th resolution	26 months August 15, 2022
27rd resolution (Authorization granted to the Board of Directors for the purpose of granting options to subscribe for and/or purchase shares with express waiver of preferential subscription rights in favour of salaried employees and executive corporate officers (*dirigeants mandataires sociaux*)) (1)	1,500,000 shares	1,314,574 shares	24 months June 15, 2022
28th resolution (Authorization granted to the Board of Directors for the purpose of allocating free existing ordinary shares of the Company in favour of salaried employees and executive corporate officers (*dirigeants mandataires sociaux*))		The authorization is limited to existing shares (2)	24 months June 15, 2022
30th resolution (Aggregate ceiling of the share capital increases)	97,770,187 shares	97,584,761 shares	-
TOTAL	**123,160,653 SHARES**	**120,975,227 SHARES**	**-**

(1) Included for the calculation of the overall ceiling referred to in the 30th resolution of the Ordinary and Extraordinary Shareholders' Meeting held on June 16, 2020.

(2) The authorization of the Ordinary and Extraordinary Shareholders' Meeting of June 16, 2020 is limited to 3,000,000 existing shares (the remaining amount being on December 31, 2020 1,743,335 shares).

The total number of new shares authorized at the date of the Universal Registration Document, including the shares that could be issued in connection with the implementation of (i) stock option plans, (ii) securities granting access to the capital and (iii) the current delegations and authorizations is 142,054,809.

5.2.5. AMOUNT OF CONVERTIBLE SECURITIES, EXCHANGEABLE SECURITIES OR SECURITIES WITH SUBSCRIPTION WARRANTS

As part of the implementation of a contingent capital facility program, SCOR issued, on December 3, 2019, 9,350,025 Warrants for the benefit of J.P. Morgan, each allowing J.P. Morgan to subscribe, as from January 1, 2020 and no later than May 1, 2023 to two new SCOR shares (within the limit of an aggregate amount of subscription of EUR 300 million – issuing premiums included, without exceeding 10% of SCOR's share capital) when the aggregated amount of (i) the estimated ultimate net losses resulting from eligible natural catastrophes incurred by the Group (in its capacity as an insurer/reinsurer) between January 1, 2020 and December 31, 2022 or (ii) the ultimate net claims amount recorded by SCOR Group Life segment (in its capacity as an insurer/reinsurer) over two consecutive semesters over the period from July 1, 2019 and December 31, 2022 reaches certain contractual thresholds. In addition, subject to no drawdown having already been conducted under the facility, if SCOR's daily volume-weighted average share price falls below EUR 10 an individual tranche of EUR 150 million will be drawn down out of the EUR 300 million facility.

5.2.6. INFORMATION ABOUT AND TERMS AND CONDITIONS OF ANY ACQUISITION RIGHTS AND/OR OBLIGATIONS OVERSUBSCRIBED BUT UNISSUED CAPITAL OR AN UNDERTAKING TO INCREASE THE CAPITAL

See:

- Section 2.2.3 – Stock options and performance shares;
- Section 5.2.4 – Financial authorizations;
- Section 5.2.5- Amount of convertible securities,exchangeable securities or securities with subscription warrants;
- Section 4.6 – Notes to the consolidated financial statements, Note 13 – Information on share capital, capital management, regulatory framework and consolidated reserves;
- Section 4.6 – Notes to the consolidated financial statements, Note 15 – Provisions for employee benefits;
- Section 4.6 – Notes to the consolidated financial statements, Note 17 – Stock options and share allocations;
- Appendix B – Notes to the corporate financial statements, 5.3.5 – Stock options; and
- Appendix B – Notes to the corporate financial statements, 5.2.3 – Shareholders' equity.

5.2.7. INFORMATION ABOUT THE CAPITAL OF ANY MEMBER OF THE GROUP WHICH IS UNDER OPTION OR IS TO BE PUT UNDER OPTION AND CHARACTERISTICS OF SUCH OPTIONS

See:

- Section 2.2.3 – Stock options and performance shares;
- Section 5.2.4 – Financial authorizations;
- Section 5.2.5- Amount of convertible securities,exchangeable securities or securities with subscription warrants;
- Section 4.6 – Notes to the consolidated financial statements, Note 15 – Provisions for employee benefits and other provisions;
- Section 4.6 – Notes to the consolidated financial statements, Note 17 – Stock options and share allocations; and
- Appendix B – Notes to the corporate financial statements, 5.3.5 – Stock options.

The shares of Group companies other than SCOR SE are neither under option nor agreed to be put under option.

5.2.8. INFORMATION ABOUT THE MAIN SHAREHOLDERS

5.2.8.1. STATEMENT AS TO THE ABSENCE OF DIFFERENCES BETWEEN THE VOTING RIGHTS OF VARIOUS SHAREHOLDERS

Pursuant to Article 8 of the bylaws ("Rights attached to each share"), amended by the Company's Ordinary and Extraordinary Shareholders' Meeting on April 30, 2015 in its 28th resolution, each share entitles its holder to one vote at Shareholders' Meetings and the voting rights attached to shares of the Company are in direct proportion to the proportion of the capital thereby represented and no double voting rights, as described by Article L. 225-123 of the French Commercial Code, can be allocated or attached, in any manner whatsoever, to any share. Therefore, the shareholders of the Company do not currently have different voting rights.

5.2.8.2. DIRECT OR INDIRECT CONTROL BY ONE SHAREHOLDER

Not applicable.

5.2.8.3. AGREEMENT WHICH COULD RESULT IN A SUBSEQUENT CHANGE IN CONTROL

Not applicable.

5.2.8.4. AGREEMENT THAT ARE SUBJECT TO TERMINATION IN THE EVENT OF A CHANGE OF CONTROL

None.

5.3. GENERAL INFORMATION

5.3.1. SCOR GROUP

5.3.1.1. LEGAL NAME AND COMMERCIAL NAME OF THE ISSUER

Legal name: SCOR SE

Commercial name: SCOR

5.3.1.2. PLACE AND REGISTRATION NUMBER OF THE ISSUER

R.C.S. number: Paris 562 033 357

A.P.E. Code: 6520Z

LEI Code: 96950056ULJ4JI7V3752

5.3.1.3. DATE OF INCORPORATION AND TERM OF THE ISSUER

The Company was incorporated on August 16, 1855, as a limited partnership (*société en commandite*), under the name Compagnie Impériale des Voitures de Paris. In 1866, the Company was converted into a joint stock company (*société anonyme*) under the name *Compagnie Générale des Voitures de Paris*. The Company changed its name to SCOR SA on October 16, 1989 and in 1990, absorbed the *Société Commerciale de Réassurance*, created in 1970, and took over the reinsurance business of the latter. On May 13, 1996, SCOR SA changed its name to SCOR. On June 25, 2007, SCOR changed its legal form to a European Company (*Societas Europaea*) and became SCOR SE. In 2012, the Company relocated its registered office from Paris-La Défense to Paris. On April 25, 2013, the Company's term was extended for 99 years by decision of the Extraordinary Shareholders' Meeting and will expire on April 25, 2112 unless extended or previously dissolved.

5.3.1.4. DOMICILE AND LEGAL FORM OF THE ISSUER, LEGISLATION GOVERNING ITS ACTIVITIES, COUNTRY OF INCORPORATION, ADDRESS AND TELEPHONE NUMBER OF ITS REGISTERED OFFICE

Registered office and contact information of issuer

SCOR SE
5, avenue Kléber
75116 Paris
France

Tel.: +33 (0) 1 58 44 70 00
Fax: +33 (0) 1 58 44 85 00

Website: www.scor.com

It is specified that the information included in the Company's website (www.scor.com) is not part of this Universal Registration Document, unless such information is expressly incorporated by reference in this Universal Registration Document. In this respect, such information has not been reviewed or approved by the AMF.

E-mail: scor@scor.com

5.3.1.5. APPLICABLE LAWS AND REGULATIONS

General

The Company was converted into a European Company (*Societas Europaea*) in 2007. As such, SCOR SE is governed by the provisions of Council Regulation (EC) No. 2157/2001 (the "SE Regulation") and those of European Council Directive 2001/86/EC of October 8, 2001 supplementing the Statute for a European Company with regard to the involvement of employees, and by the provisions of French law relating to European Companies, as well as for all other matters partially covered or not covered by the SE Regulation, by French legal provisions applicable to *sociétés anonymes*, as far as that they are not contrary to the specific provisions applicable to European Companies.

The Group's *business units'* activities of insurance, reinsurance and asset management are subject to comprehensive regulation and supervision in each of the jurisdictions in which the Group operates. Given that the Group is headquartered in Paris (France), this supervision is based, to a significant extent, on European Union directives and on the French regulatory system. The Group's principal regulators in France are the financial markets authority (*Autorité des marchés financiers* – AMF), and the French insurance and reinsurance regulator (*Autorité de contrôle prudentiel et de résolution* – ACPR). Although the scope and nature of regulations differ from country to country, most jurisdictions in which SCOR's insurance and reinsurance subsidiaries operate have laws and regulations governing solvency standards, reserve levels, permitted types and concentrations of investments, and business conduct to be respected by insurance and reinsurance companies. The supervisory authorities with jurisdiction over the Group's operations may conduct regular or unexpected examinations of the insurers'/reinsurers' or asset managers' operations and accounts and request specific information from the insurer or reinsurer. Certain jurisdictions also require registration and periodic reporting by holding companies that control a licensed insurer or reinsurer. These holding company legislations typically require periodic disclosure concerning the corporate entity that controls the licensed insurer and other affiliated companies, including prior approval of transactions between the insurer, the reinsurer and other affiliated companies such as intragroup asset transfers and dividend payments by the authorized insurer or reinsurer. In general, these regulations are designed to protect the interests of insureds rather than shareholders.

Under the directive No. 2009/138/EC of November 25, 2009 named "Solvency II" transposed in French law in 2015 and entered into force on January 1, 2016, French companies, whose exclusive business is reinsurance, can only carry on said business after having obtained an official authorization, issued by the ACPR. Registered reinsurers in France can operate under certain conditions in the European Economic Area (EEA) under the freedom to provide services and/or the freedom of establishment (branch).

Prudential regulations

SCOR SE and its insurance and reinsurance subsidiaries are subject to regulatory capital requirements in the jurisdictions in which they operate, which are designed to monitor capital adequacy and to protect insureds. While the specific regulatory capital requirements (including the definition of admitted assets and methods of calculation) differ between jurisdictions, an insurance or reinsurance company's required capital can be impacted by a wide variety of factors including business mix, product design, sales volume, invested assets, liabilities, reserves and movements in the capital markets, including interest rates and equity markets.

SCOR Group is regulated by the "Solvency II" European directive which applies since January 1, 2016, having been transposed into national law in all relevant European jurisdictions over the last years.

The Solvency II regulation covers, among other matters, valuation of assets and liabilities, the treatment of insurance and reinsurance groups, the definition of capital and the overall level of required capital. A key aspect of Solvency II is that the assessment of the Group's risks and capital requirements are aligned more closely with economic capital methodologies.

SCOR Group is subject to supervision by the ACPR which has extensive oversight authority as Group supervisor but also as the local supervisor for each French insurance or reinsurance company.

Since January 1, 2016, the regulatory solvency position of the Group has been assessed using SCOR's internal model, which was approved in November 2015 by the relevant supervisory authorities.

For additional information on the impact of regulatory changes on the Group's operations and financial position, see Section 3.1.1.2.

For a detailed description of new governance requirements, see Section 2.

Asset management regulations

SCOR Investment Partners SE (formerly known as SCOR Global Investments SE) is subject to strict regulation in the various jurisdictions in which it operates. These regulations are generally designed to safeguard client assets and ensure the adequacy of disclosures concerning investment returns, risk characteristics of invested assets in various funds, suitability of investments for client investment objectives and risk tolerance, as well as the identity and qualifications of investment managers. These regulations generally grant supervisory authorities broad administrative powers, including the power to limit or restrict the performance of business activities for failure to comply with such laws and regulations.

Data protection regulation

The General Data Protection Regulation (GDPR) (EU 2016/679) of April 27, 2016, applicable since May 25, 2018, has updated the principles of personal data processing within the European Union. The main objectives of the reform are (i) the strengthening of individuals' rights in order to give them more control over their personal data and facilitate their access to it, (ii) a harmonization of the applicable laws within the European Union as well as a system of one-stop shop resulting in closer cooperation between the Data protection authorities, and finally (iii) a stricter application regime under which data protection authorities will be able to pronounce fines of up to 4% of the annual global turnover of a company infringing the European regulation. The Group has terminated in 2018 its project aiming to globally comply with the Regulation and is closely monitoring the various local regulations across the world that are currently being developed.

Evolution of the regulatory and compliance environment

The legislative, regulatory and litigation environment in which the Group operates is constantly changing. In continental Europe, reinsurers, insurers, asset managers and other financial institutions could face a danger of increasing the number of legal disputes and associated costs, as a result of the introduction of class action.

Furthermore, the complexity and extraterritorial scope of many legislations on the fight against financial criminality (fight against money laundering, financing of terrorism and corruption, national and international financial sanctions and embargoes) create serious risks of significant penalties and reputational risks in case of non-compliance. As examples, see in particular the French Law of December 9, 2016 on transparency, fight against corruption and modernization of the economic life (called "Law Sapin II") and the European Market Abuse Regulation (called "MAR Regulation") which came into force on July 3, 2016.

This complexity is likely to continue and could lead to increased costs of compliance incurred by financial institutions like SCOR.

5.3.2. CHARTER AND BYLAWS

5.3.2.1. CORPORATE PURPOSE OF THE ISSUER (ARTICLE 3 OF THE BYLAWS)

As set forth in Article 3 of the bylaws (*statuts*), the corporate purpose includes the following:

- insurance, reinsurance, cession or retrocession of business of any nature in all classes and in all countries, the assumption in any form of reinsurance contracts or liabilities of any French or foreign company, organization, entity or association, and creation, acquisition, rental, lease, installation and operation of any undertaking related to these activities;
- the construction, lease, operation or purchase of any and all properties;

- the acquisition and management of all securities and other equity rights by any means including but not limited to subscription, transfer or acquisition of shares, bonds, corporate rights, partnerships and other equity rights;
- acquisition of equity investments or interests in any industrial, commercial, agricultural, financial, movable property or real estate companies, the formation of any company, participation in any capital increases, mergers, demergers and spin-offs;
- administration, management and control of any company or other undertaking, direct or indirect participation in all transactions carried out by such companies or undertakings by any means including, but not limited, to participation in any company or equity investment;
- implementation and management of centralized cash resource management within the Group and the provision of services, to any Group company concerned, relating to the management and operations of centralized cash resources, and;
- generally, all such industrial, commercial and financial transactions, or transactions involving movable property and real estate, as may pertain directly or indirectly to the above stated corporate purpose or as may be related to or facilitate the implementation or pursuit thereof.

5.3.2.2. SUMMARY OF THE BYLAWS AND INTERNAL REGULATIONS OF THE COMPANY CONCERNING THE MEMBERS OF ITS ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

For further details, see Section 2.1 – Corporate Governance principles, shareholders' meetings, Corporate officers, executives, employees, information required by Article L 22-10-11 of the French Commercial Code.

Directors

Related party agreements

French corporate law and the Company's bylaws provide for prior approval and verification of agreements, entered into directly or indirectly, between the Company and one of its directors, Chief Executive Officer, Deputy Chief Executive Officer (*directeur général délégué*), any of its shareholders holding more than 10% of the registered capital or of the voting rights or, if a legal entity, the company controlling it within the meaning of Article L. 233-3 of the French Commercial Code and, or any entity in which any of these persons is at the same time an owner, partner with unlimited liability, manager, director, member of the supervisory board or an executive officer, unless pursuant to the provisions set forth Article L. 225-39 [(1)] of the Commercial Code: (i) the agreement is entered into in the ordinary course of business and under normal terms and conditions; and/or (ii) those agreements reached between two companies, one of which holds, directly or indirectly, all of the other's capital, where applicable, minus the minimum number of shares required to fulfil the requirements of Article 1832 of the Civil Code or Articles L. 225-1 [(2)] and L. 226-1 of the Commercial Code. Article L. 225-38 of the French Commercial Code also provides that the prior approval of the Board of Directors must be justified by the interest for the Company of the agreement, in particular by specifying the financial conditions related thereto. The Board of Directors implements a procedure to assess, on a regular basis, if the agreements relating to ordinary transactions entered into at arm's length conditions actually comply with these requirements.

The directly or indirectly interested party must inform the Board of Directors as soon as it is aware of the existence of the related party agreement, and a majority of the non-related directors must approve the agreement for it to be valid.

If a related party agreement is pre-approved by the majority of the non-related directors, the Chairman must then report the authorized agreement to the Statutory Auditors within one month following the date it is signed. The Auditors must then prepare a special report on the agreement to be submitted to the shareholders at their next Shareholders' Meeting, during which the shareholders would consider the agreement for ratification (any interested shareholders would be excluded from voting). If the agreement is not ratified by the shareholders, it will not be rendered invalid, except in the case of fraud, but the shareholders may in turn hold the Board of Directors or interested Company representative liable for any damages suffered as a result thereof.

Any related party agreement reached without the prior consent of a majority of the non-related directors can be voided by a court, if we incur a loss as a result. In addition, an interested related party may be held liable on this basis.

Directors' compensation

Pursuant to Article 13 of the Company's bylaws, the directors receive a remuneration, the maximum aggregate amount of which, determined by the shareholders acting at an annual Ordinary Shareholders' Meeting, remains in effect until a new decision is made.

Board of Directors' borrowing powers

Under Article L. 225-43 of the French Commercial Code, the directors, other than legal entities, Chief Executive Officer and Deputy Chief Executive Officers (*directeurs généraux délégués*) may not borrow money or obtain a guarantee from the Company. Any such loan or guarantee would be void and may not be relied upon by third parties.

Directors' age limits

Under Article 10 of the Company's bylaws, directors may hold office until the age of 77. A director reaching the age of 77 while in office must retire at the expiration of the term of his or her office, as determined at the Shareholders' Meeting.

It will be proposed at the 2021 Shareholders' Meeting to align the age limit for performing the duties of Chairman of the Board of Directors with the age limit applicable for performing the duties of director, as part of the evolution of SCOR's governance described in Section 2.1.1.2

(1) According to Ordinance n°2020-1142 dated September 16, 2020, the new numbering of the article is L. 22-10-12. It will be proposed to the 2021 Combined General Meeting to update the numbering of the concerned articles of the French Commercial Code in the Articles of association.

(2) According to Ordinance n°2020-1142 dated September 16, 2020, the new numbering of the article is L. 22-10-2. It will be proposed to the 2021 Combined General Meeting to update the numbering of the concerned articles of the French Commercial Code in the Articles of association.

5.3.2.3. RIGHTS, PRIVILEGES AND RESTRICTIONS ATTACHED TO EXISTING SHARES

Voting rights (Articles 7, 8 and 19 of the bylaws)

As of the date of this Universal Registration Document, the voting rights attached to shares are proportionate to the share of capital they represent.

At all Shareholders' Meetings, each shareholder has as many votes as the number of shares he or she holds or represents without any limitations other than those which may result from legal requirements and the stipulations above. The difference between the distribution of share capital and the distribution of voting rights arises from the existence of treasury shares with no voting rights.

Following an amendment to the Company bylaws approved by the Shareholders' Meeting on April 30, 2015, no double voting rights, as referred to in the provisions of Article L. 225-123 of the French Commercial Code, introduced by Act No. 2014-384 of March 29, 2014, may be attributed to or benefit, in any manner whatsoever, any Company shares.

Where the shares are held by a beneficial owner, the voting rights attached to those shares belong to the beneficial owner at Ordinary Shareholders' Meetings, and to the bare owner at Extraordinary Shareholders' Meetings.

Failure to comply with legal and statutory obligations concerning thresholds may be sanctioned by the removal of voting rights for those shares or rights in excess of the undeclared fraction.

Statutory distribution of earnings (Article 20 of the bylaws)

After approval of the financial statements and recognition of the existence of distributable funds in the form of earnings for the financial year less prior losses plus, if applicable, any profit carried forward, the Shareholders' Meeting shall distribute them as follows:

- sums to be transferred to reserves pursuant to legal requirements;
- all or part of the profit available for distribution may be transferred by the Shareholders' Meeting to any discretionary, ordinary or extraordinary reserves or carried forward, as deemed appropriate;
- any remaining balance shall be distributed among all shares in proportion to their unredeemed paid-up value.

The Shareholders' Meeting may distribute all or part of the discretionary reserves in the form of a full or partial dividend or as a special dividend. In this case, the resolution shall expressly indicate the sums to be deducted from each line item of reserves.

Each share entitles its holder to a share (in direct proportion to the number and par value of the existing shares) in the corporate assets, profits or liquidating dividend.

The Company's bylaws also stipulate that profits available for distribution can be allocated to one or more optional or statutory reserves or distributed as dividends, as determined by the Shareholders' Meeting.

Dividends may also be distributed from optional or statutory reserves, subject to approval by the shareholders and certain limitations, either as an addition to an annual dividend distribution or as a special dividend.

The payment of dividends is decided by the Shareholders' Meeting at which the annual accounts are approved following the recommendation of the Board of Directors. If there are distributable profits (as shown on the interim balance sheet audited by the Statutory Auditors), the Board of Directors has the authority, subject to applicable French law and regulations to distribute interim dividends without prior shareholder approval.

Dividends are distributable to shareholders in proportion to their respective holdings of ordinary shares. Dividends are payable to holders of ordinary shares outstanding on the date of the Shareholders' Meeting approving the distribution of dividends or, in the case of interim dividends, on the date of the meeting of the Board of Directors approving the distribution of interim dividends. The actual dividend payment date and the terms of payment are determined by the Shareholders' Meeting approving the declaration of the dividends or by the Board of Directors in case of distribution of interim dividends. The payment of the dividends must occur within nine months of the end of the financial year. Dividends not claimed within five years of the date of payment revert to the French state. According to the bylaws, shareholders may decide in an Ordinary Shareholders' Meeting to give each shareholder the option of receiving all or part of a dividend or interim dividend in the form of ordinary shares. The determination of the portion, if any, of the annual dividend that each shareholder will have the option to receive in ordinary shares is also made at the Ordinary Shareholders' Meeting following a recommendation by the Board of Directors.

Dividends paid to non-residents are "in principle" subject to withholding tax.

Liquidating dividend (Article 22 of the bylaws)

If the Company is liquidated, its assets remaining after payment of its debts, liquidation expenses and all of its remaining obligations will be distributed in full first to repay the nominal value of the ordinary shares, then the surplus, if any, will be distributed *prorata* among the holders of ordinary shares in proportion to the nominal value of their shareholdings and subject to any special rights granted to holders of preferred shares, if any.

Redemption of shares

Under French law, the Board of Directors is entitled to redeem a set number of shares as authorized by the Extraordinary Shareholders' Meeting for the purpose of a capital reduction not motivated by losses. In the case of such an authorization, the shares redeemed must be cancelled within one month after the end of the offer to purchase such shares from shareholders.

The Company may also acquire its own shares without having to cancel them:

- redemption with the aim of allocating them to employees or Company officers (Article L. 22-10-61 of the French Commercial Code);
- redemption as part of a share buyback program (Article L. 22-10-62 of the French Commercial Code).

Liability for further capital calls

Shareholders are liable for corporate liabilities only up to their contributions.

Share buy-back or conversion clause

The bylaws do not contain any share buy-back or conversion clauses.

Pre-emptive subscription rights for securities of the same class

Under current French regulations, and in particular Article L. 225-132 of the French Commercial Code, any cash capital increase gives shareholders a pre-emptive right to subscribe to new shares proportionate to the amount of shares owned.

The Shareholders' Meeting which decides or authorizes a capital increase may, under Article L. 22-10-51 of the French Commercial Code, eliminate the pre-emptive subscription right for the entire capital increase or for one or more tranches of said increase and may or may not allow a priority subscription period for shareholders. When the issue is carried out through a public offering or through an offer referred to in Article L. 411-2, II of the French Monetary and Financial Code without pre-emptive subscription rights, the issue price must be set according to Article L. 22-10-52 of the French Commercial Code.

In addition, the Shareholders' Meeting which decides on a capital increase may reserve it for named persons or categories of persons corresponding to specific characteristics, in application of Article L. 225-138 of the French Commercial Code.

The Shareholders' Meeting may also reserve it for shareholders of another company that is the target of a public exchange offer initiated by the Company pursuant to Article L. 22-10-54 of the French Commercial Code or for certain persons in the context of contributions in kind in application of Article L. 22-10-53 of the French Commercial Code.

Jointly owned shares

Subject to legal provisions concerning shareholders' voting rights in General Meetings and their right to information, shares are not divisible with regard to the Company. This means that joint co-owners must be represented by one of said co-owners or by a single agent, appointed by the Court in the event of a dispute.

5.3.2.4. ACTIONS REQUIRED TO MODIFY SHAREHOLDERS' RIGHTS

Shareholders' rights are set forth in the Company bylaws. Under Article L. 22-10-31 Paragraph 1 of the French Commercial Code, amendments to the bylaws must be approved by the Extraordinary Shareholders' Meeting by a two-thirds majority of the shareholders present or represented.

Attendance and voting at Shareholders' Meetings

Under French law, there are two types of Shareholders' Meetings: ordinary and extraordinary.

Ordinary Shareholders' Meetings are required for matters such as the election, replacement and removal of directors, the appointment of Statutory Auditors, the approval of the annual report prepared by the Board of Directors and of the annual accounts and the distribution of dividends. The Board of Directors is required to convene an annual Ordinary Shareholders' Meeting, which must be held within six months of the end of the financial year. This period may be extended by an order of the President of the competent French Commercial Court. The Company's financial year begins on the first day of January of each calendar year and ends on the last day of December of that year.

Extraordinary Shareholders' Meetings are required for approval of matters such as amendments to the Company's bylaws, changes to shareholders' rights, approval of mergers, increases or decreases in share capital, the creation of a new class of shares and authorization to issue securities giving access to capital, by conversion, exchange or otherwise. In particular, shareholder approval will be required for any merger in which the Company is not the surviving entity or in which it is the surviving entity, but which would involve issuing a portion of our share capital to shareholders of the acquired entity.

Special Meetings of Shareholders of a certain class of shares (such as shares with double voting rights or preferred shares) are required for any changes to the rights associated with said class of shares. The resolution of the Shareholders' Meeting affecting these rights is effective only after approval by the relevant Special Meeting.

Other Ordinary or Extraordinary Meetings may be convened at any time during the year. Shareholders' Meetings may be convened by the Board of Directors or, if the Board of Directors fails to call such a meeting, by the Statutory Auditors, liquidators in bankruptcy cases, shareholders owning the majority of the ordinary shares or voting rights after having launched a public takeover bid or by an agent appointed by a court.

The court may be requested to appoint an agent either by shareholder(s) holding at least 5% of the share capital, or a duly authorized association of shareholders holding their ordinary shares in registered form for at least two years and jointly owning a certain percentage of voting rights (computed on the basis of a formula related to capitalization which on the basis of the Company's outstanding share capital as at December 31, 2020, would represent approximately 1% of voting rights) or by any interested party, including the Works' Council in urgent situations.

The notice calling such meetings must include the agenda for the meeting called.

At least 15 days before the date set for any Shareholders' Meeting on first call, and at least 10 days before any second call, notice of the meeting must be sent by mail to holders of ordinary shares who have held said ordinary shares in registered form for at least one month prior to the notice date.

Such notice can be given by e-mail to holders of ordinary shares in registered form who have accepted in writing this method of convocation.

For all other holders of ordinary shares notice of the meeting is given *via* publication in a journal authorized to publish legal announcements in the country in which the company is registered and in the *Bulletin des annonces légales obligatoires* (BALO) with prior notice given to the AMF.

At least 35 days prior to the date set for any Ordinary or Extraordinary Shareholders' Meeting, a preliminary written notice containing, among other things, the agenda and a draft of the resolutions to be considered, must also be published in the BALO.

The AMF also recommends publishing the preliminary written notice in a French national newspaper.

One or several shareholder(s), together holding a certain percentage of SCOR's voting rights (computed on the basis of a formula related to capitalization which, on the basis of outstanding share capital as at December 31, 2020, would represent approximately 0.5% of voting rights), the Works' Council or a duly authorized association of shareholders holding ordinary shares in registered form for at least two years and holding together a certain percentage of the voting rights (calculated on the basis of a formula relating to capitalization which on the basis of the outstanding share capital as at December 31, 2020, would represent approximately 1% of SCOR SE's voting rights) may, within 10 days of such publication, propose resolutions to be submitted for approval by the shareholders at the Shareholders' Meeting.

Attendance and exercise of voting rights at Ordinary Shareholders' Meetings and Extraordinary Shareholders' Meetings are subject to certain conditions. In accordance with French law and Company bylaws, the right to participate in Shareholders' Meetings is subject to registration of shares in the shareholder's name or in the name of the approved intermediary acting on his or her behalf, by T-0 (Paris time) on the second trading day prior to the Shareholders' Meeting, either in the nominative share registers held on the Company's behalf by the Company's agent or in the bearer share accounts held by an authorized intermediary.

The registration of shares in the bearer share accounts held by the authorized financial intermediary shall be demonstrated by a certificate issued by the latter, which must be attached to the remote voting form, to the proxy voting form, or to the request for an entry card completed in the shareholder's name or on behalf of the shareholder represented by an authorized intermediary.

A certificate shall also be issued to any shareholder wishing to take part in person in the Shareholders' Meeting and who has not received his or her entry card by T-0 (Paris time) on the second trading day preceding the Shareholders' Meeting.

Each ordinary share confers on the shareholder one voting right. There is no provision in the bylaws for double or multiple voting rights for the Company's shareholders. Under French company law, ordinary shares held by entities controlled directly or indirectly by the Company are not entitled to any voting rights.

Proxies may be granted by a shareholder or, under certain conditions, by his/her intermediary, to his or her spouse, another shareholder, or by sending a proxy in blank to the Company without appointing a representative. In the latter case, the Chairman of the Shareholders' Meeting will vote the ordinary shares covered by blank proxies in favor of all resolutions proposed or approved by the Board of Directors and against all others.

Voting by correspondence is also allowed under French company law. Forms for voting by mail or proxy must be addressed to the Company, either by regular mail or, pursuant to a decision of the Board of Directors, in electronic format. Mail voting forms must be sent to the Company within the period prior to the Shareholders' Meeting as established by the Board of Directors. This period may not exceed three days before the meeting date. Proxy forms must be received by the Company no later than 3 p.m. (Paris time) on the day prior to the meeting.

The Board of Directors can also decide to allow the shareholders to participate in and vote at any Shareholders' Meeting by videoconference or by any means of telecommunication that allows them to be identified and in compliance with the conditions set by applicable regulations.

The presence in person (including those voting by correspondence) or by shareholder proxy holding not less than one-fifth (in the case of an Ordinary Shareholders' Meeting or an Extraordinary Shareholders' Meeting where an increase in our share capital is proposed through incorporation of reserves, profits or share premium) or one-fourth (in the case of any other Extraordinary Shareholders' Meeting) of ordinary shares with voting rights is necessary for a quorum. If a quorum is not reached at a meeting, then the meeting is adjourned. On a second call, there is no quorum requirement in the case of an Ordinary Shareholders' Meeting or an Extraordinary Shareholders' Meeting where an increase in the Company's share capital is proposed through incorporation of reserves, profits or share premium and the presence in person (including those voting by correspondence) or by shareholder proxy holding not less than one-fifth of the ordinary shares with voting rights is necessary for a quorum in the case of any other Extraordinary Shareholders' Meeting.

At an Ordinary Shareholders' Meeting, a simple majority of the votes cast is required to pass a resolution. At an Extraordinary Shareholders' Meeting, a two-thirds majority of the votes cast is required, except for Extraordinary Shareholders' Meetings where an increase in share capital is proposed through incorporation of reserves, profits or share premiums, in which case, a simple majority is sufficient.

However, a unanimous vote is required to increase shareholders' liability.

The Shareholders' Meeting's decisions are taken by a majority (either a simple majority for Ordinary Shareholders' Meetings or a two-thirds majority for Extraordinary Shareholders' Meetings) of the votes validly cast. Abstentions by those present in person or by correspondence or represented by proxy is not deemed as a vote against the resolution submitted to a vote.

The rights of a shareholder of a particular class of the Company's capital stock, including ordinary shares, can be amended only after a Special Meeting of all shareholders of said class has taken place and the proposal to amend such rights has been approved by a two-thirds majority of shares of voters present (including those voting by correspondence) or represented by proxy. The ordinary shares constitute the only class of capital stock.

In addition to rights to certain information regarding SCOR SE, any shareholder may, between the convening of the Shareholders' Meeting and the date of the Shareholders' Meeting, submit to the Board of Directors written questions relating to the agenda for the meeting. The Board of Directors must respond to such questions during the Shareholders' Meetings, subject to confidentiality concerns.

5.3.2.5. CONDITIONS FOR CALLING ANNUAL SHAREHOLDERS' MEETINGS AND EXTRAORDINARY SHAREHOLDERS' MEETINGS (ARTICLE 19 OF THE BYLAWS)

Shareholders' Meetings shall be called and conducted in accordance with French law. They shall consist of all shareholders, regardless of the number of shares held.

Meetings are held at corporate head offices, or elsewhere as indicated in the meeting notice.

All shareholders may attend the meetings, in person or through an agent, with proof of identity and share ownership, either in the form of registration in his/her name or a certificate from an authorized intermediary designated as account holder.

Subject to the terms and conditions set forth by the legal and regulatory provisions in force, shareholders may send their proxy voting forms or remote voting forms concerning any Shareholders' Meeting either in paper format or, if approved by the Board of Directors, by an electronic means of communication. For instructions issued by shareholders *via* electronic means including proxy instructions or for electronic remote voting forms, the capture and electronic signature of the shareholder may be carried out directly, if applicable, on the dedicated website set up by the Company, by any reliable identification process that safeguards the link between the signature and the form as determined by the Board of Directors and in accordance with the conditions defined by the legal and regulatory provisions in force.

The deadline for the return of remote voting forms and proxies shall be determined by the Board of Directors. The deadline cannot be less than one day before the date of the Shareholders' Meeting. However, if authorized by the Board of Directors, electronic remote voting forms and instructions given by electronic means involving a proxy or a power of attorney may validly be received by the Company up until 3 p.m. (Paris time) on the eve of the Shareholders' Meeting.

The Company's Board of Directors may also determine that shareholders may participate in and vote at any Shareholders' Meeting by videoconference or by any other mode of telecommunication permitting the identification and effective participation of the shareholders, under the conditions set forth by the legal and regulatory provisions in force.

5.3.2.6. PROVISIONS THAT COULD DELAY, DEFER OR PREVENT A CHANGE IN CONTROL OR IN THE SHAREHOLDER STRUCTURE

Pursuant to Articles L. 322-4 and R. 322-11-1 of the French Insurance Code, any transaction allowing a person acting alone or in concert with other persons, as defined by Article L. 233-10 of the French Commercial Code, to acquire, increase, decrease or cease holding, directly or indirectly, an equity stake in an insurance or reinsurance company, shall be notified by such person(s) to the ACPR prior to its completion when any one of the three following conditions is met:

- the portion of voting rights or capital shares held by said person(s) exceeds or falls below the tenth, fifth, third or half thresholds;
- the Company becomes or ceases to be a subsidiary of said person(s);
- the transaction enables this or these persons to exercise a significant influence on the management of this company.

When a decrease or sale of an equity stake, whether directly or indirectly, has been notified, the ACPR verifies whether this sale is likely to negatively affect the Company's reinsured clients as well as the sound and prudent management of the Company itself.

The authorization granted to the acquisition or increase of stakes, whether directly or indirectly, may be subject to the compliance with commitments made by one or several of those requesting approval.

If these commitments are not met, and without prejudice to the provisions in Article L. 233-14 of the French Commercial Code, upon request from the ACPR, the District Attorney (*procureur de la République*) or any shareholder, the judge shall adjourn the exercise of the voting rights of those failing to meet their commitments until the situation returns to normal.

Pursuant to Article L. 322-4-1 of the French Insurance Code, the ACPR shall also inform the European Commission, the European Insurance and Occupational Pensions Authority (EIOPA) and the supervisory authorities of the other Member States of any acquisition of a stake that may grant control of a reinsurance company to a company whose registered office is located in a State not party to the European Economic Area agreement.

Upon application by a competent European Union authority, the ACPR may raise objections during a three-month period to any acquisition of a stake liable to have the consequences referred to in the previous paragraph. The three-month time limit may be extended by the EU Council's decision.

5.3.2.7. DISCLOSURE THRESHOLDS

French law provides that any individual or legal entity, acting alone or in concert with others, that holds, directly or indirectly, more than 5%, 10%, 15%, 20%, 25%, 30%, 33 1/3%, 50%, 66 2/3%, 90%, or 95% of the shares or the voting rights attached to the shares, or whose holding decreases below any such thresholds, must notify the Company within four trading days of crossing that threshold, of the number of shares and voting rights it holds. An individual or a legal entity must also notify the AMF within four trading days of crossing these thresholds. Any shareholder who fails to comply with these requirements will have their voting rights in excess of such thresholds suspended for a period of two years from the date notification is served and may have all or part of their voting rights suspended for up to five years by the Commercial Court at the request of the Chairman, any of the shareholders or the AMF. In addition, every shareholder who, directly or indirectly, acting alone or in concert with others, acquires ownership of shares greater than or equal to 10%, 15%, 20% or 25% of the share capital must notify the Company and the AMF of its intentions for the six months following such an acquisition. Failure to comply with this requirement will result in the suspension of the voting rights attached to the shares exceeding the applicable threshold held by the shareholder for a period of two years from the date on which notice is served and, upon a decision of the Commercial Court, part or all the shares of said shareholder may be suspended for up to five years.

In addition to the above mentioned legal requirements, the Company's bylaws provide that any natural person or legal entity, acting alone or in concert, that comes to hold or ceases to hold, including through a registered intermediate within the meaning of Article L. 228-1 of the French Commercial Code, directly or indirectly, a fraction of the share capital or of the voting rights of the Company equal to or greater than 2.5%, must inform the Company by registered letter, return receipt requested, addressed to the registered office, within five trading days of the date of the crossing of such threshold, of the total number of shares and securities giving access to share capital and corresponding voting rights held. For the application of this statutory obligation, the participation thresholds are calculated according to the same rules as for legal thresholds, notably by taking into account the securities treated as equivalent within the meaning of Article L. 233-9 of the French Commercial Code. The failure to comply with this statutory requirement is sanctioned, upon request of one or more shareholders holding at least 2.5% of our share capital, noted in the minutes of the Shareholders' Meeting, by the suspension of voting rights, decided by the *bureau* of the General Meeting, from all shares in excess of the non-declared fraction for any Shareholders' Meeting that may take place during a period of two years following the date notice is served.

AMF regulations generally require, subject to limited exemptions granted by the AMF, any individual or entity that acquires, alone or in concert with others, shares representing 30% or more of SCOR's share capital or voting rights, to initiate a public tender offer for all remaining outstanding securities of the Company (including, for these purposes, all ordinary shares and all securities convertible into or exchangeable for or otherwise giving access to equity securities).

5.3.3. THIRD-PARTY INFORMATION AND STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTEREST

5.3.3.1. EXPERT'S REPORT

Not applicable.

5.3.3.2. INFORMATION FROM THIRD PARTIES

The Company certifies that the following information in this Universal Registration Document and received from third parties has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by said third party, no facts have been omitted, which would render the reproduced information inaccurate or misleading:

- data issued from the AM Best Special Report Reinsurance (2020 Edition) and relating to the ranking on reinsurance market participants quoted in Section 1.1.1 – Group key figures and Section 1.3.4 – Information on SCOR's competitive position;
- ratings issued by the Standard & Poor's, Fitch Ratings, AM Best and Moody's rating agencies quoted in Section 1.2.4 – Ratings information and Section 3.3 – Internal control and risk management procedures;
- 2019 Society of Actuaries (SOA) and Munich Re Life survey of U.S. life reinsurance, published in 2020, quoted in Section 1.3.5.3 – SCOR Global Life.

5.3.4. PUBLISHED INFORMATION

The bylaws of the Company are described in this Universal Registration Document and can be found on the Company's website. The other legal documents relating to the Company can be consulted at the Company's registered offices pursuant to the applicable rules and regulations.

The Company's Universal Registration Document filed with the AMF, as well as the press releases of the Company, its annual and half-year reports, its annual and consolidated financial statements as well as the information relating to the transactions upon treasury shares and to the total number of shares and voting rights can be found on the Company's website at the following address: www.scor.com.

Provisional schedule for financial publications

April 28, 2021	Quarterly 1 revenues
July 28, 2021	2021 half-year results
October 27, 2021	Quarterly 3 revenues

5.3.5. MATERIAL CONTRACTS

Not applicable.

06

NON-FINANCIAL PERFORMANCE STATEMENT

This consolidated non-financial performance statement was prepared in accordance with the provisions of Article L. 225-102-1 and Article L. 22-10-36 of the French Commercial Code enacting Directive 2014/95/EU as regards the disclosure of non-financial and diversity information by certain large undertakings and groups.

Unless stated otherwise, this consolidated statement covers SCOR SE and all its fully consolidated subsidiaries, hereinafter "SCOR" or "the Group", other than the exceptions stipulated in the note on methodology in the appendix to this statement.

6.1. BUSINESS MODEL

6.1.1. BRIEF DESCRIPTION OF THE GROUP'S BUSINESS ACTIVITIES

SCOR, the world's fourth largest reinsurer, is established in around 30 countries and provides services to over 4,400 clients worldwide. It is chiefly active *via* two reinsurance [1] business units (Life and P&C) and a business unit specialized in proprietary investments and third-party asset management.

The Group is structured around three regional management platforms, or "Hubs": the EMEA Hub, the Americas Hub and the Asia-Pacific Hub.

The Group is a three-engine group driven by SCOR Global Life, SCOR Global P&C and SCOR Global Investments. The Group's organizational decisions are guided by the principles of skills and expertise mobilization, operating efficiency, structural simplicity, clear reporting lines and balance between teams from the Group's different entities.

In the face of the Covid-19 pandemic, SCOR has once again demonstrated the strength and resilience of its business model as well as its ability to absorb major shocks. The Group continues to implement its strategic plan, "Quantum Leap", combining growth, profitability and solvency, without changing its risk appetite, protection policy, or capital management policy (see Sections 1.1 and 1.3.5 of the Universal Registration Document).

6.1.1.1. REINSURANCE BUSINESS

The reinsurance industry has a specific feature to be structurally exposed to shocks. Major risks, which are the raw material of reinsurance, result in shocks whose origins, scale and impacts vary depending on the economies and populations concerned.

The reverse nature of the reinsurance production cycle is another specific feature of its business model: the selling price of reinsurance products and services is set before their actual cost is precisely known.

In this context, reinsurers create diversified risk portfolios. This is achieved through the aggregation of major risks that, as a reinsurer, SCOR pools by business line and geographical area. The Group thereby builds a portfolio with a more regular risk profile. It also limits its exposure by transferring part of these risks through their retrocession and their securitization.

Reinsurance is therefore a business that involves deliberately taking calculated risks. It enables the Group's clients to cover their risks by transferring a portion of them, so that they can be pooled worldwide. In return for a premium that it invests to generate investment income, reinsurance absorbs the financial consequences of the events and damages to which it is exposed.

The Group is active in two reinsurance segments *via* its business units:

- SCOR Global P&C operates in three business areas: Reinsurance (e.g. Property, Casualty, Credit and Surety, Decennial Insurance, Transport, Construction, Agriculture risks and Natural Catastrophes), Specialty insurance (e.g. Business Solutions, Managing General Agencies, SCOR Channel), and P&C Partners (alternative solutions and new products);
- SCOR Global Life covers Life and Health insurance risks through three product lines – Protection, Longevity and Financial Solutions – with a strong focus on biometric risks.

The Group's reinsurance activities and the types of reinsurance it engages in are presented in greater detail in Sections 1.2.5.1, 1.2.5.2 and 1.2.5.3 of the Universal Registration Document. Additional information about developments in the life and non-life reinsurance market is provided in Section 1.3.1 of the Universal Registration Document.

6.1.1.2. INVESTMENTS AND ASSET MANAGEMENT

The Group also conducts investment activities *via* SCOR Global Investments, its third business unit, which is tasked with managing the investment portfolio of the Group's legal entities. Within this business unit, SCOR Investment Partners also manages funds on behalf of third-party clients.

SCOR Global Investments, its organizational structure and vehicles open to third parties are presented in Sections 1.2.3.1 and 1.2.5.6 of the Universal Registration Document. Additional information about developments in the financial markets is provided in Section 1.3.1 of the Universal Registration Document.

(1) *SCOR operates also in Specialty Insurance in property and in casualty.*

6.1.2. RESEARCH AND RISK MANAGEMENT

Risk management is at the heart of the Group's reinsurance and investment activities. It is underpinned by a risk appetite framework built around four concepts [(1)]: Risk Appetite, Risk Preferences, Risk Tolerances and "Footprint" scenarios.

Reinsurance requires a robust risk management system, strong modeling capabilities in order to assess, quantify and actively manage risks (*e.g.* through risk pooling and hedging), and a skilled workforce able to combine theoretical and analytical considerations with empirical experience.

At the forefront of risk modeling, particularly for extreme risks in Life and P&C business, the Group devotes significant resources to fundamental applied research and the promotion of scientific risk management techniques in various disciplines.

In order to keep abreast of biometric trends and scientific developments, the Life business unit relies on five communities of expertise called chapters (see Section 1.2.6 - Research and development, patents and licences), which are used to assess the key factors inherent to mortality, longevity, morbidity and policyholder behavior risks. Biometric risks such as mortality, longevity, disability and long-term care are at the heart of underwriting in Life reinsurance. The chapters enter into many scientific partnerships, such as with ADERA (*Association pour le développement de l'enseignement et des recherches auprès des universités, des centres de recherche et des entreprises d'Aquitaine* – INSERM) in Long-Term Care risk, and the Pierre et Marie Curie University at the Pitié-Salpêtrière Hospital in HIV developments.

In addition, the Group has established the SCOR Corporate Foundation for Science to promote scientific research. Founded in 2011 with a EUR 0.3 million endowment, the Foundation had been funded by the SCOR Group with a total of EUR 12.5 million in support until the end of 2020. Between 2011 and the end of 2020, the Foundation has devoted EUR 10.8 million to promoting scientific research.

Since it was created, the SCOR Corporate Foundation for Science has financed seminars and conferences on subjects such as emerging infectious diseases, longevity risk for modern retirement schemes, and the expectations of economic agents in an economic crisis, as well as an international seminar in Paris on meteorites in collaboration with the French national Museum of Natural History. The Foundation also jointly organizes similar events. It also supports research projects across a variety of disciplines, as well as scientific and actuarial awards and research chairs.

SCOR and the SCOR Foundation also organize Actuarial Awards in Europe (France, Germany, Italy, Spain & Portugal, Sweden, Switzerland and the United Kingdom) and in Asia (Singapore). The Group places great importance on the development of actuarial science and each year awards prizes for the best academic papers in this field.

Additional information about the R&D activities, the SCOR Corporate Foundation for Science, and other research activities is presented in Section 1.2.6 of the Group's Universal Registration Document.

6.1.3. GOVERNANCE SYSTEM FOR SOCIAL AND ENVIRONMENTAL ISSUES AND RISKS

An integrated governance system has been established to consider social and environmental issues arising from business activities, including the principal environmental, social and governance (ESG) risks related to them, as well as broader corporate social responsibility (CSR) initiatives. This system is structured around five core pillars:

- a general reference framework consisting of the Group's mission statement and adherence to global initiatives supported by UN programs, supplemented where appropriate by subject-specific reference frameworks and transposed into standards (*e.g.* the Code of Conduct) and relevant Group activities;
- a structured governance framework, which the Board of Directors is responsible for overseeing, assisted, as provided for in its Internal Charter, by the preparatory work of its specialized committees, in particular the Corporate Social and Societal Responsibility and Environmental Sustainability Committee, the Risk Committee and the Audit Committee;
- integrated initiatives, translated into operational measures in annual action plans, the implementation of which is periodically reported to the supervisory and management bodies;
- a risk management system shaped by the formal procedures in place and applied to the most relevant functional processes, building on the risk analyses performed in connection with this performance statement and the monitoring of megatrends and associated emerging and operational risks;
- a framework of performance conditions indexed to CSR criteria, applied in a manner appropriate to the responsibilities exercised within the Company.

These pillars are presented in greater detail in the following subsections

6.1.3.1. GENERAL GOVERNANCE FRAMEWORK AND TRANSPOSITION INTO NORMS AND STANDARDS

The consideration of social and environmental risks related to the Group's business activities and operations, and more generally the Group's CSR policy, are guided by involvement in UN global initiatives and by the multi-stakeholder orientations set out in the corporate mission statement of SCOR: "*offer its clients an optimum level of security, create value for its shareholders, and contribute to the welfare and resilience of society by helping to protect insureds against the risks they face*".

(1) *These concepts are defined in Section 1.2.5 of the Group's Universal Registration Document.*

These initiatives provide a general reference framework and useful principles for addressing social and environmental issues, given that the Group conducts business in countries with legal and governance environments characterized by varying degrees of maturity in these areas:

- at cross-sector level, as part of its longstanding participation in the United Nations Global Compact, SCOR is pursuing the integration the 10 principles set out therein, covering human rights, international labor standards, environmental protection, and the fight against corruption, in a framework tailored to its sphere of influence ;
- at the level of the (re)insurance sector, SCOR, as part of its (re)insurance activities, has been a founding member since 2012 of the Principles for Sustainable Insurance, and is a member of the Principles for Responsible Investment as an institutional investor (2019) as well as *via* its asset management subsidiary, SCOR Investment Partners (2017). These initiatives provide a multi-stakeholder and partnership framework for the integration of risks and opportunities arising from environmental, social and societal issues, including the development of expertise and solutions to address issues relevant to the business activities under consideration. On May 27, 2020, SCOR also joined the Net-Zero Asset Owner Alliance, an international initiative bringing together investors who are committed to transitioning their investment portfolios to carbon neutrality by 2050.

This general reference framework is supplemented, where appropriate, by subject-specific local (*e.g.* on disability-related topics) and global (*e.g.* the Geneva Association's Climate Risk Statement) charters.

The principles contained in these initiatives are translated into norms and standards in the Group's main reference texts, including: (i) its Code of Conduct, an entire section of which is dedicated to the Group's mission, the United Nations Global Compact and the Principles for Sustainable Insurance, (ii) its climate policy, which sets out the three main orientations pursued by the Group in this area, and (iii) its sustainable investment policy.

The principles adopted in this general reference framework are also translated into operational form *via* internal guidelines setting out the rules of conduct and the procedures to be respected in the exercise of the Group's business activities (*e.g.* anti-corruption policy, ESG underwriting guide for the Group's P&C insurance activities).

6.1.3.2. ROLE OF THE SUPERVISORY AND MANAGEMENT BODIES

SCOR's Board of Directors has various advisory committees responsible for preparing its discussions, assisting it in its supervisory role, and making recommendations to it in specific areas, including on environmental, social and governance matters.

Under the conditions defined by the Board's Internal Charter, four specialized committees of the Board of Directors provide regular supervision of the initiatives conducted by the Group's Management within the general framework of its CSR policy and, in particular, in the management of the non-financial risks identified in this statement:

- the Corporate Social and Societal Responsibility and Environmental Sustainability Committee ensures that the Group's CSR approach is consistent with its long-term development, and that the direct and indirect effects of its activities on the environment and society are incorporated into its strategy. As such, this Committee oversees the execution of the CSR action plan, which puts the Group's approach in this area into practice on an annual basis. This plan covers a range of relevant topics, such as relations with Group stakeholders, integrating ESG into (re)insurance and investment activities, the Group's environmental performance with regard to its operations, and the areas covered by the #WorkingWellTogether program described in Section 6.2.1.2. of this statement. In addition, this committee is also responsible for making proposals to the Board of Directors on how to take social and environmental issues into account in the Group's orientations;
- the Risk Committee examines, on the basis of risk and solvency assessments, the major risks facing the Group on both the assets and liabilities side of its balance sheet and ensures that the means to monitor and control these risks have been implemented insofar as possible. It examines strategic risks as well as the Group's main technical and financial commitments, which consist of underwriting, reserving, market, concentration, counterparty, asset-liability management, liquidity and operating risks, as well as risks arising from changes in prudential regulations. In this regard, the Risk Committee is kept regularly informed of the major social and environmental issues that may influence the Group's activities, including megatrends (*e.g.* climate change and environmental degradation, changing demographics and lifestyles, digitalization of the economy) and the associated emerging risks closely linked to these issues;
- in addition to its accounting and financial remit, the Audit Committee has ethics-related, internal audit and compliance responsibilities. Accordingly, the Committee reviews the annual compliance plan and is kept informed about the Company's activities in this area. The compliance plan addresses the main risks identified in Section 6.3 of this statement. It sets out the activities of the compliance function, its annual priorities – defined on the basis of a prior risk analysis – and the procedures for detecting, preventing and responding to the most significant risks facing the Group;
- the Compensation and Nomination Committee is charged primarily with drawing up the rules used to calculate the variable compensation of executive corporate officers and ensuring that these rules are in line with the annual assessment of the performance of executive corporate officers, taking the Group's strategy into account. The Committee is also responsible for examining the terms, amount and allocation of stock option programs for all the Group's employees. The Group's environmental and social performance is one of the performance conditions associated with these compensation instruments, as specified in Section 6.1.3.5 of this statement. It also makes sure that executive corporate officers implement a policy of non-discrimination and diversity, in particular with regard to the balanced representation of men and women on the executive bodies. In this regard, the Committee is kept regularly informed of the trends observed.

The composition of these committees, the combination of skills brought together within them, the preparatory work conducted by each of them ahead of Board meetings, and the regular interactions with Executive Management and the Executive Committee provide a structured environment for the analysis of social and environmental issues, from both a financial materiality standpoint and a social and environmental materiality standpoint.

At the level of the management bodies, SCOR set up a Group CSR Committee at Executive Committee level in 2018. In addition to this committee, the Executive Committee is also guided by the work of a Group Risk Committee and a Group Investment Committee when considering the social and environmental risks arising from the Group's activities and operations and implementing the Group's CSR approach.

The coordination and execution of the aforementioned action plan, which is shaped by this CSR approach, is entrusted to a cross-functional internal committee that brings together representatives from the three business units mentioned in Section 6.1.1 of this statement, and Group functions (*e.g.* Risk Management, Human Resources, Compliance, Investor Relations, Communications, and Group Hub representatives). This committee is led by the Group's Head of Sustainability under the authority of the General Secretariat. Its operational role aims to promote a cross-functional approach to CSR and the management of non-financial risks, in order to harmonize the initiatives taken by the Group and ensure the consistency of the action plans drawn up by each business unit and Group function.

6.1.3.3. INTEGRATION OF SOCIAL AND ENVIRONMENTAL ISSUES IN THE GROUP'S STRATEGY

SCOR is at the heart of the key social, economic and environmental issues facing society, as its activities help to build the resilience of societies *via* its risk identification, analysis, transfer and pooling techniques. These issues are regularly analyzed by the Group's teams, both from a risk standpoint and from the perspective of development opportunities, particularly in the context of its system for identifying and analyzing megatrends and the associated emerging risks, as well as in the analysis of non-financial risks covered by this statement.

Regularly informed of these analyses by its advisory committees (see above), which also hold specific focus sessions during their meetings, the Board of Directors approved the Group's current strategic plan, "Quantum Leap", following a review by the Strategic Committee. The orientations formulated under this plan emphasize the Group's ability to contribute to the resilience of societies. Several of the incremental focal points developed over the course of the plan address longer-term social and environmental issues and the related risks and opportunities. Four challenges in particular influenced the orientations announced in the strategic plan, some of which are related to the risks presented in Section 6.1.3.4 of this statement and, more generally, to the Group's CSR policy:

- social issues linked to attracting and retaining talent: the nature of the Group's business activities and the corresponding competitive environment require skills in several specialized disciplines in a narrow labor market concentrated over a few locations worldwide, where some labor markets are highly competitive. In this context, the ability to attract and retain talent is important given the importance of human capital in the Group's business model;
- environmental issues, including climate change: against the backdrop of climate disruption, which, may have short-, medium-, and long-term implications depending on the risks considered, the strategic plan includes orientations designed to support the energy transition, develop solutions for adapting to the physical risks associated with climate change (through the activities of the Group's P&C business unit), finance a sustainable world, and reduce and offset the carbon impact of the Group's operations;
- challenges linked to prevention, health, welfare and insurance access in this field: in a context of changing morbidity and mortality causes, contributing to the collective understanding of the causes behind these risks and to the effectiveness of prevention and treatment, and translating this risk knowledge into impacts through the development of products, providing greater protection for a larger number of people, is an integral part of the strategic plan for the Group's Life business unit. Other aspects of this business unit's development plan encompass the ability of the business to promote lifestyles with a positive impact on human health, and to build solutions with its partners that address the needs of vulnerable populations (*e.g.* due to health conditions);
- societal issues arising from the digitalization of the economy and societies: accelerating the Group's transformation *via* greater use of new technologies (*e.g.* artificial intelligence, robots, blockchain, big data, multi-cloud, satellite imaging), with a view to expanding its product and service offering, providing added value to its clients in their own digital transformation, and bridging the protection gap, is a key focus of the "Quantum Leap" plan. It is supported by dedicated policies for the protection of the Group's information systems and the data (particularly the personal data) it manages.

Additional information on the Group's strategic plan is on SCOR's website in its 2019 and 2020 investor day presentations.

6.1.3.4. MANAGEMENT OF NON-FINANCIAL RISK: PRESENTATION OF RISKS AND ANALYSIS

The non-financial performance statement provides a current view of the assessed non-financial risks arising from the Company's business activities, based on the information categories referred to in Articles 225-102-1 III and L. 22-10-36 of the French Commercial Code.

In accordance with the requirements of the European Non-Financial Reporting Directive and its most recent non-binding guidelines, SCOR has conducted an internal assessment of the main non-financial issues and risks relating to its business activities.

The identification of significant issues and risks as defined in Article 225-102-1 and Article L. 22-10-36 of the French Commercial Code, led by the department in charge of corporate social responsibility, follows an analysis of non-financial risks based on the information categories established in this article and their first-level breakdown in Article R. 225-105 of the French Commercial Code. These categories have been supplemented by the analysis grids traditionally used by non-financial rating agencies and a materiality analysis conducted using a questionnaire that aims to identify the ESG integration areas (*e.g.* ethics and transparency, the integration of ESG in investments, the integration of ESG in underwriting activities, the development of (re)insurance solutions aligned with the needs of society, responsible purchasing, diversity etc.) that are most relevant, from the perspective of both stakeholders, including the Group's employees, and the Group's supervisory and management bodies. The expectations of external stakeholders have been identified in consultation with the Group's internal teams responsible for developing and maintaining relationships with them as well as *via* a questionnaire answered by a certain number of external stakeholders.

These issues and the associated risks have been cross-checked against the results produced by other mechanisms for identifying existing risk factors within the Group (*e.g.* megatrends and emerging risks, operational risks). Non-financial risks have been assessed qualitatively by specialists based on their frequency, severity, the Group's ability to influence them and their impact on its activities, particularly in financial, reputational and operational terms. This analysis, which was carried out on the basis of the internal methodology developed in previous years, took place in several stages using a process involving the Board's Corporate Social and Societal Responsibility and Environmental Sustainability Committee.

The main risks identified as a result of this review are:

- risks of diminished appeal to potential talent, in particular as a result of reputational and operational factors, which may arise through an inadequate compensation policy, a lack of skills development, or insufficient consideration of diversity;
- risks associated with business ethics, particularly legal, reputational and financial risks which may arise from issues relating to economic sanctions programs, anti-corruption, anti-money-laundering and anti-terrorism regulations, personal data protection and security, and regulatory tax requirements, including tax evasion matters;
- risks relating to ethics in data, especially in the context of an increased use of artificial intelligence;
- risks arising from society's expectations of financial companies in terms of ESG integration and high-impact products and services, particularly with regard to reputation, and more particularly in this area, risks related to climate change, including operations-related emissions given the corresponding commitments made by the Group in this field, and expectations in terms of support for the energy transition;
- risks associated with the digitalization of the economy, including legal, reputational, operational, financial risks, potentially caused by incidents linked to cybercrime, with possible ramifications for other non-financial risks mentioned above, such as personal data protection.

These risks, and the associated policies or programs and performance indicators, are presented in Sections 6.1.3.4 to 6.2.1.2 of this statement.

6.1.3.5. PERFORMANCE CONDITIONS AND SOCIAL AND ENVIRONMENTAL ISSUES

SCOR has incorporated social and environmental criteria into the compensation of its teams, based on arrangements appropriate for the relevant compensation mechanisms and the responsibilities held within the organization:

- a portion of the short-term variable compensation paid to the Group's executive corporate officer has, since 2015, expressly been based on personal CSR objectives. These objectives, their attainment and their achievement rates are set out in the report on corporate governance included in the 2020 Universal Registration Document;
- since 2020, a portion of the short-term variable compensation of the members of the Executive Committee is also based on CSR objectives;
- all the beneficiaries of long-term compensation components (performance shares and stock options) must satisfy the CSR-based allocation conditions, and in particular, since 2012, comply with ethical principles as provided for in the Code of Conduct, and since 2017 complete CSR training. In 2020, this CSR criterion consisted of completing the online training module on the recognition of unconscious biases;
- finally, as part of its Annual Appraisal and Development Interviews, in 2019 SCOR introduced the option for managers and their employees to set specific CSR-related goals (*e.g.* diversity, well-being at work, environmental performance, integration of ESG issues into the Group's business activities).

6.2. SOCIAL IMPACT OF SCOR'S ACTIVITY

SCOR's Human Resources strategy is based on unifying values that reflect its commitment to its clients, employees and shareholders. Alongside financial capital, human capital is an essential resource for a reinsurer such as the Group. Financial capital ensures solvency, while human capital ensures profitability. In this sense, one of SCOR's competitive edges lies in its ability to attract, mobilize, optimize and retain talented, competent people to achieve excellence in its expertise. An inadequate compensation policy, lack of skills development, or insufficient consideration of diversity may contribute to an operational risk of a failure to attract and retain key people (see Section 3.1.6.2 – Risks related to staff and Section 6.1.3 – Governance system for social and environmental issues and risks). Conscious of this risk, human capital management, overseen by the Group Chief Human Resources Officer, strives to retain the individuals working in the Group, particularly through its compensation policy, and through constructive measures designed to develop employees' skills (SCOR University) and promote diversity, well-being in the workplace and community engagement (#WorkingWellTogether).

The programs implemented in these areas and the associated performance indicators are described in the following sections.

6.2.1. HUMAN CAPITAL AS A KEY SUCCESS FACTOR FOR THE GROUP

The Group considers diversity and inclusion to be a strong asset, and has therefore implemented a global harmonized human capital management strategy, based on respect and dignity, where individual differences are valued and skills and knowledge are developed throughout employees' career.

Thanks to the many initiatives taken in the recruitment process and its strong employer brand, the Group identifies the best candidates available in the market and facilitates their integration. Once hired, new employees are supported throughout their SCOR career. The Group pays particular attention to recognizing the contribution of each individual's performance to the Group's strategic objectives, thanks to a compensation structure that is identical throughout the world and aligned with shareholders' interests, regulatory and prudential (*e.g.* Solvency II) requirements and labor market practices in the reinsurance industry. The Group also offers employees the opportunity to develop their individual skills based on business needs, and encourages professional mobility.

Proposing an innovative and dynamic working environment, SCOR promotes the acquisition of knowledge and know-how through the implementation of dedicated development programs and the definition of succession plans.

6.2.1.1. ALIGNING STAKEHOLDERS' INTERESTS AND RETAINING TALENT THROUGH A MERIT-BASED COMPENSATION POLICY

The Group's compensation policy is designed with the objective of aligning interests by discouraging excessive risk taking, while attracting and retaining employees and rewarding individual performance [(1)].

It is governed by the regulations specific to the insurance sector (*e.g.* Solvency II) and asset management (*e.g.* CRD IV and AIFMD) as well as by specific local requirements, and aligned to the Group Fit & Proper policy.

In terms of risk and regulations, SCOR is committed to maintaining a compensation policy that is fully in line with SCOR's controlled risk appetite and discourages taking excessive risks, aligning management objectives with shareholder expectations, motivating and retaining its pool of talent, and being compliant with the regulations and guidelines defined by the regulators regarding compensation policies.

Key components of the Group's compensation policy

Compensation comprises several components: a fixed and a variable portion, an immediate and a deferred portion, and an individual and a collective portion. The components include a base cash salary, an annual cash bonus, shares and options where applicable, pension schemes and any other benefits.

Base salaries are set according to criteria that consider a variety of factors, such as conditions on the local labor market, education and professional experience before joining SCOR, expertise acquired, and the current position and responsibilities of the employee.

SCOR reviews base salaries on a yearly basis, to reward individual performance, and when the employee takes on new responsibilities. An automatic adjustment to account for inflation is not applied, except in the few countries where it is legally required.

For employees who are not Partners, the SCOR cash bonus rewards individual performance over the previous year [(2)].

In addition, the Group [(3)] has adopted an employee share ownership policy, which resulted in share allocations to all employees (based on their performance) in 2010, 2011, 2013, 2014, 2015 and 2018.

(1) *SCOR Channel is currently not included in the Group's compensation policy but applies the main principles including those described below. Exceptions will be duly mentioned.*
(2) *SCOR Channel does not have a partnership scheme. A specific short-term incentive plan based upon individual and collective performance applies to all staff.*
(3) *For SCOR Channel, a specific long-term incentive plan (based on two main elements, one related to the performance of SCOR Channel and the other linked to the price of SCOR shares) is in place to reward and retain senior staff and key individuals.*

"Partners" program

The "Partners" program involves approximately 25% of the total number of employees (excluding SCOR Channel). In addition to specific compensation plans, this program gives access to selective information and proposes specific career development solutions.

There are four main Partner levels: Associate Partners (AP), Global Partners (GP), Senior Global Partners (SGP), and Executive Global Partners (EGP). Apart from the EGPs, these levels are then sub-divided into two levels, to take into account seniority or special achievement promotions.

The Company has a formal procedure for appointing and promoting Partners, which is conducted every year at an Executive Committee meeting. Candidates for an appointment or promotion to the Partnership must have consistently demonstrated their skills, leadership and commitment.

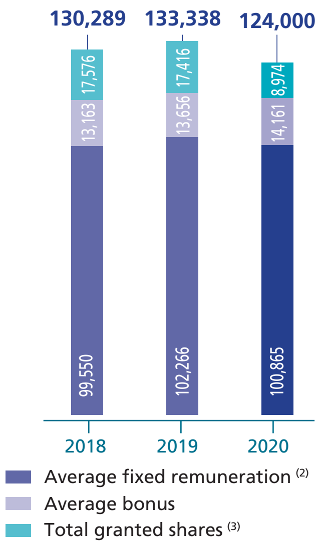
The Partnership level determines the bonus components of the Partners. Calculated from the basic gross annual salary, the SCOR bonus system is linked directly to the individual performance appraisal (corresponding to predefined ranges linked to individual performance) and also to the ROE that SCOR achieved in the previous financial year.

SCOR Partners are also eligible to receive free shares and stock options. However, this does not mean that an allocation occurs every year or that every Partner will receive them. In addition, the Group has set up a Long-Term Incentive Plan (LTIP), a complementary scheme to retain some of its key employees. The individual allocation process for free shares and stock options process is supervised by the Compensation and Nomination Committee.

Further to decisions of the Shareholders' Meeting and the Board of Directors of SCOR SE, the vesting of these share-based compensation plans is now subject to the completion of Corporate Social Responsibility (CSR) training. The addition of this requirement builds on the Group's CSR commitments and the shareholder dialogue it is actively pursuing. In 2020, the CSR training requirement consisted of an online module on cognitive bias. This module aims to raise employee awareness on the existence of unconscious biases that can influence the ability to make rational decisions, enabling employees to overcome the different forms of bias and ensuring an inclusive work environment.

The Group's compensation policy reflects the desire to implement compensation schemes in accordance with best market practices and to involve key employees in the Group's medium- and long-term development. The Group's commitment to adopt compensation systems that are in line with the best market practices enables it to involve key employees in the Group's long-term development.

Compensation (composition of the package) – *(in EUR)* (1)



(1) Excluding SCOR Channel and SCOR's corporate officer. Total compensation is calculated on the basis of 2,990 employees as at December 31, 2020.

(2) Average fixed compensation is based on the annual base salary paid to the employee, prorated to actual hours worked.

(3) Amount calculated, for each plan, by multiplying the number of shares allocated by the fair value of the share in the plan, which is calculated in accordance with IFRS.

In 2020, SCOR Channel's average employee compensation was EUR 137,013, composed of average fixed compensation of EUR 106,103 and of an average bonus of EUR 30,910, which includes the specific long-term incentive plan.

In 2020, the turnover rate was 6.9% (number of departures in 2020, excluding dismissals, deaths, internal mobility and trainees as a proportion of the overall headcount as at December 31, 2019). This rate is at an acceptable level with regard to talent retention.

6.2.1.2. PROMOTING INCLUSION THROUGH DIVERSITY AND EQUAL TREATMENT

Promoting diversity, inclusion and equal treatment is an essential objective of the Group's human capital management policy. It is part of its social commitments for combating discrimination, and contributes to its economic and financial performance and the recognition of the Group's employer brand, which in turn helps to attract and retain skills.

SCOR's Diversity and Inclusion policy, as well as the Code of Conduct, describe the Group's commitment to achieve the principle of equal opportunities in all aspects related to the employment conditions of its employees, in terms of recruitment, evaluation, compensation and talent management. To that end, this policy defines a global harmonized framework while defining roles and responsibilities of the various stakeholders regarding its enforcement and the eventual means of redress in the event of non-compliance with the aforementioned principles.

The Diversity and Inclusion policy focuses on issues such as diversity, particularly regarding equal treatment between men and women, and on the principles supporting the Group's approach in the balanced representation of men and women within governing bodies and senior positions.

In addition to the Diversity and Inclusion policy, the Group built on its commitment in this area in 2020 with third-party contractors (including SCOR service providers and other providers), by requiring them to adhere to SCOR's sustainable development charter (unless the third parties already apply equivalent internal principles or charters), including the Global Compact principles such as Principle 6 on the elimination of discrimination in respect of employment and occupation.

In order to achieve pay parity between men and women and comply with associated relevant legal and regulatory requirements, SCOR has developed a proprietary tool in order to start performing gap analyses in the main countries where the Group operates.

The promotion of diversity and gender equality is also based on a global program, #WorkingWellTogether, which seeks to create a working environment suitable for developing an inclusive culture that promotes well-being and engagement among the Group's employees. This program takes the form of various local interactive events (*e.g.* workshops, conferences, digital training modules) designed to fully engage employees and unite the Group under this initiative, as is the case with the inclusion and diversity weeks. In order to ensure its full promotion within the Group, SCOR has set up a communication plan that includes a brand (#WorkingWellTogether), a corporate identity and a local embodiment based on testimonials and ambassadors. To establish a shared and inclusive culture, the "Diversity and Inclusion" section of the intranet site has been completely revamped with more dynamic content for employees to learn about these issues more effectively.

The promotion of diversity, an integral part of the #WorkingWellTogether program from the outset, is a major focus area of this approach, and has taken shape through the deployment of initiatives that help spread a culture of openness. In addition to promoting diversity and gender equality, the other areas covered by this program directly concern diversity matters:

- promoting a multicultural environment ;
- leveraging generational diversity ;
- facilitating employment and integration of disabled employees;
- ensuring tolerance of employee's sexual orientations and gender identity.

Alongside diversity issues, well-being at work is #WorkingWellTogether's second pillar and more recently, engagement in favor of communities was added as the program's third pillar.

First #WorkingWellTogether pillar: diversity and inclusion

In this section, aspects related to the Group's policy to achieve a gender equality are set out, but also more widely aspects promoting cultural and intergenerational diversity and the integration of disabled individuals. These aspects are covered in the #WorkingWellTogether program.

SCOR's Diversity and Inclusion policy builds on the commitments undertaken in the past by the Group to achieve equal treatment between men and women. While this has been key principle of the Group, specific targets and commitments in this area were made in the Group's Europe region, and then adopted Group wide in 2016 *via* a global charter. In addition to the cultural development enacted through the #WorkingWellTogether program, the Diversity and Inclusion policy and charter are integrated more broadly into a comprehensive diversity and inclusion strategic plan that was submitted in 2020 to the Corporate Social and Societal Responsibility and Environmental Sustainability Committee of SCOR's Board of Directors. Under the objectives established in the corresponding appendix to the Internal Charter of the Board of Directors, this Committee aims to *"ensure that the executive corporate officers implement a policy of non-discrimination and diversity, notably with regard to the balanced representation of men and women on the governing bodies"* and it *"reports to Board of Directors"*.

This comprehensive diversity and inclusion strategic plan, will be adapted to local levels, intends to define a common framework to ensure the implementation of an increasingly inclusive organization through three pillars:

- "Connect": creating a working environment free from prejudice and discrimination, where every employee is accountable.
- "Educate": anchoring our diversity and inclusion culture by leveraging partnerships and building internal training pathways.
- "Act": implementing impactful actions throughout the employee's career cycle.

In particular, this framework includes the actions of the 2017-2020 roadmap on gender equality, which identifies 24 actions that contribute to the development of a balanced and more diverse talent pool, leading to a more balanced representation within management bodies and senior positions. This roadmap includes measures in the areas of recruitment, training and development, pay increases, appointments and promotions within the Partners program (see Section 6.2.1.1 – Aligning stakeholder interests and retaining talent through a merit based compensation policy of this non-financial performance statement), as well as coaching in view of leadership positions for high-potential employees identified during the Group's annual talent review (Leadership & Organizational Reviews).

Ensuring a balanced representation of men and women in governing bodies

SCOR is one of the companies that believes in the benefits of gender balance within its governing bodies. Numerous gender balance measures are already in place or are being implemented and are working towards increasing the number of women in governing bodies. The aforementioned three-year action plan lists measures to promote women's access to senior positions. Several levers have been identified, in particular:

1. Developing women's talents;
2. Strengthen the visibility of female talent;
3. Strengthen awareness of gender equality;
4. Strengthen the action of the internal network SIGN (SCOR International Gender Network) to communicate and raise awareness on diversity;
5. Encourage young graduates to join the reinsurance industry;
6. Achieve salary equity between men and women within the Group;
7. Act in favor of corporate social responsibility.

In addition to meeting the objectives set in the framework of the updated AFEP-MEDEF corporate governance code on January 29, 2020, recommending the implementation and publication of a specific gender diversity policy for governing bodies, SCOR aims to implement a particularly ambitious and proactive women's development policy, in order to effectively support and develop gender diversity and inclusion within these bodies.

In this context, the Board of Directors decided to set a target of 20% of women at the Group Executive Committee in 2021 (and 30% by the end of 2025), from 10% today. In order to build a strong pipeline of senior female talent, and in line with SCOR's policy implemented in the last few years aiming at ensuring an equitable balance in the number of men and women joining its Partnership program, the Board of Directors has also decided to set an additional target of 27% women amongst Global Partners (GP), Senior Global Partners (SGP) and Executive Global Partners (EG0) by the end of 2025, from 19% today. GP, SGP and EGP partners represented 10.7% of employees as of December 31, 2020.

The time horizon set by the Board of Directors correspond to a policy for gender diversity within the aforementioned bodies, which are both proactive and compatible with SCOR's three-year action plan.

At the end of 2020, 10% of the Group's Executive Committee are women, and women account for 19% of the expanded scope corresponding to GP to EGP Partners. They also represent 31% (1) of the Group's Partners. In comparison, at the end of 2016, there were no women on the Executive Committee, and they represented 18% and 27% of the expanded scope corresponding to GP to EGP Partners, respectively.

At the same time, measures are being taken to encourage women to become members of the Board of Directors within SCOR subsidiaries, as evidenced by the open exchange session hosted by the SIGN network in the presence of one of the female independent directors of the Board of Directors of SCOR SE.

Main measures taken in 2020

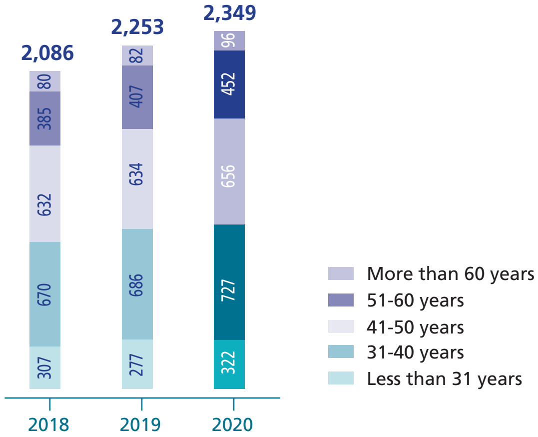
As part of its Diversity and Inclusion policy and the associated roadmap, SCOR has continued to deploy proactive measures, alongside an orchestrated internal communication approach under the #WorkingWellTogether brand:

- Recruitment: SCOR is committed to raising awareness among those involved in the recruitment process on diversity and inclusion, ensuring that the process is free from discriminatory behavior through recruitment-specific training promoting diversity and inclusion. In addition, SCOR strives to ensure that the selection process is as objective as possible, thanks to the use of a skills-based evaluation system. Specific checks are also carried out on candidate evaluations *via* the Group's recruitment platform to ensure that equal treatment is respected. Finally, SCOR is currently working on the creation of a Graduate Program aimed at promoting diversity and inclusion through the integration of new talent, particularly women, in key functions in the reinsurance sector.
- Mentoring: the mentoring of women is an integral area of the roadmap and included in the CSR action plan, which is subject to quarterly reporting to the Social Responsibility, Societal Responsibility and Sustainable Development Committee of the SCOR Board of Directors. Initially developed in 2017 as part of the SIGN network (see above), this program was integrated into the Group's human capital management processes and extended to men as well. The objective of this program is to help accelerate the career of participants by pairing them with a mentor from top management.
- Training: the content of leadership training programs leading to high-responsibility positions has been reviewed and optimized in 2020, notably thanks to the new online training platform "My Learning Platform". Particular attention is paid to ensuring balanced representation within the Group's three flagship programs, Global Leadership Program, SUL (Stepping Up to Leadership) and its regional ASPIRE program, launched for the Group's youngest talents. In 2020, 37% of the participants of these training programs were women. In addition, the Group continued its efforts to train and raise awareness of issues related to discrimination and harassment. These modules, designed for all Group employees, and tackling a broader scope of issues than simply gender diversity, help to create the conditions for an inclusive culture that respects differences.
- Evaluating, nominating and promoting: based on the observation that the percentage of women within the Partners program was a necessary condition to increasing the percentage of women in higher responsibility positions, the Group is careful to ensure a balanced representation of employees participating in the program. In early 2020, women represented 52% of the new nominations in this program, and 42% of the promotions. In the Partners program, SCOR strives to maintain a female promotion rate that is at least equal to the representation of women within the Partnership.
- Mobilizing employees and promoting role models: in addition to the support from the Group and its Management to continue SIGN network activities globally and locally, that now see more than 300 employees participate, SCOR also involves its teams, particularly through their contribution to promoting role models in positions and fields in which the female pool is traditionally underrepresented (science, technology, engineering and mathematics). In light of this, the Group showcased the career paths of women on its intranet, including personal career insights as part of the Women In Tech initiative in order to combat a number of stereotypes and promote potential careers within this type of industry.
- Performance benchmarking: the Group's commitment to continuously improve its policy is also reflected in its involvement in associations working towards the advancement of women in careers in the financial industry, such as Financi'Elles (France), the Women's Insurance Network (London), and Advance (Zurich). In addition to the networking opportunities provided by these networks, SCOR, through its involvement, is able to rate its performance in diversity and female representation in high-responsibility positions by comparing them to their industry counterparts. In this regard, pursuant to French law, SCOR's index of professional equality between men and women in France stood at 90/100, a level higher than local requirements: a great recognition of SCOR's policy on compensation, promotion, processes of returning from maternity leave, and gender equality among the ten highest compensated employees.
- Internal Network: The governance of SIGN (SCOR International Gender Network), a diverse and autonomous network of employees, was reviewed in 2020 in order to fully integrate the Group's CSR objectives and align joint efforts to promote inclusion. The scope of the network, renamed SIGN+ (SCOR Inclusive Global Network), has also been broadened to include all forms of diversity. Many initiatives have been proposed in 2020 by the network for this purpose, in the form of lectures and informal talks. For example, five interview sessions have been proposed (one with a member of the Board of Directors and two with a member of the Group's Executive Committee) to share their experience and other career advice while reaffirming their commitment to diversity and inclusion issues.

(1) *Excluding SCOR Channel [calculated on the basis of the Group's headcount at the end of the year].*

Promoting cultural and generational diversity

Breakdown by age [1]



(1) Due to local laws, the age of the employees working in the Americas Hub has not been taken into account in these figures.

With approximately 65 nationalities and the resulting cultural differences, the Group pays close attention to the conditions necessary for a collaborative work environment and the integration and development of employees, regardless of their origin or nationality.

The Diversity and Inclusion Month organized in June 2020, is an annual flagship event that takes place across the Group's offices. The event provides an opportunity, through a variety of activities (workshops, quizzes, videos, resources, training modules), to raise employee awareness and emphasize the Group's commitment to these issues. Given the social context, the initiatives were focused on mental health and support for the 2020 #BlackLivesMatter movement following the tragic events that affected the entire world. As an example, this support was reaffirmed through communications sent to all employees in the Americas, in tribute to George Floyd but also as part of "Juneteenth", an annual holiday celebrating the end of slavery in the United States. Sessions were held throughout the year, as evidenced by the initiatives launched in London around Black History Month, facilitating discussions and contributing to collective and individual awareness on the themes of cultural and ethnic diversity, the fight against racial prejudice and the promotion of an increased inclusive culture.

Regarding intergenerational diversity, the Group encourages the integration of new employees, and supports the older and younger employees in the company. SCOR's ambition is to encourage employees to work together more effectively and better share their knowledge globally, accelerate the integration of new hires, offer new development opportunities for older employees and improve the visibility of young employees.

In addition, the Group also implements non-discriminatory measures for older employees; they may take the form of collective agreements in some countries, such as in France which upholds its commitments on non-discrimination, equal treatment, recruitment, retention, and the management of the skills of senior citizens.

Personal coaching and support for older employees, along with pension schemes tailored to employees' personal situation, are also set up locally such as in Cologne.

Ensuring employment and integration of employees with disabilities

SCOR has stepped up its support for the employment of people with disabilities. It therefore focuses on internal and proactive communication regarding disability in order to change negative and subconscious attitudes, inform employees with disabilities about their rights and provide them with the tools and solutions to ensure their full integration.

Employees that report having disabilities account for 0.58% of SCOR's workforce, or 18 employees, and all work in the EMEA region, which accounts for 61% of SCOR's total workforce. Over the last five years, this percentage has remained stable.

Various initiatives were undertaken in 2020 to integrate people with disabilities and raise employee awareness, especially as part of European Disability Employment Week, when the Group ran initiatives to integrate people with disabilities during "DuoDay", conferences (Handicafé Digital), and internal and external communication campaigns. These measures aim to raise employee awareness of the different forms of disability and the recognition of the Worker with a Disability status.

In addition, SCOR continues its commitments with the Manifesto for the Inclusion of People with Disabilities in Economic Life. Signed in 2019, this Manifesto presents ten key actions for the hiring, the inclusion and development of people with disabilities. It aims to strengthen dialogue and the contacts between companies, associations, civil society and jobseekers with disabilities.

Second #WorkingWellTogether pillar: quality of life and well-being at work

The Group aims to retain talented employees by facilitating an improved work-life balance through the development of an innovative and flexible working environment and dedicated events raising awareness on health and well-being at work.

In 2020, this commitment took on a whole new meaning in light of the global health crisis, requiring the implementation of specific measures to protect the physical and mental health of each of our employees.

2020 achievements

- The Group responded to the global pandemic with specific measures in order to protect its employees' physical and mental health and ensure business continuity. Incident Management Teams (IMT) were created in each SCOR site reporting to one of the three regional IMTs, which in turn reported to the Global IMT crisis unit.
- From the start of the pandemic, and very often in anticipation of instructions from local authorities, general remote working measures were put in place for employees, prioritizing their health and that of their families, and to avoid to the spread of the virus.

- SCOR's Business Continuity Plan (BCP) provided the IT infrastructure and resources necessary for employees to continue the activities from home with as little disruption as possible.
- These measures have been subject to regular discussions among employee representatives of relevant countries and in accordance with agreed protocols (see also Section 6.2.14 – Fostering social dialogue for additional information). In addition, specific discussions on the flexibility and evolution of working solutions were launched in the third quarter of 2020.
- The Group has made every effort to minimize the possible negative consequences of this situation on the working conditions of its employees. The risks in terms of work-life balance, feelings of isolation and organizational difficulties associated with working remotely have been specifically taken into account.
- Due to its geographical footprint and local regulations, the Group complies with all International Labour Organization provisions. The topics related to the "Elimination of discrimination in respect of employment and occupation" and to the "Freedom of association and the effective recognition of the right to collective bargaining" are addressed in the paragraph on "Equal treatment between men and women and balanced representation in senior positions" and in Section 6.2.1.4 – Fostering social dialogue. Within the Group, the social climate can be considered good. In 2020, 33 meetings were held with the Group's employee representatives to discuss local health and safety conditions across various countries (6 meetings in France, 1 in Switzerland, 1 in Italy, 3 in Brazil, 11 in Colombia, 9 in Mexico, and 2 in Germany).
- Local specific events were organized to raise awareness on employees' well-being and health, such as training courses, well-being week, professional health awareness initiatives and information meetings. Examples include the launch of the Good Life mobile health application developed by SCOR Global Life's actuarial teams, the "Movember" initiatives focused on male diseases, the introduction of Sharing Groups (Paris) and mental health awareness initiatives. These are key opportunities for employees and the Group to discuss the importance of achieving a work-life balance.
- Medical and health services for employees have also been further developed in 2020 (medical appointments, examinations, sports activities, workstation assessment and ergonomic solutions, and specific solutions for stress management). A psychological assistance program was deployed at each Group site in order to support employees throughout the health crisis.

  In addition, "Pulse" surveys were regularly sent out to assess employee well-being. Between April and July 2020, they considered that the support offered by the Group to respond to the health crisis (remote work training, information and advice, technical support, psychological support, etc.) was very satisfactory (average of 81/100).
- In some countries, employees can gift their own paid vacation days to other employees facing a personal emergency (e.g if their child is sick). In Paris, a system has been set up to support employees helping a family member who is facing a loss of autonomy (disability, disease, old age, etc.). The initiative was presented at a dedicated conference.
- In 2020, the Group rolled out a new digital employee survey solution to assess the satisfaction, motivation and commitment of Group employees and define relevant action plans where necessary. The global employee survey implemented in 2020 confirmed that employees were proud to work for SCOR and felt a strong sense of belonging, all in a highly appreciated working environment. Global and tailor-made action plans are currently being developed to respond to employee feedback focusing on recognition, evaluation and compensation.

The Group's absenteeism rate (the number of days of absence in 2020 including sick leave and paternity, maternity, parental, sabbatical and exceptional leave divided by the total theoretical number of days worked in the year) decreased between 2019 [(1)] and 2020, from 4.10% to 3.16%. The share of sickness absence (number of days of absence in the year including sick leave, divided by the total theoretical number of days worked in the same year) followed the same trend year on year, decreasing from 1.92% to 1.43%.

Third #WorkingWellTogether pillar: community engagement

The commitment to supporting communities is #WorkingWellTogether's third pillar. Expanding on the CSR action plan led by the Group's Board of Directors through its specialized committee, this area seeks to facilitate the social, societal and environmental commitment of SCOR employees within communities. This approach is the result of a broad consultation that SCOR has launched with its employees on a number of CSR topics and how these topics could be better integrated into the organization. SCOR is carrying out sponsorship initiatives across the world that lead its entities and teams to get involved in community life.

As part of the "SCOR for Good" project in 2020, the Group has set up an online social engagement platform promoting and facilitating employees' involvement in solidarity initiatives, while taking into account local cultural and/or regulatory specificities.

This platform, run by a network of employee volunteers, enables the Group to offer volunteering activities (skills-based or field volunteering) and to organize fundraising and goods collections in all Group sites. For the launch of the platform, engagement initiatives were adapted to factor in Covid-19 and related local charity needs.

In 2020, numerous activities, collections, donations and other sporting events were organized to support or raise funds for research, education, the treatment of diseases such as cancer, the fight against poverty and insecurity, and other solidarity initiatives related to Covid-19.

For example, in the Americas, the teams give back to communities by supporting a number of charity events as volunteers under the "Give4Others" program. The SEAC (SCOR Employee Activities Committee), a SCOR employee association, joined forces with non-profits Concrete Safaris and Volunteers of America for the organization holiday experiences for underprivileged teenagers, community cooking initiatives, coat collections and a virtual night event in support of the homeless. The United Way fundraising campaign, launched in fall 2020 in the United States and Canada with an interoffice competition, was a real success, raising more than EUR 93,000 to support initiatives in education, health and the fight against insecurity.

(1) 2019 results do not include SCOR Channel.

In Latin America, community outreach is just as present. In Brazil, employees have given back to the community through donations to retirement homes (Amparo Thereza Christina) and the distribution of water to the homeless during lunch breaks. In Argentina, masks to protect against Covid-19 were delivered to the Gutierrez & Garrahan children's hospitals as part of the "A cake for a smile" program organized by the "El Atardecer" association, blankets were made for the homeless and meals were distributed for the "Conidarte" association. In Colombia, collections for clothing and school supplies were organized in support of the Esperanza Mariana Foundation for children with Down's syndrome, and funds were raised to help people affected by Covid-19 (donations of food, medicines, PPE for doctors, mechanical ventilation equipment, school supplies for students in rural areas, etc.), supporting more than 400 families.

In 2020, employees in the Asia-Pacific region worked with charities protecting the environment (raising awareness on the impact of waste on the environment and collection of plastics in tanks), fighting poverty (packing food for the most needy families and organizing clothing collections) and providing teaching assistance (helping migrant workers to improve their English).

In Europe, SCOR employees were also involved in community outreach initiatives at their respective sites. In France, for example, more than 150 SCOR employees took part in a sports challenge in 2020 and reached 15 million steps, using the Good Life mobile application to keep track, in support of cardiovascular disease research and prevention. In Switzerland and Germany, numerous initiatives have also been launched, such as fabric donations for refugees, a bicycle donation scheme for Africa, toy collections at Christmas, a Run4Kids fun run and language courses aimed at social and professional integration. In Spain, employees were also invited to take part in a virtual fun run to raise funds for "Menudos Corazones", an association that helps and supports families with children suffering from congenital heart diseases. Italy has also shown its support for an association aimed at supporting terminally ill cancer patients. In the United Kingdom, the R.A.I.S.E (Responsibilities, Awareness/Actions, Initiatives, Social/Staff Engagement) committee has been structured to give the employees of SCOR London, SCOR Channel and ReMark the opportunity to help address social, environmental, charitable and community issues impacting their daily lives. For example, staff members offered a £10,000 springboard grant to associations promoting social inclusion. In addition, the Coriali project, which was chosen in a vote, gives people with mental disabilities the chance to develop professionally through the arts, particularly dance. Another success for the R.A.I.S.E. committee was the winter charity program, which raised £11,300 to support four associations fighting against poverty and insecurity, as well as SCOR UK's partner association, the Tom Bowdidge Foundation, which supports child and teenage cancer patients.

In addition to these local initiatives, fun challenges were organized with this new platform as part of the Sustainable Development Weeks, in partnership with Green SCOR, to involve employees in concrete actions related to saving water and reducing plastic use. More than 150 employees took part.

In October 2020 and as part of the SCOR for Good project, the Group, with the strong support of the Board of Directors and the Executive Committee, began offering each employee the possibility of dedicating one day of their working time per year to an activity contributing to community engagement.

In 2020, 400 days of community engagement were recorded.

6.2.1.3. DEVELOPING SKILLS AND PREPARING FOR FUTURE NEEDS

Developing the expertise, knowledge and career paths of employees is a key condition to ensure employee motivation and well-being, and ultimately the Group's performance. In this regard, a whole range of tools have been implemented to support and assist employees in their professional development.

For this purpose, 100% of employees participated in at least one training course in 2020 (85% excluding mandatory e-learning training modules).

1 – Developing individual performance

The Annual Appraisal and Development Interview gives employees annual objectives and a concrete appraisal of their contribution over the past year. It provides them with the means by which to make the most of their skills. This interview is a key element in the human capital management policy in terms of individual career management, training and salary increases.

In addition, since 2019 and for 2020, employees and managers have been invited to set CSR (Corporate Social Responsibility) objectives. These objectives are optional (except for the Executive Committee members, for whom at least one CSR objective is mandatory) and confirm SCOR's commitment to CSR matters. They include civic engagement, well-being and diversity in the workplace, topics developed during the #WorkingWellTogether program, environmental protection, and the integration of social and environmental issues in our work. In addition, since 2020, employees and managers have also been invited to define technological and expertise objectives, in order to enhance the development of innovative and high value-added digital solutions for the Group, in line with the new "Quantum Leap" strategic plan.

2 – Considering career prospects

Beyond analyzing the employee's performance over the past year and setting new objectives, the annual appraisal facilitates the professional development of each employee. With their managers, employees examine the career prospects available within the Group, based on their personal aspirations and the needs of the Company. Together, they also identify any training that could help them to achieve new objectives. Leadership and Organizational Reviews also provide the possibility to implement individual action plans (training, professional development, etc.) for some Group employees.

3 – Identifying the Group's strategic needs and skills and supporting and assisting each employee

The Leadership and Organizational Reviews bring together the top management of each company department and the Human Resources Department. These reviews [(1)] are organized by activity in four steps: review of the organizational structure and the business challenges, individual skills and career prospects analysis, definition of action plans (training, professional development, compensation etc.), definition of succession plans.

From an operational point of view, these meetings enable the Group to meet key business needs: having the right talent in the right place, developing skills and preparing for future needs.

4 – Developing employees' skills

SCOR University supports the Group in its ambition to become an agile and global learning and development organization, driving SCOR's self-driven learning culture and fostering a sense of initiative :

- by developing SCOR's knowledge society through building learning communities, crafting training pathways and experiences, and enabling knowledge sharing;
- by providing employees with the necessary resources to put them at the center of their professional development.

SCOR University, supported by a global team of training and development specialists, has focused its development in 2020 on the following six themes, in line with the business needs of each of the Group's Business Units, emphasizing on two priorities in particular: Digital Transformation and IFRS 17.

2020 achievements

Promoting a self-driven, skills-based learning culture, 2020 was a year marked by developing and digitalizing SCOR's training programs. 2020 also saw a shift in employees' learning behavior, moving more and more to real-time learning with a preference for shorter learning formats.

- Development of the new "My Learning Platform", ensuring access to all learning programs, content and resources for all Group employees worldwide. This new multi-media platform simplifies access to training, offering blended learning solutions that combine a variety of learning formats, such as face-to-face, virtual and digital content. "My Learning Platform" is accessible to all SCOR employees in real time, and was also made available to external employees such as service providers and SCOR Channel employees in 2020.
- Digitalization of the training offering, with the deployment of LinkedIn Learning, a new digital learning solution providing unlimited access to 15,000 expert-led online courses and video tutorials covering technical subjects, business expertise and professional efficiency. In 2020, SCOR employees completed 1,800 LinkedIn Learning courses and 47,000 LinkedIn Learning videos.
- Roll out of Speexx, a virtual language learning solution available to all employees in five languages. In 2020, 320 licenses were activated.
- Support for the digital transformation: launch of a data science curriculum with an introductory module focusing on machine learning.
- Launch of a digital on-boarding learning path for SCOR new hires accessible *via* My Learning Platform and split into three modules (global, business, regional) to facilitate and accelerate the integration of new employees.
- For the first time in 2020, the DiSCORvery integration program was held virtually over four half-days, bringing together 180 new hires from the EMEA region, 100 from the Americas and 50 from the Asia-Pacific region.
- In compliance with the Group's values and business requirements, SCOR University proposes a set of solutions to reduce the risks taken by the employees in their daily operational activities: digital training on the prevention of cyber risk and phishing, as well as training modules on the SCOR Code of Conduct, business continuity management and unconscious bias were launched in 2020.
- Re-structuring of management programs: a new management program for new managers was designed at the end of 2020 to better support their development. This 12-week program has a strong focus on the transition from employee to manager, the development of a feedback culture, performance coaching, and the creation of a relationship of trust and authenticity in an ever-changing environment.
- Support for IFRS 17 and the implementation of the associated training strategy with the launch of two IFRS 17 e-learning modules.
- Insourcing of e-learning content production and upskilling of SCOR University to create an interactive e-learning content.

In 2020, on average, each employee received approximately 15 hours of training. Training represented a cost of EUR 843,500 in 2020 [(2)].

6.2.1.4. FOSTERING SOCIAL DIALOGUE

One of SCOR's ambitions is to establish a coherent and harmonized social dialogue aimed at sharing the Group's main principles with all employees.

As a European Company *(Societas Europaea)*, SCOR has set up a European committee covering all its European subsidiaries and branches including the one located in Switzerland, corresponding to around 60% of worldwide workforce. The SCOR Common European Companies Committee (CECC) is made up of employee representatives from all SCOR European subsidiaries, who meet to share information concerning the Group and maintain an on-going dialogue between employees and Management.

2020 achievements

- The Covid-19 crisis was managed through close social dialogue with employee representatives under the conditions applicable in the various countries. For example, several meetings took place between March and December 2020 with the Social and Economic Committee and at the European level with the CECC regarding the health crisis.

(1) SCOR Channel and ReMark employees are not covered by these reviews.
(2) Data includes global e-learning training. For technical reasons, the expense is calculated net of tax for France.

- The Company specifically informed and consulted the employee representatives as soon as necessary concerning the health crisis, and particularly on the matters of successive working and lockdown plans, the procedure for returning to the office and the procedure for handling potential or confirmed Covid-19 cases among SCOR employees. The Group also worked with the occupational doctor and the General Services Department to ensure the effectiveness and robustness of our health and safety measures.
- The CECC met six times in 2020: on February 12, May 11 and 20, June 5, July 8 and September 30.
- In addition to these meetings held at European level, social dialogue takes place at local level too. In 2020, 70 meetings (83 in 2019) were held with employee representatives worldwide (24 meetings in France [1], 16 meetings in Switzerland, 12 meetings in Germany, 12 meetings in the United Kingdom, and 6 meetings in Brazil).
- 17 collective agreements were signed within the Group in 2020 (5 for France, 8 in Germany and 4 in Brazil). These agreements are intended to improve the economic performance of SCOR and the working conditions of employees, in particular by linking them more closely to the Company's performance and improving employee benefits.

6.2.2. SOCIAL INDICATORS AND NOTE ON METHODOLOGY

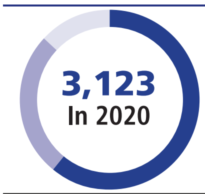
The items mentioned in the document below pertain to the entire Group (SCOR SE and all its subsidiaries consolidated through full integration) except ReMark (149 employees), ESSOR (84 employees), Telemed (45 employees), AgroBrasil (34 employees), Coriolis (7 employees), MRM (5 employees), Château Mondot SAS (21 employees) and Les Belles Perdrix de Troplong Mondot EURL (11 employees, fully consolidated entity).

These entities, all wholly owned subsidiaries of SCOR SE except MRM of which SCOR SE holds 59.9% of the capital, are all managed independently from the Group in terms of human resources (HR policies, processes, rules and frameworks, etc.).

6.2.2.1. SOCIAL INDICATORS

The social indicators published below include SCOR Channel for 2019 et 2020, unlike in previous years.

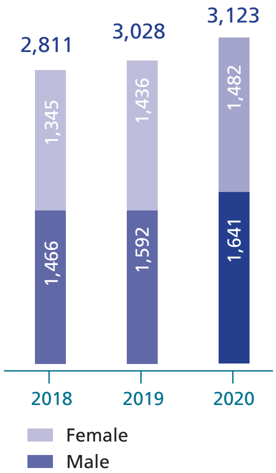
Breakdown by hub [1]



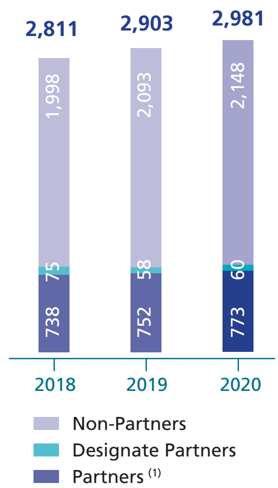
	2020	2019	2018
61% EMEA	1,912	1,848	1,694
25% Americas	774	775	725
14% Asia-Pacific	437	405	392
TOTAL	**3,123**	**3,028**	**2,811**

(1) Headcount is calculated on the basis of employees registered as at December 31. Each Hub covers a region and may have employees in several countries. For example, the EMEA Hub covers France, the United Kingdom, Spain, Italy, Belgium, the Netherlands, Russia, Ireland, Switzerland, Germany, Israel, Sweden, Kenya and South Africa. As temporary workers and external service providers are managed according to specific rules in each site, this data is not mentioned in the headcount. For a breakdown of countries by Hub, see Section 2.1.7.

Breakdown of employees by gender



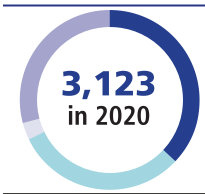
Breakdown of employees by status [2]



(1) Definition of Partner: see Section 6.2.1.1 – "Partners" program. The executive corporate officer is included in this group. This figure includes the decisions taken during the 2021 Partners promotions and nominations campaign which took place at the end of 2020.

(1) For France, this data includes the meetings of the Social and Economic Committee and the employee representatives.
(2) Excluding SCOR Channel as the "Partners" program is not implemented.

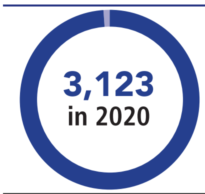
Breakdown of employees by business unit



	2020	2019	2018
37% SCOR Global P&C	1,152	1,141	981
31% SCOR Global Life	974	981	960
3% SCOR Global Investments	99	85	78
29% Group Functions and Support (1)	898	821	792
TOTAL	**3,123**	**3,028**	**2,811**

(1) The "Group Functions and Support" unit includes the departments reporting to the CFO, CRO and COO of the Group as well as the departments directly managed by the Chairman and Chief Executive Officer.

Breakdown of employees by type of contract



	2020	2019	2018
99% Permanent contracts	3,095	3,001	2,782
1% Fixed-term contracts	28	27	29
Total	**3,123**	**3,028**	**2,811**
Trainees (1)	203	164	143
TOTAL INCLUDING TRAINEES	**3,326**	**3,192**	**2,954**

(1) All trainees paid under a tripartite relationship between the company, the school and the student.
SCOR had 203 trainees as at December 31, 2020 (71 in France, 12 in Switzerland, 30 in Germany, 8 in the United States, 19 in the United Kingdom, 3 in Russia, 6 in Hong Kong, 4 in China, 10 in Singapore, 2 in South Korea, 1 in Taiwan, 32 in Ireland, 2 in Colombia, 2 in Brazil and 1 in Canada). The trainees' employment contracts differ depending on the country and training objectives. All trainee programs aim to introduce the students to the work environment, whether through work-study programs or vocational training courses for specific professions.

Breakdown of employees by type of working time (and by gender)

	2020			2019			2018		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Full-time employees	1,599	1,346	2,945	1,548	1,298	2,846	1,431	1,208	2,639
Part-time employees	42	136	178	44	138	182	35	137	172
TOTAL	**1,641**	**1,482**	**3,123**	**1,592**	**1,436**	**3,028**	**1,466**	**1,345**	**2,811**

New hires (by contract type and by gender)

	2020			2019			2018		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent contracts	176	145	321	210	183	393	127	128	255
Fixed-term contracts	9	12	21	15	8	23	12	7	19
Trainees	130	101	231	119	133	252	101	111	212

Methodology: the definitions of "fixed-term contract" and "trainee" may vary from one country to another. A "fixed-term contract" is a signed employment contract mentioning a termination date, a "trainee" is an employee paid by the company under a tripartite agreement between the company, the school and the student.

Departures

	2020			2019			2018		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Retirement	22	18	40	22	16	38	23	17	40
Resignation	85	71	156	127	110	237	107	87	194
Dismissal	16	18	34	22	19	41	12	11	23
End of fixed-term contract	6	6	12	8	5	13	3	4	7
Death	2	-	2	-	-	-	-	-	-
Company transfer	3	-	3	2	-	2	-	1	1
Trainees	98	89	187	104	120	224	100	105	205

Methodology: employees on fixed-term contracts are considered to have definitively left SCOR when their contracts expire. Therefore, the seven employees who signed a permanent contract in 2020 at the end of their fixed-term contract are not included in the indicator "End of fixed-term contract".

6.2.2.2. NOTE ON METHODOLOGY

The report covers the 12-month period from January 1, to December 31, of the year under review.

Headcount is calculated on the basis of employees registered at December 31, on fixed-term contracts (employment contract signed directly between SCOR and the individual with a defined end date) or permanent contracts (employment contract signed directly between SCOR and the individual for an unlimited period). Trainees are employees paid by the company under a tripartite agreement between the company, the school and the student.

Employees on fixed-term contracts are considered as definitively leaving SCOR when their contracts expire. Employees who signed a permanent contract in 2020 at the end of their fixed-term contract are not included in the fixed term contract endings.

For employees who signed several similar employment contracts during the year, only the initial hiring and the final departure are considered.

2020 Group staff turnover is calculated as follows: number of departures in 2020 (excluding dismissals, deaths, company transfers and trainees)/headcount as at December 31, 2019.

Average fixed compensation is calculated on the basis of the annual reference compensation paid to employees, prorated to actual hours worked. The average bonus includes the profit-sharing scheme for France and takes into account bonuses equal to zero for unsatisfactory performance. Average shares allocated takes into account persons who have not been allocated shares.

Theoretical working time is the annual period of time (calculated in days) that an employee spends at work. This definition is based on the legal (or conventional) approach and does not take into account absences for sick leave, maternity leave, sabbatical leave, etc.

The length of absence includes sick leave, injury leave, maternity/paternity leave, sabbatical leave and exceptional leave.

Number of training hours is the total number of hours of training received by all the employees during the year. These training hours are directly managed by SCOR or by an external training organization appointed by SCOR. For collective training, the number of hours of training is multiplied by the number of participants.

An employee is considered to have a disability when the disability is recognized as such by the relevant body. The disability may be physical or mental or a combination of both. A disability may be present from birth or develop during a person's lifetime.

Daily checks are performed by the local HR managers and the Group HR Department to ensure the reliability of the information in the Group database. An additional detailed check of the data is performed annually (in December) by the Group HR Department and the local HR managers.

The collective agreements are concluded for a positive impact, in particular for the working conditions of employees and for the economic performance of the company.

Limitations of data collection and reliability

Definitions of social indicators may differ slightly from one country to another. Nevertheless, the SCOR indicators used in the tables below are consistent and meaningful at Group level. Unless otherwise indicated, no estimates are made in calculating these indicators.

6.3. BUSINESS CONDUCT AND COMPLIANCE

As a trusted partner SCOR places a strong focus on business ethics and compliance matters. In addition to the specific measures detailed in the various sections of this non-financial performance statement, the Group focuses on compliance with economic sanctions programs, anti-corruption, anti-money laundering and anti-terrorism regulations, data privacy and protection, as well as regulatory tax requirements, including those relating to tax evasion.

As stated in its Code of Conduct – and further detailed in its various compliance related policies – the Group emphasizes the importance of complying with all applicable laws and regulations. The Code of Conduct emphasizes integrity, ethics, compliance, professionalism and responsibility in all aspects of business conduct.

The programs implemented in these areas and the associated performance indicators (training) are described in the following sections.

6.3.1. CODE OF CONDUCT AND COMPLIANCE POLICY

The Group Code of Conduct establishes the key areas of compliance with legal and ethical obligations and the best practices in these areas. The Code addresses important compliance and business ethics issues, such as the rules applicable to business confidentiality, inside information and the acceptance of gifts and invitations. Additionally, it underlines the importance of knowing stakeholders ("Know Your Customer – KYC") to comply with anti-money laundering regulations and economic sanction programs.

The Code of Conduct is incorporated into the Group's human capital management cycles, for instance as part of the annual Appraisal and Development Interview, described in Section 6.2.1.3 of this statement, as well as through training provided to new employees and periodically to existing employees.

Failure to comply with the principles of SCOR's Code of Conduct may result in disciplinary action, which could lead to criminal or regulatory proceedings in compliance with the applicable laws. In addition, as per the Group Compensation Policy and as outlined in Section 6.1.3.5 of this statement, breaches of the Code of Conduct could prevent performance shares and stock options from vesting.

The Group Compliance Policy, inseparable from the Group Code of Conduct, defines several principles to support the compliance framework. One of the major principles is the respect of a risk-based approach to compliance in accordance with the SCOR Group Policy on Risk Management. This approach consists of identifying compliance risks existing in SCOR's business activities, prioritizing dedicated efforts and resources to manage those risks, taking into account both their severity and probability, and establishing ongoing procedures aimed at preventing, detecting and remedying these risks.

The Group Compliance Policy also defines the roles and responsibilities of key stakeholders, in particular the compliance teams. The compliance teams carry-out a risk assessment annually (developed in conjunction with Group Risk Management Department), and the results of that risk assessment are used to guide the annual Group Compliance Plan. This plan is approved by the Executive Committee of SCOR SE annually and is also submitted to the Audit Committee of the Board of Directors of SCOR SE.

The Group Compliance Policy, together with other compliance-related policies and guidelines, establishes minimum standards applicable throughout the Group. These standards are published in a central repository available to all employees and include, *inter alia,* the following policies and guidelines:

- Group data protection policy and its related guidelines on data breach response;
- Group policy on anti-bribery and its appendix on corruption risk mapping;
- Group guidelines on sanctions and embargoes and its related guidelines on sanctions screening;
- Group guidelines on anti-money laundering, combating the financing of terrorism and Know-Your-Customer;
- Group guidelines on the management of inside information and trading in SCOR's securities;
- Group policy on conflict of interest;
- Group fit & proper policy;
- Group policy on outsourcing;
- Group anti-trust policy.

All employees are responsible for ensuring compliance with applicable laws, regulations and policies in their daily duties as well as for escalating any actual or suspected compliance breach, in line with the Group's guidelines on reporting concerns, which up until early 2019 provided two channels to securely raise concerns. In order to make it easier for SCOR employees and third parties to raise any relevant concerns, SCOR added in 2019 a third channel of communication, for raising alerts through the internet.

Through this new channel, the Group's internal and external stakeholders can raise an alert by simply clicking on a link on the SCOR Intranet portal or on the Group's website. This enables secure and confidential reporting of concerns at any time and from any location with Internet access. The reporting channel allows users to include attachments to the report and also allows for anonymous reporting. All reports filed through this process are confidentially routed to the appropriate Hub General Counsel and Hub Compliance Officer and to the Group Chief Compliance Officer, so that they are fully reviewed and investigated.

In order to ensure proper dissemination of the compliance requirements among SCOR employees, and to keep them informed about the latest development on those issues, training sessions for the underwriting, claims handling and accounting departments are regularly held across Hubs. In addition to e-learning modules such as the one mentioned above, 2020 compliance training activities included 12 training sessions in the Asia-Pacific region, 10 training sessions in the Americas, 20 training sessions in the EMEA region and one training done *via* the release of a video recording.

6.3.2. DATA PRIVACY AND PROTECTION

The United Nations Global Compact, of which SCOR is a member, invites the Group to promote and respect the protection of international human rights law and to ensure that it is not a party to any human rights violations.

In light of technological developments, the protection of personal data is a crucial component of the respect for fundamental rights, as illustrated in Article 8 of the EU Charter of Fundamental Rights.

As well as the processing of personal data relating to its employees, SCOR's activities may involve the processing of other personal data, which requires it to comply with personal data protection and privacy regulations. The Code of Conduct defines the most important principles related to the respect of personal data and privacy that are mandatory for all employees.

In addition, the General Data Protection Regulation (GDPR) (EU 2016/679) has been in force since May 25, 2018 and constitutes the overarching regulation on data protection in Europe with the objective of making companies accountable for their processing of personal data. While the GDPR is general in nature and does not specifically relate to reinsurance, it nonetheless has a significant impact on SCOR's data processing activities.

In 2018, the Group completed a project designed to ensure compliance with the GDPR's requirements, which led to the implementation of several organizational and technical measures.

In accordance with the regulation, the Group appointed a Data Protection Officer who is in charge of building and maintaining a comprehensive data protection framework. The Data Protection Officer works primarily with local compliance teams, legal counsels and IT security teams worldwide.

As part of the global training program for employees, data protection and the GDPR have been included in the training sessions conducted by the legal and compliance teams worldwide. During these sessions, employees are trained on data protection obligations, the GDPR and any local obligations that may be applicable to participants. The training sessions are hands on and include case studies to help participants identify the issues that may arise in the course of their work and the best practices to resolve them.

SCOR adheres to several guidelines and policies that relate to or impact some aspects of data privacy and/or protection:

- the Group Data Protection Guidelines, which establish a common minimum standard to be applied by SCOR for processing personal data;
- the Group Data Breach Response Guidelines, which establish a response process to help staff identify and escalate a potential data breach, to ensure an appropriate and timely Company response;
- the Group Information Security Policy, which establishes SCOR's commitment to IT security and defines IT security governance.

These documents are owned by the Group Data Protection Officer, Group Chief Compliance Officer and Group Chief Information Officer, respectively.

6.3.3. ETHICS AND ARTIFICIAL INTELLIGENCE

SCOR's Code of conduct serves as a reference to enable employees to understand their legal and ethical obligations toward SCOR's different stakeholders. This reference is also used for artificial intelligence as SCOR is committed to formally integrating these principles into its operations, based on the "ethical guidelines for trustworthy AI" published in April 2019, by the European Commission High-Level Expert Group on Artificial Intelligence.

6.3.4. ANTI-CORRUPTION

As mentioned in the Code of Conduct, SCOR has a zero-tolerance approach to corruption, including active and passive bribery and influence peddling. The Group Policy on Anti-Bribery clearly defines corrupt practices and provides guidance for employees in recognizing and preventing corrupt practices.

In accordance with the French Sapin II law [(1)], the Group conducts a thorough risk assessment annually to identify the countries, sectors and activities that, within the context of SCOR's business, expose the Group to a particular risk of corruption, as well as indications of corruption that may be present in any country, sector or activity.

This corruption risk assessment also identified the employees that are most exposed to corruption or fraudulent activity as part of their duties or activities within the Group. As well as reminders sent to all Group employees concerning the need for constant vigilance with respect to compliance with anti-corruption regulations, employees most exposed to this risk receive periodic anti-corruption training.

In addition to training and reminders, SCOR has implemented pop-up reminders in the technical accounting systems that indicate the "red-flags" of possible corrupt activity whenever a transaction is processed relating to a country identified as at-risk in the aforementioned risk assessment.

(1) Law on transparency, the fight against corruption and the modernization of economic life.

6.3.5. SANCTIONS AND EMBARGOES

It is SCOR's policy to comply with all applicable laws and regulations regarding financial and trade sanctions. In that respect, the Group's compliance teams have developed and implemented a comprehensive framework to ensure the Group's compliance with all applicable laws and regulations in this area. This framework includes:

- a risk-based analysis, differentiated between the Life, P&C and investments business units. This analysis is updated regularly and guides employees as to (1) when the legal team must be consulted, (2) sectors subject to sanctions, such as military and nuclear goods, and (3) when screening is required;
- a risk-based Know-Your-Customer process for the evaluation of new business partners;
- a risk-based sanctions screening protocol;
- a clear definition of roles and responsibilities and a dedicated process for escalation, blocking and remediation if the screening procedure results in an alert.

The Group continues to work on a project to automate many of the screening processes in order to enhance them. SCOR already screens its main technical accounting system on a weekly basis and other databases on a monthly or quarterly basis depending on the nature of the database and the frequency of its updates.

In addition to the above, sanctions and embargoes, are mandatory topics in the legal and compliance training conducted every year. These in-person training sessions are supplemented by a periodic training *via* an e-learning module for employees who may be exposed to economic sanction and embargo issues in the course and scope of their work.

6.3.6. ANTI-MONEY LAUNDERING, FINANCING OF TERRORISM AND KYC

As a reinsurer, SCOR does not typically have any contractual relationship with the underlying insureds of its cedents, and most global anti-money laundering and counter-terrorism financing laws and regulations do not apply to reinsurance. However, as an international financial group, SCOR still has a proportionate process to assess and analyze the Group's exposure to money laundering and terrorism financing risks.

SCOR has put in place a risk-based approach, set out in the Group's Guidelines on Anti-Money Laundering, Combating the Financing of Terrorism and Know-Your-Customer. The procedures include the identification of business risk indicators by the compliance teams, which are subsequently applied in business risk assessments by each Hub.

6.3.7. INSIDER TRADING

Transparency, accountability and credibility in the eyes of our investors are key values for SCOR as a listed company. In this respect, the Group Guidelines on Managing Inside Information clearly prohibit trading in SCOR's securities while in possession of information which, if made public, would be likely to have a significant influence on the share price.

In addition, employees are prohibited from directly or indirectly carrying out any transactions in SCOR's securities during certain sensitive periods that the Group identifies and notifies affected persons about or during any period preceding a significant event affecting SCOR and likely to influence the share price ("blackout periods"). SCOR emphasizes to employees the need to observe the rules on insider trading through regular awareness campaigns and reminders in Group communications concerning blackout periods.

6.3.8. TAX

In the course of its activities, the Group does not engage in any artificial structure that lacks corporate purpose or economic substance. The use of tax havens to avoid paying taxes due for business activities that take place elsewhere is not a practice adopted by the Group. The Group ensures that the pricing of SCOR's intragroup transactions complies with the OECD Transfer Pricing Guidelines and local regulations. Accordingly, SCOR pays its income taxes in the country where the business activities are performed.

Compliance with tax regulations is an integral part of SCOR's operating principles. It is Group policy to comply with the applicable tax laws wherever it operates. The Group Tax Department ensures that the various Group entities comply with the applicable tax laws and regulations wherever they operate. All key entities have a designated tax manager who ensures that they comply with their tax obligations. Tax compliance is managed by the business process owners in accordance with the principles governing the Group's internal control system framework.

In line with the Group Code of Conduct, the business process owners concerned shall not engage in tax planning or tax schemes that do not reflect economic reality. Internal control processes ensure that a tax analysis is conducted and documented before entering into a transaction. The quarterly tax reporting process provides the Group with a complete analysis of the tax expense for the period as well as the tax account balance in the balance sheet of each Group entity.

Transfer pricing processes ensure a complete review and documentation of the most significant intragroup transactions each year (for which the principal Group entities are required to submit a compulsory transfer pricing report – the "local transfer pricing file" – with their local tax administration every year).

Lastly, other reporting obligations provide further transparency on the Group's operations. Country by Country Reporting provides an overall map of the profit, activities and taxes paid by the Group worldwide. Furthermore, the "DAC6" Directive makes the disclosure of potentially aggressive tax schemes compulsory, beginning with transactions which occurred after June 2018.

6.4. CONSIDERATIONS OF ENVIRONMENTAL AND SOCIAL ISSUES IN THE GROUP’S BUSINESS ACTIVITIES

As a result of its diversified and global business model, SCOR (re)insures and invests in the global economy, including industries with multiple ESG profiles and diverse stakeholders, and industries operating in countries that have cultural and normative environments of varying degrees of maturity in social and environmental fields. As such, the Group's reputation may be influenced by the perception of external stakeholders who expect companies to consider society’s challenges, including the development of products and services to address such issues.

In this context, the Group continues to develop several initiatives in the field of ESG risk management, as well as opportunities arising from social and environmental issues. These initiatives focus on:

- institutional commitment, support for scientific research and cooperation with several of the Group's stakeholders, particularly with regard to the modeling of natural events and a framework for the development of sustainable finance;
- the development of guidelines to provide a framework for the Group's activities in business sectors where ESG stakes are high, particularly in carbon-intensive industries such as those involving the mining and use of thermal coal. In addition to these guidelines, the Group is developing tools to monitor the ESG quality of its investment and underwriting activities in the field of specialty insurance;
- the design of insurance, reinsurance and investment products that address the issues identified as most relevant to the Group’s activities, such as issues relating to climate change mitigation and adaptation, health and, to ensure inclusion, access to insurance.

These initiatives are described separately for investment activities (Section 6.4.1) and for insurance and reinsurance activities (Section 6.4.2). They are supported by companion programs such as #WorkingWellTogether (diversity, well-being and engagement), support for a knowledge society (SCOR Foundation for Science, dissemination of risk knowledge, etc.), as described in the previous sections of this statement, and GreenSCOR (Section 6.4.3), which concerns the Group's internal environmental performance.

6.4.1. INVESTMENT ACTIVITIES [(1)]

As part of its Quantum Leap strategic plan, SCOR has further committed to ESG criteria integration by updating its sustainable investment policy in September 2020 alongside new commitments in relation to climate issues. In May 2020, the Group joined the Net-Zero Asset Owner Alliance to implement its decarbonation strategy.

Based on structured governance, as introduced in Section 6.1.3.2 of this statement, the Group's sustainable investment policy is built on five pillars:

- building a resilient investment portfolio with an integrated risk management approach;
- facilitating sustainable investment decisions through negative and positive screening;
- fostering sustainable behavior through engagement;
- financing a sustainable world through themed and/or impact investments;
- supporting climate awareness through public debate and collective initiatives.

The governance of the responsible investment policy and its pillars are described below.

6.4.1.1. PHILOSOPHY AND GOVERNANCE OF THE INVESTMENT POLICY

As emphasized in its sustainable investment report [(2)], SCOR’s investment philosophy is driven by capital allocation in a regulated Solvency II environment, underpinned by the Group’s internal model. The investment activity is developed to optimize the recurring financial contribution to the Group’s profitability, while protecting the value of assets and creating long-term sustainable value. Accordingly, SCOR is prudent in the management of its investment portfolio, focusing on fairly liquid, high-quality fixed-income assets in order to ensure Group solvency in the event of major losses impacting its liabilities. Asset and liability management is a critical factor when selecting assets backing SCOR’s technical liabilities. The Group focuses on asset allocation and asset concentration and applies a strict congruency principle.

The management of investment risks is holistic and covers various factors through a comprehensive approach. Over the past few years, SCOR has developed a transversal corporate culture of risk management by applying an ERM (Enterprise Risk Management) approach to all its activities. Environmental, social and governance risks fall naturally into this approach and are subject to robust governance at the various levels of the Group:

- SCOR's Board of Directors, assisted by its Corporate Social and Societal Responsibility and Environmental Sustainability Committee, is regularly informed of initiatives undertaken in the context of the action plan relating to the ESG strategy for investments, as well as regulatory changes and stakeholder demands. SCOR's Group Investment Risk and Sustainability (GIRS) Department reports directly to the Committee on actions taken to apply ESG factors in its investment decisions and on how the Group’s asset management takes climate change risks into account. The Risk Committee assists the Board of Directors in approving risk appetite and risk tolerance limits;

(1) This section describes the Group's sustainable investment initiatives, in accordance with the disclosure requirements set forth in the decree implementing Article 173 VI of French Law No. 2015-992 of August 17, 2015 for the Energy Transition for Green Growth.
(2) 2019 Sustainable investment report “Focus on climate risk – Resilient together”, available on the Group’s website.

- the Group's Executive Committee, through its specialized committees (notably the Group CSR Committee) approves the ESG strategy for investments, and the Group Investment Committee approves normative and thematic exclusions, as well as major portfolio reallocations related to risk management, particularly for climate risks. During the meetings of the Group Investment Committee, SCOR Global Investments reports on the portfolio's exposure in relation to the risk limits laid down in the strategic plan and operating plans, including those relating to ESG criteria;
- on an operational management level, the internal CSR Committee coordinates the Group's actions in terms of social and societal responsibility and sustainable development, in order to foster a cross-functional approach to CSR, harmonize the initiatives taken by the Group, and ensure that the various action plans prepared by each business unit are consistent. In addition, the Mandate Investment Committee, which brings together the Group Investment Risk and Sustainability (GIRS) Department and representatives from the SCOR Investment Partners teams, SCOR's principal asset manager, regularly analyzes portfolio positions at a more operational and granular level. This committee discusses strategic choices in light of the Group's sustainable investing strategy. In addition to its role of monitoring the compliance of all investment decisions with the various risk limits set by the Group (*e.g.* risk appetite and tolerance), the GIRS is also responsible for developing the ESG strategy for investments, which is submitted to the Group Executive Committee. In addition, the GIRS Department's risk management team factors in ESG ratings, exclusion lists and operational implementation of the CSR action plan when monitoring the portfolio.

More detailed information on the investment policy governance in general, and the Group's sustainable investment policy in particular, can be found in the aforementioned Sustainable Investment report.

Given its strong concerns about environmental factors, SCOR also encourages its investment managers to overweight issuers with good ESG ratings and decisive strategies, in order to align with the Paris Agreement. SCOR closely monitors the implementation of all its preferences and regularly reviews its positions.

6.4.1.2. BUILDING A RESILIENT PORTFOLIO FROM AN INTEGRATED RISK MANAGEMENT PERSPECTIVE

The understanding, modeling and management of climate risks are at the heart of SCOR's business. In its sustainable investment approach, SCOR pays particular attention to climate risks and supports initiatives to better assess climate change risks. The Group pursues a dynamic and progressive approach from a dual perspective, systematically adopting best practices, advances in terms of the knowledge of physical risks, regulatory transition risks and reputational risks, and testing new analytical methodologies. In addition to purely environmental aspects, ESG scores and controversial issues are also analyzed to detect potentially risky positions at an early stage.

Climate change risks

The Group naturally draws on its expertise in understanding climate change risks to better grasp their impact on its investment portfolio, while at the same time exploring various methods of assessing the impact of its portfolio's performance on the environment:

- firstly, the identification and assessment of climate change risks that could affect the value of the assets held in the portfolio is subject to various analyses, some of which are still in an experimental stage. SCOR therefore analyzes the "acute" physical risks that could affect its portfolio of real estate debt, infrastructure debt and direct real estate, and assesses transition risk through a mapping of the sectors most exposed to transition risk [(1)]. Carried out in 2018, this initial study [(2)] was extended with a new analysis in 2019, with the constant aim of better understanding the risks that could affect the investment portfolio. SCOR used the scenarios provided by the 2° Investing Initiative (2°ii) report [(3)] to measure the exposure of its assets to transition risk in 2025 and to physical risk in 2060. This analysis has been supplemented in 2020 with stress tests on transition risks following the specifications provided by the French insurance and reinsurance regulator (*Autorité de contrôle prudentiel et de résolution* – ACPR). While this type of analysis is useful for a more detailed understanding of the potential risk factors, and for raising awareness of the Group's governance bodies, uncertainties surrounding the robustness of the results make it impossible at this stage to establish an investment strategy based on this type of analysis. Additional information on the results of this work is provided in the Group's climate report, to be published at a later date;
- secondly, the impact assessment of SCOR's investment portfolio on the climate is based on two main metrics: its carbon footprint and the alignment of the asset portfolio with the Paris agreement. However, the methodologies used by the service providers conducting these calculations are not yet standardized, which limits the significance of the results. Furthermore, the carbon footprint is backward-looking, only providing an indication at a given point in time, and little information is given on the approach or commitment of issuers with regard to climate risk, or on how SCOR can efficiently manage its assets with regard to risks related to greenhouse gas emissions. The ratio of total CO_2 emissions to the amount of investments made by SCOR (metric tons of CO_2 equivalent per EUR million invested) reflects the impact of SCOR's portfolio on the environment and depends directly on the investment strategy pursued. The carbon intensity per EUR million invested was 280 metric tons at the end of 2020, down by 9% compared to the end of 2019. The calculation covers 84% of the Group's portfolio at the end of 2020. SCOR also analyzes the alignment of its investment portfolio with the Paris agreement.

Integration of ESG criteria

The integration of ESG criteria is measured primarily by assessing the quality of the asset portfolio. Given the extremely high level of diversification of its investments, the Group works with non-financial ratings agency ISS-ESG to assess its portfolio's standard instruments (government bonds, corporate bonds and listed equities). For debt instruments (infrastructure and real estate debt), SCOR relies on the expertise of its subsidiary SCOR Investment Partners, a recognized leader in the debt instrument management industry.

(1) *On the basis of work of Moody's Investor Service, SCOR has identified the sectors most exposed to transition risk according to different investment horizons and quantified the risk according to the maturity of the securities held.*
(2) *The detailed results of this analysis were published in the 2019 ESG Report on Investments "Focus on climate risk – Resilient together" which is available on the Group's website.*
(3) *"Storm Ahead" report, published in first-half 2019.*

Using data provided by ISS-ESG, SCOR is able to rate 77% of its asset portfolio based on non-financial criteria. A line-by-line analysis is regularly performed ex post. Issuers with the lowest ratings may be placed under review. In addition to applying the ex ante screening mentioned in the following section, SCOR may make portfolio adjustments following these analyses, as was the case in 2019.

6.4.1.3. ENHANCING SUSTAINABLE INVESTMENT DECISIONS THROUGH NEGATIVE AND POSITIVE SCREENING

As a responsible investor, SCOR applies ESG screening to its investment universe. This may be negative screening as a mitigation action against potential risks (negative financial or non-financial impact), or to avoid the negative impact of investments. It may be also positive screening to support its sustainable investment strategy.

Negative screening: exclusions

Certain activities may not be aligned with SCOR sustainable investing policy, raise sensitive issues or entail a reputational risk for the Group. As such, the Group excludes certain activities or issuers from its investment universe. These exclusions apply to all asset classes falling within the definition of invested assets. The list of exclusions is communicated to all investment managers with immediate effect. New investments are prohibited, and the remaining positions are actively managed in order to accelerate their liquidation.

The Group applies exclusions to:

- companies involved in the production of cluster munitions, and countries that do not adhere to anti-money laundering and counter-terrorism financing rules, as defined by the Financial Action Task Force (FATF) on money laundering;
- a number of carbon-intensive sectors, in line with its commitment to make its asset portfolio carbon neutral by 2050, while favoring a balanced approach between CO_2 reduction and economic development. In this respect, the Group excludes issuers for which thermal coal (mining and power generation) accounts for more than 10% of their turnover or more than 10% of the electricity generated, as well as coal plant developers on the Urgewald list. These exclusions also apply to companies involved in oil sands and oil development in the Arctic region, above a threshold expressed as a percentage of oil reserves that is set at 30%. Upstream oil & gas companies are also excluded from the investment universe, except for those taking commitments to materially reduce the carbon footprint of their activities;
- the tobacco industry, since the Group's signature of the Tobacco-Free Finance Pledge in May 2018.

6.4.1.4. FOSTERING SUSTAINABLE BEHAVIOR THROUGH ENGAGEMENT

Drawing on the voting recommendations of a proxy, SCOR exercises the voting rights on the shares held directly in its portfolio in accordance with the commitments undertaken under its action plan for investments. In 2020, as a result of the Covid-19 pandemic and its operational impact, SCOR could not exercise its voting rights for 9 issuers out of the 12 directly held in its portfolio. For those 9 issuers, all the proxy voting recommendations of the proxy were followed.

In addition, as part of its sustainable investment policy, the Group has defined the priority themes of its voting policy. They concern: (i) the independence of the Board of Directors, (ii) its diversity, (iii) compensation, (iv) lobbying transparency, and (v) the Company's general behavior in terms of sustainable development.

Through the Net-Zero Asset Owner Alliance, targets will be set in early 2021 on engagement to better support the transition to carbon neutrality by 2050.

6.4.1.5. FINANCING A SUSTAINABLE WORLD THROUGH THEMATIC AND/ OR IMPACT INVESTMENTS

As highlighted in the previous sections, SCOR, through its reinsurance activities, pays particular attention to climate change issues. As such, the Group is investing in the transition to a resilient low-carbon economy.

With this in mind, the Group takes a proactive approach to the environmental certification of its real estate investment portfolio. In addition to office buildings acquired for SCOR's own use (see below), the real estate portfolio contains assets purchased solely for investment purposes, most of which are undergoing renovation works with the aim of obtaining environmental or energy efficiency certification. In addition to its tertiary real estate business, the Group invests in real estate debt funds and infrastructure debt funds, most of which aim to provide funding for the transition to a low-carbon economy and energy efficient buildings. These assets, together with investments in green bonds, represented 7.3% of invested assets at the end of 2020, a percentage significantly higher than the recommendation of Christiana Figueres, one of the main contributors to COP 21, to devote at least 1% of investments to green finance.

In addition, the Group also participates in climate change resilience strategies through its asset management subsidiary, by developing, distributing and investing in financial products to cover natural disasters (cat bonds and insurance-linked securities).

Aside from climate change, SCOR actively participates in the expansion of the knowledge society by investing in high-quality, medium-sized companies working in the production and publication of certified knowledge. In a world abundant with information, this approach targets a modern-day risk: cognitive risk. SCOR defines this risk as the risk of biased judgment or misunderstanding, which is often the result of low-quality information or insufficient access to knowledge. This policy of "cognitive protection" has been demonstrated by the creation of Humensis, the result of the merger between PUF and Editions Belin and is in line with the many initiatives undertaken by the Group to develop the knowledge society (*e.g.* SCOR Corporate Foundation for Science).

6.4.1.6. SUPPORTING CLIMATE AWARENESS BY PARTICIPATING IN PUBLIC DEBATE AND COLLECTIVE INITIATIVES

The Group's institutional commitment to consider the impact of climate change naturally leads it to participate in collective initiatives, by involving its experts in the work undertaken by a number of institutions.

In the field of investments, the Group participates in several forums:

- the European Commission's Technical Expert Group on Sustainable Finance, in which SCOR's experts have participated. They have been involved in the revision of the non-binding guidelines on non-financial reporting and have contributed to the reflection on a taxonomy for sustainable activities;
- the Climate and Sustainable Finance Commission of the financial markets authority (*Autorité des marchés financiers* – AMF), which supports its regulatory and supervisory work on sustainable finance.

In addition to its adherence to the Principles for Responsible Investment, the Group is involved in numerous professional associations that are leading discussions on climate issues and investments, such as the French Insurance Federation, the French Association of Institutional Investors. As an asset owner, the Group participated in around fifteen public conferences and roundtables on sustainability and climate change in 2020.

6.4.2. INSURANCE AND REINSURANCE ACTIVITIES

Aware of the social and environmental added value of its Life and Non-Life reinsurance activities, of society's expectations in terms of protection, and of its ability to contribute to a more resilient society, SCOR has identified several social and environmental issues that reinsurance can address at its own level. Issues relating to climate change mitigation and adaptation, health and, to ensure inclusion, access to insurance, have therefore been integrated into the Group's development plan.

6.4.2.1. CONTRIBUTING TO THE UNDERSTANDING OF CLIMATE RISKS

Climate risk management research, notably in terms of climate risk modeling techniques and climate risk transfer mechanisms, contributes to a better understanding of climate change challenges and adaptation to them. In this respect, SCOR provides institutional and financial support to targeted institutions in the aforementioned areas, while enhancing its own tools and expertise.

This institutional commitment to climate change adaptation is backed at the highest level of the Group. SCOR's Chairman and Chief Executive Officer has co-chaired the Geneva Association's Extreme Events and Climate Risks working group since May 2015 and also is a member of the Steering Committee of the Insurance Development Forum, an institution that brings the United Nations, the World Bank and several other international bodies together with the reinsurance industry. SCOR is also a member of the InsuResilience Global Partnership for Climate and Disaster Risk Finance and Insurance Solutions, an initiative more specifically designed to provide insurance solutions to the most economically vulnerable populations.

Furthermore, SCOR is one of the earliest supporters of OASIS, a not for profit company funded by private stakeholders developing an open source risk modeling platform designed to provide a better understanding of the impact of climate change on extreme events. The Group has also partnered with Climate-KIC, one of the largest public-private partnerships founded to combat climate change. The Group has also joined the European Insurance and Occupational Pensions Authority's working group to discuss how the trends observed can be integrated into current natural disaster modeling techniques.

In addition, the natural catastrophe modeling teams within the Group's P&C business unit are trying to factor the latest usable scientific knowledge into the models they use. The natural catastrophe modeling tools used by the P&C business unit to assess insurance risks take account of climate risk both implicitly (*e.g.* claims activity being used as the basis for calibrating models) and explicitly (*e.g.* using current estimates of rising sea levels to assess the risk of coastal flooding rather than long-term averages). In this way, current changes in the frequency and severity of the natural risks that SCOR underwrites, whether or not they are related to climate change, are taken into account in the pricing of contracts.

The Group's ability to integrate the latest scientific knowledge into its models is illustrated, for example, by the implementation of an internal OASIS model for forest fires in California and the development of a new modeling mechanism for floods in China. The P&C business unit has notably conducted an extensive scenario-based study to quantify the impact of climate change on SCOR's risk profiles and those of its clients, whose results were shared internally with SCOR's Board of Directors.

6.4.2.2. INTEGRATING ESG INTO INSURANCE ACTIVITIES

Over the past few years, SCOR has undertaken several initiatives aimed at further integrating ESG issues into the insurance activities developed by SCOR Business Solutions (SBS).

The Group has made a commitment not to offer facultative insurance or reinsurance that would specifically encourage the development of new thermal coal or lignite mines or new plants. This policy was further strengthened in April 2019 with the decision to also exclude the construction of new coal-fired power plants, irrespective of the technologies, the construction, and quality of the coal.

Furthermore, in order to submit all other projects to a more rigorous selection process, this Group's P&C business unit has adopted an environmental, social and governance practices internal assessment procedure for operations closely linked to coal. This is based on a specific scoring grid for each activity subject to this assessment.

The Group's ESG scoring grid for coal extraction therefore comprises thresholds expressed as a percentage of company turnover and as an absolute value in terms of thermal coal produced each year. Other criteria such as coal quality, trends in coalmining, observance of industry standards and CSR rating are also taken into account. Within the electricity generation sector, the Group's ESG scoring grid includes a threshold expressed as a percentage of GWh generated from the use of thermal coal. Other criteria are also used, such as the technology used, type of coal, CSR rating and the purpose and location of the plant in question.

In addition to the implementation of sectoral guidelines for industries with high coal exposure, the Group integrates other ESG aspects into the Scor Business Solutions (SBS) underwriting policy. In 2018, the Group thus confirmed its commitment to exclude the tobacco industry from its business activities on both on the asset and liabilities side. In addition, the Group associated itself with the PSI/WWF/UNESCO declaration on the protection of the world heritage sites.

These exclusions were consolidated into an ESG underwriting guide in 2019. This guide also includes instructions to integrate ESG issues specific to certain activities that may present ethical issues in health (*e.g.* manufacture and distribution of opioids, animal testing), the environment (*e.g.* palm oil production, dam construction) and human rights (*e.g.* textiles and forced labor). For the sectors identified, the underwriting teams are invited to integrate these issues into the "Know Your Customer" procedure. When in doubt about the ESG quality of the proposed case, teams are invited to forward the file to their managers and to the SBS underwriting manager for arbitration.

Finally, drawing on the methods developed in connection with its investments, the Group is testing various techniques designed to assess the overall ESG quality of the business portfolio underwritten as part of the business developed by SBS.

6.4.2.3. DEVELOPING PRODUCTS ADDRESSING SPECIFIC SOCIAL AND ENVIRONMENTAL ISSUES

As illustrated by the strategic orientations set out in the Quantum Leap plan, exclusion policies are not the only way that SCOR strives to take social and environmental issues into consideration in its core business, in both Non-Life and Life reinsurance.

P&C reinsurance activities

In the field of P&C reinsurance, the Group's strategic plan focuses on issues relating to climate change mitigation through support for the energy transition and adaptation to climate risks. These orientations capitalize on the Group's expertise accumulated in its analysis, modeling and risk transfer activities:

- supporting the energy transition: SCOR has strengthened its underwriting team in the field of renewable energy and has identified strategic markets in which it plans to develop as part of the plan. In addition, the P&C business unit has developed a strategic partnership with Energetic, a start-up that has developed credit insurance to protect developers of renewable energy projects against payment default;
- development of solutions contributing to climate risk adaptation: long involved in multiple government insurance pools covering climate catastrophes, the Group is developing partnerships with development finance institutions that have climate change adaptation objectives. In this respect, SCOR, alongside several other (re)insurers associated with the Insurance Development Forum, has committed to supporting the resilience of developing countries in partnership with the United Nations Development Program, and with the German and British governments. Collaborations with institutions including the World Bank, to provide parametric insurance against climate-related natural disasters in the Philippines, and the World Food Program in the development of livestock insurance for Ethiopian herders, are other recent examples of the Group's commitment to development finance institutions to provide solutions that contribute to resilience. Through these programs, the Group is helping to increase insurance penetration and to improve the adaptability of insurance beneficiaries. In developing countries, there may be a significant protection gap [1] and insufficient data to develop compensatory insurance schemes. Parametric insurance schemes, developed in partnership with development finance institutions, offer a solution in terms of providing financial protection for post-event reconstruction.

In addition to these two orientations, the Group has also developed strong expertise in the underwriting of Environmental Impairment Liability (EIL) insurance through its Lloyd's syndicate. SCOR Channel has developed a proprietary rating tool comprising 16 environmental indicators, which informs underwriters about the discipline of the company seeking EIL coverage. This direct insurance product not only incentivizes insureds to better manage risks by offering reduced premiums to companies with good ratings, it is also a source of capital that helps to restore the environment when it has been damaged by an insured's activities.

Life reinsurance activities

The Group's Life business unit has defined three key areas of focus as part of the "Quantum Leap" strategic plan: (i) offering more insurance solutions to reduce the protection gap, (ii) helping people live longer and healthier lives, and (iii) sharing knowledge. To achieve these goals, the Group is leveraging its multiple partnerships with academics and innovative companies as well as the expertise developed by its Life R&D and medical underwriting teams worldwide. SCOR also draws on the expertise of its data scientists and on the expansion of its data pool with the integration of additional external and internal data sources into its infrastructure. All these R&D efforts are then translated into new products and solutions, developed in partnerships with its clients:

The Life business unit is bringing more protection to more people through:

- The development of solutions for under-insured populations: among other examples, SCOR co-developed a mortality cover for cancer survivors in Hong Kong last year, followed by the launch of the first artificial intelligence-based cancer product in Korea in 2020, offering personalized cover and prevention. SCOR offers digital solutions for people with type-II diabetes (first launched in Hong Kong, then in Germany). A new pricing tool was also made available to SCOR's clients to insure women who have been affected by breast cancer. The tool was developed using machine learning on large public databases, and was widely supported by the academic world. In November 2020, SCOR also launched VITAE, a new biometric risks calculator which uses machine learning and new sources of data to better serve people in poor health, fueling the development of a more inclusive offering. Finally, SCOR partnered with Wamberg Genomic Advisors in the US to build personalized cancer programs for policyholders;

(1) *Difference between economic losses in a catastrophe-hit country and what is actually covered by insurance.*

- The development of solutions to expand insurability: an innovative family solution was developed in Spain, offering coverage for newborns with congenital conditions such as Down's syndrome, which was developed in close collaboration with a Spanish insurer and required specific research on congenital diseases.
- SCOR accelerated the development of digital solutions for a faster and easier purchasing experience with better value for the end consumer. As such, in 2020 SCOR launched a new health insurance platform in Korea, providing a comprehensive offering thanks to a wide network of health and technology providers. Insurance companies that are SCOR's direct clients can use this platform to offer additional services to their end-consumers. With its subsidiary ReMark, SCOR is also pushing to make life insurance easier to purchase through a faster, straightforward digital distribution process.

The Life business unit is also helping people live longer and healthier lives through:

- A focus on the promotion of healthy lifestyles with, as an example, the Biological Age Model (BAM), which encourages people to stay active, thereby reducing some risks related to contemporary lifestyles. The app was launched for SCOR's employees in the US and Canada over the summer 2020 and in Paris at the end of September 2020. The algorithm is now being deployed in Asia with four clients, following the signature of the agreement with Manulife China in November 2020;
- The development of diagnosis and patient monitoring solutions. For example, SCOR has invested in BioSerenity, a French medical solutions company that aims to optimize the pathways of patients with certain chronic diseases;
- The prevention of mental illness: through the "FEEL" initiative in Germany, SCOR developed a solution offering intervention/prevention for mental disorders in disability portfolios with its German partner Sentio. In November 2020, SCOR received the "Digital Lighthouse" innovation award for this solution.

SCOR Global Life is also sharing its knowledge with society:

- Contribution to research is key to SCOR's CSR strategy: with its knowledge team, the Life business unit is contributing to various research papers and publications in collaboration with universities and scientific research institutes. SCOR also holds regular conferences to share knowledge with society, in particular on progress in breast cancer research.
- When the Covid-19 pandemic broke out, the Life business unit shared its latest research on Covid-19. SCOR's Data Analytics Solutions (DAS) team developed an SEIR model to forecast the development of the pandemic, and an easy-to-use app that provides key figures and trends relating to the virus.

6.4.3. THE GROUP'S OPERATIONS

Although reinsurance is not an industrial activity with a significant impact on the environment, SCOR strives to control the environmental impacts stemming from the management of its operational processes, which include the operation of the buildings it occupies, business travel and, to a far lesser extent, office equipment supply.

To do so, the Group focuses on the following areas:

- environmental quality and certification of offices;
- energy consumption management, and renewable energy use;
- greenhouse gas emissions and voluntary offsetting.

The focus is placed on greenhouse gas emissions, for which the indicative reduction target in terms of intensity has been raised to 30% [1] by the end of the Quantum Leap strategic plan. After expanding it in 2018 from the previous year, the Group has decided to extend its CO_2 emission offsetting program to all the residual emissions measured in this subsection.

As part of the French Business Climate Pledge signed in November 2017, SCOR maintained its objective of reducing the carbon intensity [1] of management operational processes on the first two perimeters of the GHG protocol by 15% per employee by 2020. At the end of 2020, the reduction in the Group's carbon intensity reached 35% compared to 2019.

In addition, the Group has initiated a program to stop using single-use plastics in several of its offices, particularly the largest ones in terms of staff and size, such as Paris, London, Cologne, Zurich and Singapore.

6.4.3.1. ENVIRONMENTAL QUALITY AND CERTIFICATION OF OFFICES

SCOR conducts its operations from office buildings of varying size that it either owns or rents in around thirty countries.

The Group factors environmental considerations into its extension or relocation projects for the offices it owns. It opts for sustainable and eco-responsible construction, and is therefore particularly attentive to obtaining energy efficiency and environmental certifications, whether for design and construction or for renovation. These considerations may be subject to a tradeoff with other criteria such as the location of the office or its availability.

While SCOR takes environmental considerations into account in its extension or relocation projects, the Group also promotes eco-responsible operations by rolling out environmental management systems where possible. In 2020, the management and maintenance of the Paris offices were certified ISO 14001. At the end of 2020, 53.8% of the Group's employees falling within the scope of the environmental reporting process were covered by an environmental management system (53% in 2019).

(1) Baseline: 2014.

6.4.3.2. MANAGEMENT OF ENERGY CONSUMPTION SOURCES AND RENEWABLE ENERGY USE

The Group focuses on the management of its energy consumption sources and encourages the purchase of energy produced from renewable sources.

The Group consumed close to 14.3 GWh in 2020 to operate the premises occupied by its staff (lighting, heating, cooling – including data centers – and power for operating various equipment). Most of the energy consumed by the Group's sites participating in the environmental survey comes from electricity (65%). The proportion of renewable energies now accounts for 68% of electricity purchases compared with 67% in 2019.

6.4.3.3. GREENHOUSE GAS EMISSIONS AND VOLUNTARY OFFSETTING

As part of its Quantum Leap strategic plan, SCOR has raised its reduction objective in terms of carbon intensity per employee under the first two scopes of the GHG protocol to 30% by the end of the plan (compared to the previous objective of 15% by 2020). At the end of 2020, the Group's carbon intensity reduction was 35%. In addition, the Group, which is committed to offsetting all its emissions measured under this subsection, submitted three portfolios of offset projects to a staff vote in 2019. The Group's employees voted to support two projects for conserving forest in Brazil and Ethiopia. The Group will have offset all its 2019 and 2020 emissions upon delivery of the carbon credits generated by these two projects. These carbon credits are not deducted from the greenhouse gas emissions reported below.

Indicator	Unit	2020 Data	Coverage (1)	2019 Data	Coverage (1)
Energy (2)	kWh	14,308,818	85%	17,572,844	84%
Sorted and recycled paper waste	Kg	66,333	81%	149,205	80%
Air transportation	Km	16,907,855	91%	55,568,877	92%
Rail transportation	Km	882,516	85%	2,349,757	84%
Related greenhouse gas emissions	$TeqCO_2$	8,765	-	25,223	-

(1) The coverage rates are calculated on the basis of the Hubs' response rates. The number of employees working in the locations surveyed divided by the number of employees working in the entities fully consolidated in the financial statements. Additional information on the scope of reporting can be found in Section 6.6.3 of this statement.

(2) Of which electricity (66%), fuel and gas (9%), other heating sources (6%) and other cooling sources (19%).

The notable difference in related greenhouse gas emissions between 2019 and 2020 can be notably explained in particular by the significant decrease in business travel by air due to the Covid-19 pandemic.

6.5. ADAPTATION TO THE DIGITAL ECONOMY

The Group's strategic plan aims to create the reinsurance company of tomorrow. To this end, the Group's transformation is based on the use of new technologies – such as artificial intelligence, robots, blockchain, big data, multi-cloud and satellite imagery – to innovate, expand its product and services offering and increase its efficiency, for the benefit of its clients throughout the world.

The digitalization of the economy is a source of opportunities for the Group, given the accompanying need for protection and the contribution of new technologies in terms of access to insurance and reduction of the protection gap.

Aware of the expectations of its stakeholders in terms of IT security and internal expertise, the Group has developed a security program against cyber risks and strives to offer its employees the means to develop their digital skills.

6.5.1. SUPPORTING THE DIGITALIZATION OF THE ECONOMY AND REDUCING THE PROTECTION GAP

In addition to the new risks that come with the digitalization of the economy, including cyber risk, for which SCOR has developed its own expertise and an underwriting policy proportionate to its risk appetite, new technologies and the data processing they enable, offer new possibilities for reducing the protection gap.

The use of new technologies for this purpose is a dimension developed as part of the Group's new strategic plan. The use of these technologies supports a number of initiatives described in Section 6.4.2.3 of this statement, including the development of parametric reinsurance solutions as an alternative to indemnity mechanisms, in order to contribute to climate change adaptation strategies, or to develop inclusive insurance products to cover vulnerable populations.

6.5.2. CYBER SECURITY, A PRIORITY IN THE DIGITAL AGE

Aware of the expectations of its clients and other partners in terms of protection against cyber risks and their consequences, SCOR has developed an IT security policy, supplemented by guidelines and procedures which are implemented across various levels of its organization. This security program against cyber incidents was developed by the IT security team, under the responsibility of the Group's Chief Information Security Officer, with the assistance of the rest of the IT Department.

Aligned with the Group's business strategy, SCOR's IT strategy focuses on the security of information systems and data protection, and is focused on:

- strengthened security and data protection governance across all levels of the organization;
- the implementation of "security and privacy by design" principles;
- the development of a proactive cyber approach to enhance preventive security means.

The SCOR Group Information Security Policy sets minimum requirements that may be adjusted if further and/or more stringent requirements must be observed due to local applicable laws or regulations. This policy is based on three key principles:

- support the Group and its development;
- defend the Group;
- promote responsible information security behavior.

In this regard, the Group regularly raises awareness among its staff through security alerts and cybersecurity training sessions. In addition, the legal and compliance training programs referred to in Section 6.3.2 of this statement include data protection aspects.

The Group security framework defines the Group's IT system security governance and the related security services and solutions implemented by SCOR.

Developed by combining best-in class international standards such as NIST, Cobit 5, and the IEC's critical security controls to assess cyber risk mitigation measures, the framework specifies procedures for controlling the security of information systems.

The SCOR security framework details how to detect, log, contain, recover, eradicate and prevent recurrence of IT related incidents. It covers 20 or so areas related to the prevention of cyber risks and their impacts, including malware protection, access management, incident response and management, data protection and data recovery.

In addition, to ensure the continuity and security of IT services, SCOR hosts its applications on heavily secured data centers, certified as SOC2 Type 2 for the most sensitive applications. Dual-site architecture with real time data replication ensures the recovery of applications in the event of a major incident. The Group also carries out intrusion tests in order to assess the security of its systems.

Among the other measures implemented by the Group to protect itself against cyber risks, and in response to the widespread practice of phishing, SCOR has installed a feature that enables employees to report any suspicious messages to the teams in charge of information system security. When the message is deemed a phishing attempt, the teams take the appropriate steps to block the source of these attempts. In addition, in order to make Group employees aware of this type of threat, the security teams conduct tests by carrying out fake phishing campaigns to help employees become familiar with signs of such activity. The Group has conducted eight campaigns of this kind since they were first introduced at the end of 2018. Due to the increase in phishing attempts during the pandemic, SCOR decided to supplement these exercises with a specific e-learning module that has to be completed by employees that fail the test.

The monitoring of cyber risks is integrated into a dashboard that compares the level of identified threats, the level of protection of the systems concerned, and the resulting residual risk. This dashboard is shared with the Risk Committee of the Board of Directors, as well as with the Boards of Directors of several local entities.

6.5.3. SUPPORTING THE DIGITAL TRANSFORMATION AMONGST EMPLOYEES

SCOR invests in the development of its employees and their expertise to ensure that the Group is able to seize new opportunities in a sustainable way. In this respect, drawing on the success of its SCOR University concept, the Group focuses on developing employees' knowledge on digital topics, with three objectives: (i) leverage the capabilities provided by collaborative and mobility tools in terms of increasing productivity, (ii) develop the digital culture linked to emerging trends, new methodologies and their impact on wider society and the insurance industry, and (iii) acquire digital expertise and new skills.

This support is particularly focused on the use of collaborative tools, through a set of face-to-face and virtual training courses led by internal experts, and by digitizing the training offering with the launch of the My Learning Platform.

My Learning Platform has become SCOR's one-stop shop for all learning and development programs, and includes:

- LinkedIn Learning which provides unlimited access to 16,000 online courses and video tutorials given by experts and covering technical subjects, business expertise, and professional efficiency;
- a digital language training solution offered by Speexx, available in five languages;
- SCOR-specific content produced by our SCOR experts.

The platform is accessible anytime, anywhere and from any device, and is designed to promote a skills-based and self-driven learning culture.

6.6. NOTE ON METHODOLOGY

6.6.1. SCOPE AND CORRESPONDENCE TABLE

This consolidated non-financial performance statement was prepared in accordance with the provisions set out in Articles L. 225-102-1 and L. 22-10-36 of the French Commercial Code enacting Directive 2014/95/EU as regards the disclosure of non-financial and diversity information by certain large undertakings and groups.

Unless stated otherwise, this consolidated statement covers SCOR SE and all its fully consolidated subsidiaries, hereinafter "SCOR" or "the Group", with the exception of the ReMark group (149 employees), MRM (5 employees), ESSOR (84 employees), Château Mondot SAS (21 employees), Les Belles Perdrix de Troplong Mondot (11 employees), Coriolis (7 employees), Telemed (45 employees) and AgroBrasil (34 employees). These companies are excluded because of the specific nature of their activities, or their organization, or the recent integration into the scope of consolidation. Associates and affiliates are excluded from the scope (see Section 4.6.2.2 – Notes to the consolidated financial statements and Note 23 – Related party transactions).

Correspondence table with the provisions laid down in Articles L. 225-102-1 and L. 22-10-36 of the French Commercial Code

Business model description	Articles L. 225-102-1 et R. 225-105, I of the French Commercial Code	Section 6.1.1 Brief description of the Group's business activities
Risk description	Articles L. 225-102-1 et R. 225-105, I. 1° of the French Commercial Code	Section 6.1.3.4 Management of non-financial risk, presentation of risks and analysis
Policy	Articles L. 225-102-1, R. 225-104 et R. 225-105 of the French Commercial Code	Section 6.2.1 Human capital as a key success factor for the Group Section 6.3.1 Compliance policy Section 6.1.3.1 and 6.4.1.1 Climate policy and sustainable investment policy Section 6.5.2 IT security policy
Impact of SCOR's activities relating to the respect of human rights, anti-corruption and tax evasion	Articles L.22-10-36 et L. 225-102-1, III, R. 225-104 et R. 225-105 of the French Commercial Code	Sections 6.1.3.1, 6.2.1.1, et 6.3.2 Respect of human rights Section 6.3.4 Anti -corruption Section 6.3.8 Tax evasion
Performance, resources and results indicators	Articles L. 225-102-1 et R. 225-105, I. 3° of the French Commercial Code	Section 6.2.1.1 Turn-over rate Section 6.2.1.3 Employee trainings Section 6.3.1 Compliance system – existence of compliance plan Section 6.4.3.3 CO2 emissions/ employee Section 6.5.2 Number of fake phishing attempt campaigns
Independent third party statement on the information presented in the non-financial performance statement	Articles L. 225-102-1, III et R. 225- 105-2 of the French Commercial Code	6.7 Report by the independent third party on the consolidated non-financial performance statement, included in the management report

The following categories of information, referred to in Article L. 225-102-1 III of the French Commercial Code, have been excluded because of their lack of relevance to the Group's activities:
- circular economy;
- eliminating food waste;
- combating food insecurity;
- animal welfare;
- responsible, fair trade and sustainable food.

6.6.2. SOCIAL DATA: METHODOLOGY

See Section 6.2.2 – social indicators and note on methodology.

6.6.3. ENVIRONMENTAL DATA: METHODOLOGY

The environmental data presented in Section 6.4.3 – The Group's operations covers the Group as defined in Section 6.6.1 – Scope and correspondence table. These companies account for 90.9% of employees of fully consolidated subsidiaries.

6.6.3.1. SCOPE OF DATA COLLECTION

Data was collected on a target scope including all active Group sites with more than 30 employees for all the reporting indicators. This target scope accounts for 84.7% of employees (as of December 31, 2020) of legal entities fully consolidated in the financial statements.

The threshold of 30 employees is not applicable for the calculation of the environmental impact due to air travel. Data relating to the use of air travel covers 90.9% of globally consolidated employees due to the exceptions stipulated in Section 6 – Scope and correspondence table, and 99.9% of them were able to report on this indicator.

A summary table has been included in Section 6.4.3.3 – Greenhouse gas emissions and voluntary offsetting, providing an overview of the rate of coverage for a selection of indicators.

Consolidated data covers a 12-month period, generally from November 1, 2019 to October 31, 2020.

6.6.3.2. LIMITATIONS

Due to the unavailability of data for the full year for some of the sites, an extrapolation has been carried out to estimate missing consumption data. Moreover, depending on the surface area occupied, the information collected encompasses different parameters, in particular with regards to the consolidation or non-consolidation of the energy consumption derived from the use of services located in shared areas of the building. Where SCOR is the sole or main tenant (*i.e.* more than 50% of the surface area occupied by the Group's staff), the data includes SCOR's share of the energy consumption for the shared area. Below this threshold, this share is not included in the data collected.

Lastly, sites surveyed include other tenants' energy and water consumption and to a lesser extent waste production. Therefore, the environmental impact of the Group is overestimated. Other tenants' employees occupying these sites account for 8.6% of the employees of entities fully consolidated in the financial statements.

6.6.3.3. METHODOLOGY

Energy consumption is expressed in kWh/m^2, water consumption in m^3/employee, and paper consumption in kg/employee. For some indicators, service providers and other tenants located in the premises occupied by the staff managed by the Group are taken into account.

In addition, the Group consolidates all its forms of energy consumption and presents them as an indicator, expressed in tons of CO_2 equivalent. The conversion of the different energy sources into greenhouse gas emissions is performed centrally on the basis of the conversion factors taken from the "Base Carbone®" database provided by the French "Environment and Energy Management Agency" (ADEME), the Department for Environment, Food and Rural Affairs (DEFRA) database regarding air transportation emissions, and data effectively collected in each Hub. More specifically, the emissions calculated by the Group cover, with varying degrees, the following scopes of the "Greenhouse Gas Protocol":

- "Scope 1": direct emissions from the combustion of fossil fuel. Depending on the SCOR Group site, these emissions are generated by the consumption of fuel (for heating and backup generators) and gas (for heating and the use of vehicle fleets);
- "Scope 2": indirect emissions produced by electricity consumption, steam and cooling systems. For SCOR, most of these emissions result from the generation of purchased electricity and, for some sites, from cooling (for air conditioning). For the calculation of the greenhouse emissions SCOR does not use a reduced emission factor for renewable energy if a certificate with the conversion factor to be applied is not provided for the site in question. Indeed, as the sources of renewable energy purchased are not always known, SCOR adopts a precautionary approach, using the energy mix of a given country. This approach therefore tends to slightly overestimate the Group's carbon footprint;
- "Scope 3": other indirect emissions. This scope usually includes emissions from the use of offices (so-called depreciation), commuting, business air travel, waste and so on. In this scope, SCOR focuses on air travel (the largest source of emissions) as well as rail travel and paper purchases.

With regards to the source of emissions (to be distinguished from the volume of emissions) within each Scope, the rate of coverage is estimated at around 100% for Scope 1 (within this scope refrigerant fluid may be a significant source of greenhouse gas emissions; volumes are not estimated) and at 100% for Scope 2. The rate of coverage for Scope 3 is limited to approximately 10% of emitting sources linked to the management of operational processes since the Group has adopted a pragmatic approach with a focus on business travel, which provides a more immediate lever and has a significant environmental footprint. Within this scope, the main sources linked to the management of operational processes that are excluded from Group environmental reporting are commuting as well as the so-called depreciation of equipment, property and some services used by the Group, such as outsourced data centers.

The change in the intensity ratio presented in Section 6.4.3.3 covers Scopes 1 and 2 described above and concerns the management of the Group's operational processes.

The main sources of greenhouse gas emissions of the Group may also include emissions stemming from investment activities. In this regard, SCOR measures the carbon footprint of its invested assets. For each investment, the data provider, ISS, collects emissions data from several different sources (*e.g.* CDP, the World Bank). When the data are not available, ISS provides an estimate of the carbon footprint based on a proprietary methodology. The data used cover Scopes 1 and 2, excluding sovereign bonds for which Scopes 1, 2 and 3 are covered. Then ISS calculates the financed emissions of the portfolio by taking into account SCOR's share in the value of the company, sovereign debt, or a real estate project or an infrastructure. After computing the amount of financed emissions, this value is divided by the market value of the considered assets in order to calculate the carbon intensity in millions of euros invested.

6.7. REPORT BY THE INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL STATEMENT INCLUDED IN THE MANAGEMENT REPORT

This is a free translation into English of the independent third party's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended December 31, 2020

To the Shareholders,

In our capacity as independent third party, accredited by COFRAC under number 3-1058 (scope available at www.cofrac.fr), and member of the Mazars network of one of the company's Statutory Auditors, we hereby report to you on the consolidated non-financial statement for the year ended December 31st 2020 (hereinafter the "Statement"), included in the Group management report pursuant to the requirements of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code *(Code de commerce)*.

The entity's responsibility

The Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement (and on request from the entity's head office).

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics *(Code de déontologie)* of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R.225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

Nature and scope of our work

The work described below was performed in accordance with the provisions of articles A. 225-1 *et seq.* of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements, and with ISAE 3000 [(1)]:

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III in HR and environmental matters, as well as information provided for in the second paragraph of Article L.22-10-36 in respect for human rights and the fight against corruption and tax avoidance legislation;
- we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to
  - — assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and

(1) ISA 3000 - Assurance engagements other than audits or reviews of historical financial information.

- corroborate the qualitative information (measures and outcomes) that we considered to be the most important [(1)]; concerning risks related to business ethics and ethics in data, our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities [(2)];

- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important [(3)] we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities [(2)] and covers between 24% and 61% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work was carried out by a team of 6 people between November 2020 and February 2021 and took a total of 7 weeks.

We conducted a dozen interviews with people responsible for preparing the Statement, representing in particular the General Secretariat, the Human Resources Direction and the Compliance Direction.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

(1) HR information: Measures to promote equality between women and men
Compliance information: compliance system
(2) Paris, Charlotte, Cologne.
(3) HR information: Headcount at December 31st; Turnover; Total compensation; Average fixed remuneration; Average bonus; Number of meetings with staff representatives; Number of European Committee meetings; Number of collective agreements signed; Number of training hours.
Environmental information: Volume of sorted and recycled paper waste; Energy consumption; Greenhouse gas emissions related to operational processes; CO2 emission / employee.
IT Security information: Number of false phishing attempts.

APPENDICES

APPENDIX A

Person responsible for the annual report

1. NAME AND TITLE OF PERSON RESPONSIBLE

Denis Kessler, Chairman of the Board of Directors and Chief Executive Officer of SCOR SE.

2. DECLARATION BY THE PERSON RESPONSIBLE

I declare that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I confirm, to the best of my knowledge, that the financial statements have been drawn up in accordance with applicable accounting standards and accurately show the position of the assets and liabilities, the financial position and the net income or loss of the Company and of all businesses and firms included within the scope of the consolidated group, and that the management report, mentioned in Appendix D of this Universal Registration Document, accurately reflects the evolution of the business, the results and the financial position of the Company and of all businesses and firms included within the scope of the consolidated group, and describes the main risks and contingencies which they are faced with.

Chairman of the Board of Directors and Chief Executive Officer (CEO)

Denis Kessler

APPENDIX B

Unconsolidated corporate financial statements of SCOR SE

Pursuant to Article 28 of Regulation (EC) No. 809/2004 of the European Commission, the following information is included by reference in this Universal Registration Document:

(i) the corporate financial statements for the year ended December 31, 2019 and the Statutory Auditors' report pertaining thereto published on pages 302 to 333 and 334 to 337, respectively, of the Universel Registration Document filed with the AMF on March 13, 2020 under number D.20-0127 and from pages 302 to 333 and from pages 334 to 337, respectively, of the free translation into English of the Universal Registration Document filed with the AMF with such translation being available on SCOR's website www.scor.com;

(ii) the corporate financial statements for the year ended December 31, 2018 and the Statutory Auditors' report pertaining thereto published on pages 280 to 310 and 311 to 315, respectively, of the Registration Document filed with the AMF on March 4, 2019 under number D.19-0092 and from pages 280 to 310 and from pages 311 to 315, respectively, of the free translation into English of the Registration Document filed with the AMF with such translation being available on SCOR's website www.scor.com;

SCOR SE's corporate financial statements for the financial year ended December 31, 2020 are presented below:

1. SIGNIFICANT EVENTS OF THE YEAR

"Significant events of the year" are an integral part of the notes to the corporate financial statements.

In 2020, SCOR SE carried out the following significant transactions:

Sale of SCOR Underwriting Ltd

On January 1, 2020, SCOR SE sold SCOR Underwriting Ltd for EUR 3 million to SCOR Switzerland AG.

Capital increase in SCOR Global Life Americas Holding Inc

On February 3, 2020, SCOR SE has increased its capital into SCOR Global Life Americas Holding Inc by USD 34 million (EUR 31 million).

2019 net income appropriation in the context of Covid-19 pandemic

Since March 27, 2020, the European Insurance and Occupational Pensions Authority ("EIOPA") and the *Autorité de contrôle prudentiel et de résolution* (ACPR) have issued statements, on April 2, 2020, and on April 3 and 21, 2020, respectively, regarding dividend distributions in respect of the 2019 fiscal year. In its press release of April 3, the ACPR says that "insurance companies must […] refrain from proposing the distribution of dividends".

In view of these factors, the Board of Directors of SCOR SE, in its meeting on May 25, 2020, has decided to propose to the Shareholders' Meeting of June 16, 2020, that no dividend be distributed for the 2019 fiscal year and that the entire net income for that year be allocated to distributable earnings. All of the resolutions proposed by the Board of Directors were adopted by the Annual Shareholders' Meeting.

Brazilian Holding restructuration

During the first quarter 2020, a Brazilian holdings restructuration has been held. M&S Brazil Participacoes Ltda is now 100% held by SCOR Brazil Participacoes Ltda.

The M&S Brazil Participacoes Ltda shares has been contributed to SCOR Brazil Participacoes Ltda (EUR 22 million). The capital of SCOR Brazil Participacoes Ltda has been further increased by EUR 9 million to reflect the acquisition of Agrobrasil.

Call options

During the first quarter 2020, in order to fulfill commitments to beneficiaries of free share allocations, SCOR SE signed a call option agreement with BNPP allowing SCOR SE to buy its own shares after payment of a predefined exercise price. Exercise dates for this option run from March 1, 2021 to September 2, 2025. The total number of options is 4,563,633. A premium of EUR 14 million was paid in 2020 and is recorded in other assets.

Partial redemption of the loan granted to SCOR Global Life America Reinsurance Company

On March 30, 2020, SCOR SE received a USD 21 million (EUR 19 million) partial repayment of the loan granted to SCOR Global Life America Reinsurance Company. The outstanding balance of this loan as of December 31, 2020 amounts to USD 34 million (EUR 28 million).

New cat bond ATLAS Capital Reinsurance 2020 DAC

On May 4, 2020, SCOR has sponsored a new catastrophe bond ("cat bond"), Atlas Capital Reinsurance 2020 DAC, which provides the Group with multi-year risk transfer capacity of USD 200 million to protect itself against storms in the U.S. and earthquakes in the U.S. and Canada. The risk period for Atlas Capital Reinsurance 2020 DAC runs from April 30, 2020, to May 31, 2024.

The issue has received the approval of the Central Bank of Ireland (CBI) and the Irish regulatory authorities.

This new obligation was recorded as a derivative asset in "other receivables"; capital and interests are recorded in "Other liabilities" and the change in fair value is recorded in "other expenses/other operating income".

Capital decrease in the Fiducie

On June 10, 2020, SCOR SE made a withdrawal of USD 20.5 million (EUR 14 million) from the Fiducie trust as the result of a reduction in its commitments towards Aegon.

Capital increase in SCOR US Corporation

On June 16, 2020, SCOR SE has increased its capital into SCOR US Corporation by USD 100 million (EUR 89 million).

Capital injection in SCOR Europe SE

On June 26, 2020, SCOR SE carried out a capital injection for EUR 7 million in SCOR Europe SE.

Capital increase in SCOR Auber SAS by contribution in kind of SCOR Properties II shares

On July 22, 2020, SCOR SE has increased its capital into SCOR Auber SAS by EUR 245 million by contribution in kind of SCOR Properties II shares that it owned.

Capital increase in SCOR Reinsurance Asia Pacific Pte Ltd

On September 14, 2020, SCOR SE has increased its capital into SCOR Reinsurance Asia Pacific Pte Ltd by USD 5 million (EUR 4.2 million).

Issuance of EUR 300 million in undated subordinated note

On September 17, 2020, SCOR SE issued a perpetual note for EUR 300 million. The coupon was set at 1.375% (until September 17, 2031) and will reset every 10 years from this date.

Issuance of new debts with SCOR Switzerland Asset Services AG

On September 30, 2020, the subordinated debt of EUR 231 million between the german branch of SCOR SE et SCOR Switzerland Asset Services AG has expired. This debt has been replaced by the issuance of a senior debt between SCOR SE and SCOR Switzerland Asset Services AG for EUR 231 million. The coupon was set at 1%. The term is fixed on September 30, 2030.

On November 2, 2020, the debt of EUR 159 million between SCOR SE and SCOR Switzerland Asset Services AG has expired. This debt has been replaced by the issuance of a new debt for the same amount. The coupon was set at 1%. The term is fixed on November 2, 2030.

Redemption of EUR 116 million perpetual debt

On October 20, 2020, SCOR SE reimbursed perpetual debt for CHF 125 million (EUR 116 million) for the first term. This is an anticipate reimbursement.

Issuance of new loan to SCOR Global Life Americas Holding Inc

On November 16, 2020, SCOR SE granted a new loan of USD 352 million (EUR 292 million) to SCOR Global Life America Holding Inc.

Issuance of new debts with SCOR Life Ireland dac

On November 23, 2020, SCOR SE committed into a new debt of USD 192 million (EUR 159 million) with SCOR Life Ireland dac. The coupon was set at 2.1%. The term is fixed on November 23, 2030.

On the same day, SCOR SE took another debt of USD 160 million (EUR 133 million). The coupon was set at 1.34%. The term is fixed on November 23, 2025.

Issuance of new loan to SCOR Reinsurance Company

On December 14, 2020, SCOR SE granted of new loan of USD 75 million (EUR 67 million) to SCOR Reinsurance Company.

Dividends received

During 2020, SCOR SE received EUR 342 million in dividends from its affiliates (EUR 166 million in 2019).

2. BALANCE SHEET

2.1. BALANCE SHEET – ASSETS

In EUR millions		Gross balance	Depreciation, amortization and impairment	2020 Net	2019
Intangible assets	**5.2.2**	**713**	**(75)**	**638**	**658**
Investments	**5.2.1 & 5.2.9**	**22,632**	**(1,438)**	**21,194**	**20,785**
Real estate investments		609	(3)	606	623
Investments in associates		9,800	(1,423)	8,377	8,321
Other investments		6,289	(12)	6,277	5,883
Cash deposited with ceding companies		5,934	-	5,934	5,958
Investments representing unit-linked contracts	**5.2.1**	**-**	**-**	**-**	**-**
Share of retrocessionaires in underwriting reserves	**5.2.9**	**2,982**	**-**	**2,982**	**3,210**
Reinsurance reserves (Life)		61	-	61	73
Loss reserves (Life)		54	-	54	26
Unearned premiums reserves (Non-Life)		559	-	559	595
Loss reserves (Non-Life)		2,284	-	2,284	2,490
Other underwriting reserves (Non-Life)		24	-	24	26
Accounts receivable	**5.2.5 & 5.2.9**	**2,097**	**(13)**	**2,084**	**2,385**
Accounts receivable from reinsurance transactions		1,894	(12)	1,882	2,181
Other accounts receivable		203	(1)	202	204
Other assets	**5.2.2**	**311**	**(67)**	**244**	**373**
Property, plant and equipment		147	(67)	80	91
Cash and cash equivalents		121	-	121	228
Treasury shares		43	-	43	54
Accrued income and deferred expenses	**5.2.8 & 5.2.9**	**449**	**-**	**449**	**492**
Due and accrued interests on rental income		42	-	42	41
Deferred acquisition costs – assumed (Non-Life)		303	-	303	335
Reinsurance estimates – assumed		-	-	-	-
Other accruals		104	-	104	116
Bond redemption premiums		**-**	**-**	**-**	**-**
TOTAL		**29,184**	**(1,593)**	**27,591**	**27,903**

2.2. BALANCE SHEET – LIABILITIES

In EUR millions		2020	2019
Shareholders' equity and reserves [(1)]	**5.2.3**	**4,148**	**4,055**
Share capital		1,471	1,473
Additional paid-in capital		663	678
Revaluation reserve		-	-
Legal reserve		-	74
Other reserves		131	57
Capitalization reserve		-	-
Retained earnings		1,728	820
Net income for the year		110	908
Regulated reserves		45	45
Subordinated liabilities	**5.2.4**	**2,574**	**2,841**
Gross underwriting reserves	**5.2.7 & 5.2.9**	**17,294**	**17,770**
Reinsurance reserves (Life)		3,139	3,437
Loss reserves (Life)		909	876
Unearned premiums reserves (Non-Life)		1,484	1,552
Loss reserves (Non-Life)		9,764	9,932
Other underwriting reserves (Non-Life)		1,979	1,951
Equalization reserves (Non-Life)		19	22
Underwriting reserves for unit-linked contracts			
Contingency reserves	**5.2.6**	**207**	**246**
Cash deposits received from retrocessionaires	**5.2.5 & 5.2.9**	**1,179**	**1,051**
Other liabilities	**5.2.4 & 5.2.5 & 5.2.9**	**1,946**	**1,750**
Liabilities arising from reinsurance operations		798	1,085
Convertible bond issue		-	-
Amounts owed to credit institutions		-	-
Negotiable debt securities issued by the Company		-	-
Other loans, deposits and guarantees received		803	210
Other liabilities		345	455
Deferred income and accrued expenses	**5.2.8 & 5.2.9**	**243**	**190**
Deferred commissions received from reinsurers (Non-Life)		121	142
Reinsurance estimates – Retrocession		-	-
Other accruals		122	48
TOTAL		**27,591**	**27,903**

(1) Data for financial years 2020 and 2019 are before appropriation of net income.

3. INCOME STATEMENT

In EUR millions	Gross transactions	Retroceded transactions	2020 net transactions	2019 net transactions
UNDERWRITING ACCOUNT, NON LIFE				
Earned premiums	**4,995**	**(1,897)**	**3,098**	**3,121**
Written premiums	5,006	(1,886)	3,120	3,164
Change in unearned premiums	(13)	(10)	(23)	(43)
Allocated investment income	**277**	**-**	**277**	**507**
Other underwriting income	**97**	**-**	**97**	**181**
Claims expenses	**(3,323)**	**1,068**	**(2,255)**	**(2,162)**
Benefits and costs paid	(3,173)	1,179	(1,994)	(2,121)
Claims reserve expenses	(150)	(111)	(261)	(41)
Expenses for increasing risk reserves	**(33)**	**-**	**(33)**	**(161)**
Acquisition and administrative expenses	**(1,299)**	**523**	**(776)**	**(789)**
Acquisition expenses	(1,255)	-	(1,255)	(1,252)
Administrative expenses	(44)	-	(44)	(43)
Commissions received from reinsurers	-	523	523	506
Other underwriting expenses	**(297)**	**-**	**(297)**	**(239)**
Change in equalization reserves	**3**	**-**	**3**	**22**
Change in liquidity reserves	**-**	**-**	**-**	**-**
NON-LIFE UNDERWRITING INCOME (LOSS)	**420**	**(306)**	**114**	**480**

In EUR millions	Gross transactions	Retroceded transactions	2020 net transactions	2019 net transactions
UNDERWRITING ACCOUNT, LIFE				
Earned premiums	**2,145**	**(533)**	**1,612**	**1,882**
Investment revenues	**144**	**-**	**144**	**60**
Investment income	111	-	111	16
Other investment income	2	-	2	2
Realized gains from investments	31	-	31	42
Unit-linked policy adjustments (capital gain)	**-**	**-**	**-**	**-**
Other underwriting income	**54**	**-**	**54**	**5**
Claims expenses	**(2,052)**	**460**	**(1,592)**	**(1,541)**
Benefits and costs paid	(1,996)	432	(1,564)	(1,474)
Claims reserve expenses	(56)	28	(29)	(67)
Expenses for Life reinsurance and other underwriting reserves	**260**	**(11)**	**249**	**(127)**
Life reinsurance reserves	260	(11)	249	(127)
Unit-linked contract reserves				
Other underwriting reserves				
Acquisition and administrative expenses	**(364)**	**18**	**(346)**	**(404)**
Acquisition expenses	(337)	-	(337)	(400)
Administrative expenses	(27)	-	(27)	(36)
Commissions received from reinsurers	-	18	18	32
Investment expenses	**(73)**	**-**	**(73)**	**(53)**
Internal and external investment management expenses and interest expenses	(31)	-	(31)	(24)
Other investment expenses	(5)	-	(5)	(8)
Realized losses from investments	(37)	-	(37)	(21)
Unit-linked policy adjustments (capital loss)	**-**	**-**	**-**	**-**
Other underwriting expenses	**(104)**	**-**	**(104)**	**(123)**
Change in liquidity reserve	**-**	**-**	**-**	**-**
LIFE UNDERWRITING INCOME (LOSS)	**10**	**(66)**	**(56)**	**(301)**

In EUR millions	2020 net transactions	2019 net transactions
NON-UNDERWRITING ACCOUNT		
Non-Life underwriting income/(loss)	**114**	**480**
Life underwriting income/(loss)	**(56)**	**(301)**
Investment revenues	**710**	**1,621**
Investment income	546	1,525
Other investment income	154	8
Realized gains from investments	11	88
Investment expenses	**(358)**	**(345)**
Internal and external investment management expenses and interest expenses	(154)	(160)
Other investment expenses	(23)	(20)
Realized losses from investments	(182)	(165)
Gains from transferred investments	**(277)**	**(507)**
Other non-underwriting income	**-**	**-**
Other non-underwriting expenses	**-**	**-**
Non-recurring income/(loss)	**(4)**	**(10)**
Employee profit sharing	**-**	**-**
Income taxes	**(19)**	**(30)**
NET INCOME FOR THE YEAR	**110**	**908**
NET EARNINGS PER SHARE *(IN EUR)*	**0.59**	**4.85**

4. OFF-BALANCE SHEET COMMITMENTS

In EUR millions		Related companies	Other	2020	2019
COMMITMENTS RECEIVED	**5.3.8**	**41**	**3,766**	**3,807**	**3,214**
Rate swaps		-	-	-	-
Rate and currency swaps (cross-currency swaps)		-	621	621	677
Foreign currency forward purchases		16	1,727	1,743	2,072
Confirmed credit		-	450	450	150
Letters of credit (unused portion)		-	224	224	155
Endorsements and sureties		-	2	2	3
Securities pledged from ceding companies		-	742	742	141
Parental guarantees		-	-	-	-
Lease		25	-	25	16
COMMITMENTS GIVEN	**5.3.8**	**10,005**	**5,712**	**15,717**	**15,017**
Endorsements, sureties and credit guarantees given		**-**	**33**	**33**	**35**
Endorsements, sureties		-	33	33	35
Letters of credit		-	-	-	-
Investment securities and assets acquired with commitment for resale		**-**	**-**	**-**	**-**
Other commitments on investment securities, assets or revenues		**450**	**1,123**	**1,573**	**1,079**
Rate swaps		-	-	-	-
Rate and currency swaps (cross-currency swaps)		-	617	617	617
Underwriting commitments		324	506	830	315
Trust assets		126	-	126	147
Other commitments given		**9,555**	**4,556**	**14,111**	**13,903**
Securities pledged to ceding companies		507	2,546	3,053	2,564
Marketable securities pledged to financial institutions		-	235	235	311
Contract termination indemnities		-	-	-	-
Foreign currency forward sales		17	1,759	1,776	2,045
Parental guarantees		8,879	-	8,879	8,812
Lease		152	16	168	171
COLLATERAL RECEIVED FROM RETROCESSIONAIRES		**-**	**632**	**632**	**944**

Various financial institutions provide sureties for SCOR SE in the form of letters of credit to collateralize SCOR SE’s technical liabilities. The total amount that benefits to cedents, not included in the table above, is EUR 697 million as at December 31, 2020 (EUR 755 million in 2019).

5. NOTES TO THE CORPORATE FINANCIAL STATEMENTS

TABLE OF CONTENT

5.1. ACCOUNTING POLICIES

The corporate financial statements for the year ended December 31, 2020 are presented in accordance with the accounting provisions grouped under title IV of book III of the Insurance Code and with the French standard-setter (*Autorité des normes comptables* – ANC) regulation No. 2015-11 of November 26, 2015 approved by the Order of December 28, 2015, relative to the annual accounts of insurance undertakings, as amended by the ANC regulation No. No. 2018-08 of December 11, 2018 and by ANC regulation No. 2020-11 of December 22, 2020. In the absence of specific provisions in the aforementioned ANC regulation No. 2015-11, the provisions of ANC regulation No. 2014-03 relating to the general accounting plan (*Plan comptable général* – PCG) are applicable.

5.1.1. INTANGIBLE ASSETS

Intangible assets consist of:

- software acquired or created by the Company which is capitalized and amortized over a period ranging from one to five years;
- Non-Life goodwill not amortized;
- Life goodwill relating to the value of life business acquired in mergers is not amortized but impaired if the carrying value is higher than the net present value of the portfolio. An impairment test is performed annually;
- Life goodwill relating to portfolio transfers are amortized. According to Article 214-3, the goodwill is amortized over the useful life or, if this period cannot be reliably determined, over 10 years. but impaired if the carrying value is higher than the net present value of the portfolio. An impairment test is performed annually, in the event of an allocation or reversal of depreciation, the amortization plan should be modified prospectively;
- renewal rights acquired from SCOR SWITZERLAND AG.

5.1.2. INVESTMENTS

Investments are initially recorded at historical acquisition cost, excluding expenses. After initial recognition, investments are valued based on the asset category to which they belong and on the length of time during which they are expected to be held.

Investments in affiliates

Investments in affiliates are initially recorded at historical acquisition cost, including expenses. The fair value of investments in affiliates is an estimated value based on the usefulness of the investment to the Company and on its market value (in light of its actual share price, revalued shareholders' equity, actual results and future outlook).

For active reinsurance companies, the fair value is the revaluated net assets value including the value of Life reinsurance portfolio and the forecasts of future profits in Non-Life reinsurance, net of taxes.

At each reporting date, if the carrying amount of an investment in affiliates is below its historical cost, an analysis is conducted in order to determine if an impairment loss should be recorded. The assumptions and outcome of this analysis, conducted as at December 31, 2020 are detailed in 5.2.1.

For real estate and financial (holding) companies, fair value is calculated as the share of net assets including unrealized gains, net of tax. An impairment provision is recorded on a line-by-line basis when such values are below historical cost.

Equity securities and other variable-income securities

Equity securities and other variable-income securities are recorded at cost, excluding expenses. The realizable value as at the reporting date is determined according to regulation No. 2015-11 dated November 26, 2015 of the French standard-setter (*Autorité des normes comptables* – ANC). For listed securities, it corresponds to the share price at the reporting date. For unlisted securities, fair value is based on net assets.

When the realizable value is more than 20% lower than the initial cost for more than six consecutive months, a detailed line-by-line analysis is performed to determine whether the impairment is permanent. An impairment allowance is recorded on a line-by-line basis for securities which are considered permanently impaired.

Bonds and other fixed-income securities

Bonds and other fixed-income securities are recorded at cost, excluding accrued interest. In compliance with Article 122 – 1 of regulation No. 2015-11 dated November 26, 2015 of the French standard-setter (*Autorité des normes comptables* – ANC), the difference between cost and redeemable par value is amortized to income over the remaining period until maturity using the effective interest rate method.

No impairment is recognized for differences between net book value, as decreased or increased by the amortization of any premium or discount, and realizable value. An impairment provision is recorded only in the event of issuer default.

Other assets

An impairment provision is recorded for loans or other accounts receivable due in more than one year if the fair value is below historical cost.

Cash deposited with ceding companies

Within the framework of reinsurance treaties, the ceding companies can request cash deposits to guarantee the technical provisions ceded to the reinsurer. The receivables representing those cash deposits are recorded in the item "Cash deposited with ceding companies" on the asset side of the balance sheet or in the item "Investments in associates" if the ceding company is an associate company, according to the Reinsurance accounting plan *(Plan comptable assurance)*. The remuneration of the cash deposits is contractually stipulated and at each closing date accrued interest on the cash deposited with ceding companies is recorded in the item « Accounts receivable from reinsurance transactions » on the asset side of the balance sheet.

Provision for liquidity risk

A liquidity risk reserve is recorded for the possible need to liquidate assets in order to make immediate payment on major claims. This reserve is included in underwriting reserves and is recorded when the total net book value of investments assets, excluding bonds and other fixed income securities (investments valued according to Article R. 343-9 of the French Insurance Code), exceeds their fair value. Fair value corresponds to the average price calculated over the last thirty days preceding the day of the inventory or, failing that, the market price for listed shares, net asset value for unlisted shares and net realizable value for investments in subsidiaries as described in 5.2.1.

Based on the calculations performed, such reserve was neither required nor recorded in the financial statements for 2020 or 2019.

5.1.3. PROPERTY, PLANT AND EQUIPMENT

Items included in this caption are recorded at their historical cost.

Equipment, furniture and fixtures are depreciated on a straight-line or sliding scale basis depending on their estimated useful lives:

Category	Useful life
Office equipment and furniture	5 to 10 years
General fixtures	10 years
Transport equipment	4 to 5 years

Deposits and security deposits relate primarily to rented facilities.

5.1.4. ACCOUNTS RECEIVABLE

An allowance for bad debts relating to accounts receivable from reinsurance transactions and other receivables is recorded to the extent that recoverability is uncertain.

5.1.5. RETIREMENT COMMITMENTS AND SIMILAR BENEFITS

The Company records all liabilities relating to employee benefits on its balance sheet.

- retirement indemnities: employees benefit from additional retirement benefits paid out in the form of lump sum capital upon retirement. The evaluation of these indemnities depends on several factors such as age, years of service and salary;
- senior management pension obligations (Article 39): the valuation of the reserve for senior management pension obligations is based on the following actuarial assumptions:
  - discount rate: 0.45%, defined with respect to high quality long-term corporate bonds with maturities consistent with the duration of the obligations evaluated,
  - updated mortality tables for the various plans, with turnover data for managers and salary increases;
- long-term service awards: CNC *("Conseil national de la comptabilité")* Opinion No. 2004-05 dated March 25, 2004 requires the recognition of a provision for long-term service awards as from 2004.

In its Opinion No. 2008-17 dated November 6, 2008 relating to the accounting of stock options and free share allocation plans, the CNC *("Conseil national de la comptabilité")* redefined the accounting of such benefits granted to employees and the accounting for impairment of treasury shares held for such plans. In the event of delivery of existing shares, the expense should be recognized over the vesting period if the attribution of the shares is subject to the employee remaining with the Company over the vesting period. Consequently, at each period end, a provision for risk is recorded for the estimated cost (calculated as the difference between the cost to acquire the shares and nil value) to which a *prorata* is applied from the grant date to the end of the vesting period over the entire vesting period.

5.1.6. FINANCIAL LIABILITIES AND SUBORDINATED LIABILITIES

This caption includes the various subordinated or unsubordinated notes issued by the Company as described in 5.2.4.

Debt issuance costs are amortized over the life of the respective borrowings. Interest on financial liabilities is included in financial expenses.

5.1.7. RECORDING OF REINSURANCE TRANSACTIONS

Assumed reinsurance transactions

Assumed reinsurance is recorded upon receipt of accounts transmitted by ceding companies.

Pursuant to the provisions of Article 152-1 of regulation No. 2015-11 dated November 26, 2015 of the French standard-setter (*Autorité des normes comptables* – ANC), accounts not yet received from ceding companies at the end of the financial year are estimated, in order to better reflect SCOR's reinsurance commitments in the financial statements. This method applies to most contracts underwritten during the current financial year and to prior-year contracts where relevant. Estimates of premiums and commissions not yet received from ceding companies at period end are recorded in the income statement with a consideration in the balance sheet under "Accounts receivable from reinsurance transactions".

Overall, the premiums recorded for the year (premiums reported in the accounts received from cedents and estimated premiums) correspond to the estimated premium expected at the time the policy was underwritten.

Deposits with ceding companies are recorded as assets on the balance sheet.

Estimated claims expenses are recorded in loss reserves.

Retrocession

The retroceded portion of assumed reinsurance, determined in accordance with the treaty terms, is recorded separately from the assumed reinsurance transaction.

The retrocessionaires' share in estimates of assumed premiums and commissions is shown in liabilities under "Liabilities arising from reinsurance operations". Technical provisions ceded to retrocessionaires are shown within assets on the balance sheet.

Cash deposits received from retrocessionaires are shown within liabilities on the balance sheet.

Securities pledged as collateral by reinsurers to guarantee their commitment are presented off balance sheet at their fair value as of the reporting date.

Finite reinsurance

Finite reinsurance treaties, as defined under Article L. 310-1-1 of the French Insurance Code, have to be accounted for under the provisions of regulation No. 2015-11 dated November 26, 2015 of the French standard-setter (*Autorité des normes comptables* – ANC).

As a result:

- the deposit portion of the treaty as well as receivables and liabilities with the ceding company are the only balances recognized on the balance sheet;
- treaty income is fully recognized in financial income.

Risk transfer testing is applied to every newly underwritten treaty as well as during an annual review of contractual conditions, which determines whether a treaty is to be accounted for as a finite reinsurance or standard reinsurance contract transferring significant insurance risk.

Outgoing/incoming Life portfolios

Life premium portfolio entries represent the portion of earned premiums paid at the start of the reinsurance contract and/or the financial year while the underlying risk (written in previous periods) relates to future events.

Portfolio withdrawals and portfolio entries are recorded as outgoing/incoming premium/claim portfolios that offset the cancellation of underwriting reserves pertaining to those commitments.

The following is applicable:

- outgoing or incoming premium portfolios in consideration of the cancellation of unearned premium reserves. These portfolio transfers are included in premiums in the income statement;
- outgoing or incoming claim portfolios in consideration of all other underwriting reserves. These portfolio transfers are included in benefits and costs paid in the income statement.

Outgoing/incoming portfolios Non-Life

Premium portfolio entries based on the accounts of ceding companies offset the risk on accounts managed by accounting year. Non-Life premium portfolio entries represent the portion of unearned premiums paid at the start of the reinsurance contract and/or the financial year while the underlying risk (written in previous periods) relates to current or future periods. Likewise, premium portfolio withdrawals represent the portion of unearned premiums at the end of the financial year and/or of the reinsurance contract. Premium portfolio entries and withdrawals are included in the premium written and are an integral part of premium income.

5.1.8. UNDERWRITING RESERVES

Non-Life business

An unearned premium reserve is calculated either *prorata temporis* on a contract-by-contract basis or using a statistical method when the results do not differ significantly from the contract-by-contract method.

SCOR determines the amount of loss reserves at the end of the year at a level which covers the estimated amount of its commitments as well as estimated claims management costs for both reported and unreported claims (net of estimated recovery and subrogation). These reserves, which pertain to all claims, reported or unreported, are evaluated on the basis of their undiscounted "ultimate" cost. Ultimate claims expense for a contract is estimated based on statistical experience for similar policies.

Loss reserves, including estimated claims paid, are calculated based on expected results and supplement the information communicated by ceding companies.

Life business

The mathematical reserves for Life reinsurance are submitted by ceding companies and completed by estimates using statistics based on historical data and information provided by business underwriters.

Additionally, estimated claims are included in the provisions for claims payable.

A provision for claims handling expenses was recorded for EUR 9.1 million in 2020.

The Company is required to have adequate reserves to cover its commitments after consideration of estimated investment returns, mortality, morbidity and lapse rates, and other assumptions.

A provision for increasing risk is recorded for long-term care and disability business. This risk increases with the age of the insured although the premiums are typically constant. It is equal to the difference between the discounted values of the respective commitments of the insured and insurer.

The provision for increasing risk is recorded in the item "Other underwriting reserves" as liabilities on the balance sheet.

5.1.9. ACQUISITION COSTS OF REINSURANCE TRANSACTIONS

The costs associated with the acquisition of new Non-Life contracts, essentially commissions, are recorded as assets within the limits of contract profitability. They are amortized over the period of earned premiums.

The acquisition costs of Life reinsurance operations are usually not deferred.

5.1.10. TRANSACTIONS CONDUCTED IN FOREIGN CURRENCIES

Pursuant to the provisions of Article R. 341-7 of the French Insurance Code, foreign currency transactions of the Company are recorded in their original currency. For presentation purposes, balance sheet amounts are converted into euros using the year-end exchange rates or the rate of the closest prior date.

SCOR applies rules relating to the accounting of transactions in foreign currencies by entities subject to the Insurance Code as required by the CRC in its Opinion No. 2002-09 dated December 12, 2002.

Balance sheet positions in foreign currencies

At each reporting date, items in foreign currencies are converted into euros by allocating the underlying transactions as follows:

- transactions relating to assets and liabilities generating a "structural" foreign currency position, primarily investments in subsidiaries and related impairments;
- other transactions generating an "operational" foreign currency position.

Differences relating to the conversion of structural positions are recorded on the balance sheet whereas those relating to operational positions are recorded in income.

Off-balance sheet positions in foreign currencies

The foreign currency differences on off-balance sheet positions (forward financial instruments) and the related accounts represent unrealized foreign currency gains or losses. These differences are recorded in the balance sheet in the accounts "Net translation adjustments" and "Regularization of forward financial instruments", based on the underlying strategy.

The objective of the "Net translation adjustments" balance sheet account is to ensure symmetrical treatment with the accounting of the exchange difference generated by the underlying instrument:

- when the derivative is linked to a structural element, the "Net translation adjustments" account remains on the balance sheet until the structural element is realized;
- when the derivative relates to an investment strategy, the "Net translation adjustments" account remains on the balance sheet until the investment is made;
- when the derivative relates to an operational item, in the context of a strategic divestiture or investment, or the derivative is linked to a non-structural financial liability, the "Net translation adjustments" account is reclassified to income.

Foreign currency hedging strategy is described in 5.3.2.

Differences in interest on forward contracts are recorded over the effective life of the hedged operation.

5.1.11. PRINCIPLES RELATING TO THE PRESENTATION OF THE FINANCIAL STATEMENTS

Allocation of expenses by function

General expenses, previously recorded by type, are allocated to the following five functions: acquisition expenses, claims settlement expenses, administrative expenses, investment portfolio management expenses, and other underwriting expenses.

Life/Non-Life

In the corporate income statement of SCOR SE under French GAAP, the Non-Life segment encompasses personal accident/sickness reinsurance in accordance with Article 410-1 and followings of regulation No. 2015-11 dated November 26, 2015 of the French standard-setter (*Autorité des normes comptables* – ANC). Personal accident/sickness reinsurance is classified in the Life segment in the consolidated financial statements under IFRS.

5.1.12. DERIVATIVES INSTRUMENTS RECEIVED AND GIVEN

The use of and accounting for financial instruments comply with European Directive 2005/68/EC (also known as the Reinsurance Directive), with the French General Statement of Accounting Principles *(Plan comptable général)* of 1982, and with French Decree No. 2002-970 dated July 4, 2002, relating to the use of forward financial instruments by French insurance companies.

Pursuant to CRC Opinion No. 2002-09 dated December 12, 2002, SCOR uses fair value as accounting method for forward contracts, puts and calls on financial instruments forming part of a yield strategy.

Such instruments may include cross-currency swaps, caps and floors, forward currency contracts, puts and calls on equity securities and other rate options.

Income and losses in the form of premiums or interests are recorded on a *prorata* basis over the life of the contract. Commitments given and received recorded at the reporting date reflect the nominal amount of ongoing transactions.

In case of unrealized loss positions on swaps not defined as a hedging strategy, a provision for loss risks on swaps is recognized.

In the accounts of the company, those instruments are considered foreign exchange hedging operations.

5.1.13. CATASTROPHE BONDS – DERIVATIVE INSTRUMENT

Atlas IX

On February 10, 2015 SCOR sponsored a catastrophe bond, Atlas IX Series 2015-1, which provides the Group with multi-year risk transfer capacity of USD 150 million for US named storms and US & Canada earthquake events. The issuer of the cat bond, Atlas IX Capital Limited, is a limited liability company created on August 2, 2013. The risk period for Atlas IX 2015-1 runs from February 11, 2015 to December 31, 2018.

On January 13, 2016 SCOR sponsored a catastrophe bond, Atlas IX Series 2016-1, which provides the Group with multi-year risk transfer capacity of USD 300 million for US named storms and US & Canada earthquake events. The risk period for Atlas IX 2016-1 runs from January 13, 2016 to December 31, 2019.

ATLAS Capital Reinsurance 2020 DAC

SCOR has sponsored a new catastrophe bond ("cat bond"), Atlas Capital Reinsurance 2020 DAC, which provides the Group with multi-year risk transfer capacity of USD 200 million to protect itself against storms in the U.S. and earthquakes in the U.S. and Canada. The risk period for Atlas Capital Reinsurance 2020 DAC runs from April 30, 2020, to May 31, 2024.

Atlas Capital UK

Since June 1, 2019 SCOR sponsored a new catastrophe bond, Atlas Capital UK 2019 PLC, which provides the Group with multi-year risk transfer capacity of USD 250 million for US named storms, earthquakes in the US & Canada, and windstorms in Europe. The risk period for Atlas Capital UK 2019 runs from June 1, 2019, to May 31, 2023.

Accounting

The fair value of Cat bond Atlas Capital UK 2019 PLC and Atlas Capital Reinsurance 2020 DAC is presented in "Other receivables" in the balance sheet and the payment of interests in "Other liabilities". The change in fair value is recorded in "Other expenses/ Other operating income".

Cat bonds amortization stands at USD 42 million (EUR 46 million including annual amortization converted as well as foreign exchange impact on opening balance) in 2020 compared to USD 45 million (EUR 38 million including annual amortization converted as well as foreign exchange impact on opening balance) in 2019.

SCOR benefited in 2020 of an additional recovery of USD 9 million (EUR 8 million) with regards to Atlas IX 2015-1, following the exceptional series of large natural catastrophes that occurred during the second half of 2017. As a reminder, the recovery in 2019 related to Atlas IX 2015-1 amounted to USD 13 million (EUR 12 million).

The recovery impacts are recognized in other operating income and expenses.

5.1.14. CATASTROPHE BOND – REINSURANCE CONTRACT

Atlas Capital UK

On June 1, 2018, as part of its policy of diversifying its capital protection tools, SCOR sponsored a new catastrophe bond ("cat bond"), Atlas Capital UK 2018 PLC, which provides the Group with multi-year risk transfer capacity of USD 300 million to protect itself against named storms in the U.S., earthquakes in the U.S. and Canada, and windstorms in Europe.

The risk period for Atlas Capital UK 2018 runs from June 1, 2018, to May 31, 2022.

Accounting

In statutory accounts, the contract is accounted for as a reinsurance contract.

5.1.15. QUOTA SHARE RETROCESSION AGREEMENT

Mangrove Insurance PCC Limited – Quota Share Longevity Retrocession Agreement

On December 18, 2019, as part of its policy of diversifying its capital protection tools, SCOR entered into a structured retrocession transaction with Mangrove Insurance PCC Limited, which provides the Group with a multi-year source of retrocessional capacity. The transaction covers longevity risks arising from nine existing in-force reinsurance treaties with clients in the United Kingdom. The risk period for Mangrove Insurance PCC Limited runs from October 1, 2019 until October 1, 2048.

Accounting

The contract has been accounted for as a reinsurance contract.

5.2. ANALYSIS OF KEY BALANCE SHEET ITEMS

5.2.1. INVESTMENTS

Changes in investments

Gross balances

In EUR millions	Opening balances	Impact of foreign exchange on opening balances	Acquisitions creations	Disposals	Closing balances
Land	-	-	-	-	-
Buildings	-	-	-	-	-
Shares in and advances to land and real estate companies	626	-	248	265	609
Investments in affiliates	8,355	-	164	53	8,466
Cash deposited with ceding companies (related and associated companies)	600	(44)	33	438	151
Loans (related and associated companies)	793	(4)	635	241	1,183
Other investments	5,896	(186)	5,603	5,024	6,289
Cash deposited with other ceding companies	5,958	(28)	29	25	5,934
TOTAL	**22,228**	**(262)**	**6,712**	**6,046**	**22,632**

Depreciation and impairment

In EUR millions	Opening balances	Impact of foreign exchange on opening balances	Increases in allowances for the financial year	Reversals during the financial year	Closing balances
Land	-	-	-	-	-
Buildings	-	-	-	-	-
Shares in and advances to land and real estate companies	3	-	-	-	3
Investments in affiliates	1,427	-	-	4	1,423
Loans (related and associated companies)	-	-	-	-	-
Other investments	13	(1)	8	8	12
TOTAL	**1,443**	**(1)**	**8**	**12**	**1,438**

Shares in and advances to land and real estate companies

The movements on real estate investments during the year correspond to:

- an increase in SCOR Auber SAS shares through the contribution in kind of SCOR Properties II shares for a book value of EUR 245 million;
- the sale of Unibail Rodamco Westfield shares for a book value of EUR 9 million;
- the sale of Klepierre shares for a book value of EUR 7 million.

Investments in affiliates

The increase of investments in affiliates during the year is mainly driven by:

- a capital increase in its subsidiary SCOR US Corporation for USD 100 million (EUR 88 million);
- a capital increase in its subsidiary SGLA Holding for USD 34 million (EUR 31 million);
- a capital increase in its subsidiary SCOR Brasil Participaçoes Ltda for EUR 31 million.

The decrease in the gross value of investments in affiliates of EUR (53) million mainly consists of:

- sale of SCOR Underwriting Ltd shares to SCOR Switzerland AG for a book value of EUR 18 million;
- contribution in kind of M&S Brazil Participações Ltda to SCOR Brasil Participações Ltda for a book value of EUR 15 million;
- reduction in the value of the Trust by a withdrawal of USD 20.5 million (EUR 14 million);
- sale of CFDP Assurances shares for book value of EUR 4 million.

At December 31, 2020, provisions against such investments can be analyzed as follows:

- SCOR Switzerland AG: EUR 1,387 million;
- SCOR P&C Ireland Holding Ltd: EUR 13 million;
- SCOR Services Switzerland: EUR 11 million;
- RCAN Holding Corp: EUR 11 million.

Cash deposited with ceding companies

At December 31, 2020, cash deposited with ceding companies breaks down are as follows:

- SGL Australia ON: EUR 71 million;
- SCOR RE Asia Hong Kong: EUR 23 million;
- SCOR RE AP Australia BR: EUR 20 million;
- SCOR UK Company Ltd: EUR 15 million;
- SCOR Africa Ltd: EUR 11 million.

Loans

The change in loans of EUR 390 million mainly consists of:

- loan granted to SGLA Holding Inc for USD 352 million (EUR 292 million);
- loan granted to SCOR Life Ireland dac for USD 100 million (EUR 83 million);
- increase in the cash advance granted to SCOR GIE Informatique for EUR 58 million;
- the cash advance to SCOR Auber SAS decreased by EUR (70) million;
- loan granted to SGLA Reinsurance Company decreased by EUR (21) million;
- foreign exchange impact on opening EUR (4) million.

Other investments

Other investments of EUR 6,289 million are mainly made up of the following categories:

- bonds and other fixed income securities for EUR 3,936 million;
- mutual fund exclusively invested in fixed-income securities for EUR 1,696 million;
- mutual fund not exclusively invested in fixed-income securities for EUR 321 million;
- other shares and other variable income securities for EUR 196 million;
- deposits with credit institutions for EUR 140 million.

During the year, the change in other investments was mainly due to:

- a net increase in mutual funds for EUR 226 million;
- a net increase in bonds and other fixed income securities for EUR 176 million;
- a net decrease in fixed deposits for EUR (15) million.

Statement of investments

In EUR millions	Gross value	Net book value	Realizable value	Unrealized gains and losses
1 – Real estate investments and real estate investments in process	609	606	852	246
2 – Shares and other variable-income securities (other than mutual fund units)	8,663	7,233	12,702	5,469
3 – Mutual funds units (other than those in 4)	321	319	374	55
4 – Mutual fund units exclusively invested in fixed-income securities	1,696	1,696	1,893	197
5 – Bonds and other fixed-income securities	3,981	3,978	4,052	74
6 – Mortgage loans	-	-	-	-
7 – Other loans and similar bills	1,184	1,184	1,184	-
8 – Deposits with ceding companies	6,085	6,085	6,085	-
9 – Cash deposits (other than those in 8) and security deposits	93	93	93	-
10 – Unit-linked investments	-	-	-	-
Sub-total	**22,632**	**21,194**	**27,235**	**6,041**
11 – Other forward instruments	-	-	-	-
• Investment or divestment strategy	-	-	-	-
• Anticipation of investment	-	-	-	-
• Yield strategy	58	58	58	-
• Other transactions	-	-	-	-
• Amortization premium/discount	(23)	(23)	(23)	-
12 – TOTAL LINES 1 TO 11	**22,667**	**21,229**	**27,270**	**6,041**
a) including:	-	-	-	-
• investments valued according to Article R.343-9	3,863	3,860	3,934	74
• investments valued according to Article R.343-10	18,746	17,311	23,278	5,967
• investments valued according to Article R.343-13	-	-	-	-
• forward instruments	58	58	58	-
b) including:	-	-	-	-
• investments and forward instruments issued in OECD countries	20,938	19,505	25,213	5,708
• investments and forward instruments issued in non-OECD countries	1,729	1,724	2,057	333

Forward instruments

In EUR millions	Strategy	Maturity	Asset position	Liability position	Gains and losses realized on derivatives	Margin call on collateral
Foreign currency hedging: Forward trades	Yield	less than 1 year	31	71	31	(22)
Foreign currency hedging: Cross currency swaps	Yield	more than 5 years	-	2	(3)	25
Forward instrument: Cat bond	Yield	between 1 to 5 years	100	-	(46)	-
TOTAL			**131**	**73**	**(18)**	**3**

Subsidiaries and affiliates

Name *(Amounts in EUR millions)*	Original currency *(in OC)**	Share capital (1) *(in OC)**	Reserves (1) *(in OC)**	Share of capital
A – RELATED ENTITIES: DETAILED INFORMATION				
• SCOR CHANNEL LTD GY1 1GX St Peter Port, Guernesey	EUR	-	1	99.98%
• SCOR UK GROUP LTD LUC 3 Minster Court, Mincing Lane, London EC3R 7DD	GBP	33	(14)	100.00%
• SCOR MANAGEMENT SERVICES IRELAND LTD 6th floor, 2 Grand Canal Square, Dublin 2	EUR	-	(1)	100.00%
• SCOR CAPITAL PARTNERS SAS 5 avenue Kléber, 75116 Paris, France	EUR	197	(8)	100.00%
• SCOR REALTY SINGAPORE PTE LTD 160 Robinson Road, SBF Center, Singapore 068914	SGD	18	(7)	83.18%
• SCOR EUROPE SE 5 avenue Kléber, 75116 Paris, France	EUR	22	-	100.00%
• SCOR SWITZERLAND ASSET SERVICES AG General Guisan-Quai 26, 8022 Zurich, Switzerland	EUR	492	18	100.00%
• SCOR SERVICES SWITZERLAND AG General Guisan-Quai 26, 8022 Zurich, Switzerland	CHF	4	(40)	100.00%
• SCOR AFRICA LTD 2nd Floor, West Tower, Maude Street, Nelson Mandela Square, Sandton 2196, South Africa	ZAR	345	119	100.00%
• SCOR AUBER SAS 5 avenue Kléber, 75116 Paris, France	EUR	299	9	100.00%
• SCOR P&C IRELAND HOLDING LTD 36 Lower Baggot Street Dublin 2 IRELAND	EUR	14	-	100.00%
• SCOR INVESTMENT PARTNERS SE 5 avenue Kléber, 75116 Paris, France	EUR	16	17	100.00%
• SCOR PERESTRAKHOVANIYE.O.O.O. 10 Nikolskaya Street, 109012, Moscou, Russian Federation	RUB	809	1,116	100.00%
• FIDUCIE c/o BNP PARIBAS SECURITIES SERVICES, 9 rue du débarcadère, 93500 Pantin France	USD	91	18	100.00%
• MRM 5 avenue Kléber, 75116 Paris, France	EUR	93	(8)	59.90%
• REMARK GROUP BV World Trade Centre Zuidplein 214, Amsterdam, 1077XV Amsterdam, Pays-bas	EUR	2	57	100.00%
• SCOR GLOBAL LIFE REINSURANCE IRELAND DAC 28,29 Sir John Rogersons Quay 2 Dublin, Ireland	USD	984	890	100.00%
• SCOR GLOBAL LIFE AUSTRALIA Level 33, O' Connell Street NSW, Sydney NSW 2000, Australia	AUD	145	-	100.00%
• SCOR SWITZERLAND AG General Guisan-Quai 26, 8022 Zurich, Switzerland	EUR	735	554	100.00%
• SCOR US CORPORATION 199 Water Street, NEW YORK, NY 10038-3526 USA	USD	2,100	(338)	100.00%
• SCOR CANADA REINSURANCE COMPANY BCE Place TD Canada Trust Power 161, Bay Street, Suite 5000 PO Box 615, TORONTO, ONTARIO M5J 2S1	CAD	30	112	100.00%
• SCOR BRASIL PARTICIPACOES LTDA Avenida Paisagista José Silva de Azevedo Neto, 200 – Bloco 4 – Sala 404, Barra de Tijuca – Rio de Janeiro – Brasil	BRL	245	1	100.00%
• REVIOS CANADA HOLDING CORP. LTD c/o Lang Michener, Brookfield Place, 181 Bay street, suite 2500, M51 2T7 Toronto, Canada	CAD	1	38	100.00%
• SCOR GLOBAL LIFE AMERICAS HOLDING INC. 101 South Tryon Street- 28280 Charlotte, USA	USD	1,272	(76)	100.00%
• SCOR REINSURANCE COMPANY ASIA LTD 3201-3210 Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong	USD	28	102	100.00%
• SCOR REINSURANCE ASIA PACIFIC PTE LTD 143 Cecil Street, 20-01/GB Building Singapore 69542 Singapour	USD	79	(26)	100.00%
• SCOR SERVICES ASIA-PACIFIC PTE. LTD 160 Robinson Road, SBF Center, Singapore 068914	SGD	1	(1)	100.00%
TOTAL A				
B – ENTITIES WITH EQUITY INTEREST				
• In France				
• Other than in France				
TOTAL B				
TOTAL				

(1) Data based on 2020 IFRS accounts.
(2) SCOR guarantees with limits as to the amounts listed above, the underwriting liabilities of its (re)insurance subsidiaries pertaining in particular to their obligations relative to the payment of claims.
** OC: Original Currency.*

Gross book value *(in EUR)*	Net book value *(in EUR)*	Loans and advances *(in EUR)*	Receivables against issuers *(in EUR)*	Guarantees and pledges given [(2)] *(in EUR)*	Revenues [(1)] *(in OC)**	Net income [(1)] *(in OC)**	Dividends received *(in EUR)*
1	1	-	-	-	-	-	-
44	44	-	-	-	-	15	16
-	-	1	-	-	25	4	-
289	289	116	-	-	-	(2)	-
6	6	-	-	-	2	(2)	-
22	22	-	156	35	133	1	-
519	519	-	-	-	-	18	30
13	2	-	-	-	117	33	-
24	24	-	10	47	1,543	48	-
394	394	32	11	-	-	46	14
29	16	-	-	-	-	-	1
15	15	-	5	-	46	4	3
21	21	-	10	5	2,339	200	-
135	135	-	-	126	-	-	-
56	56	-	-	-	10	(11)	-
65	65	18	-	-	26	2	-
625	625	-	27	1,559	1,554	(14)	-
100	100	-	43	183	267	(12)	-
2,877	1 490	115	-	2,621	1,112	140	130
1,828	1 828	50	-	-	-	(1)	-
148	148	-	3	222	280	34	24
64	64	-	-	-	-	32	-
17	6	-	-	-	-	-	-
1 112	1 112	292	1	1,084	1	(26)	-
215	215	-	35	222	351	99	124
265	265	33	29	293	265	(22)	-
1	1	5	7	-	73	(3)	-
8,885	**7,463**	**662**	**337**	**6,397**			**342**
10	10	345	7	152			-
5	5	173	142	3,456			-
15	**15**	**518**	**149**	**3,608**			**-**
8,900	**7,478**	**1,180**	**486**	**10,005**			**342**

As of December 31, 2020, no affiliate was subject to complementry impairment during the period.

Loans and advances to subsidiaries

As of December 31, 2020, loans and advances granted by SCOR SE to its subsidiaries amounted to EUR 1,180 million, breaking down as follows:

- EUR 342 million with SCOR GIE Informatique;
- USD 352 million (EUR 292 million) with SGLA Holding Inc;
- EUR 117 million with SCOR Capital Partners SAS;
- CHF 125 million (EUR 115 million) with SCOR Switzerland AG;
- USD 100 million (EUR 83 million) with SCOR Life Ireland dac;
- USD 75 million (EUR 62 million) with SCOR Reinsurance Company;
- USD 60 million (EUR 50 million) with SCOR US Corporation;
- USD 40 million (EUR 33 million) with SCOR Reinsurance Asia-Pacific Pte Ltd;
- EUR 32 million with SCOR Auber SAS;
- USD 34 million (EUR 28 million) with SGLA Reinsurance Company;
- EUR 11 million with ReMark Group BV;
- USD 8 million (EUR 7 million) with ReMark Group BV;
- SGD 8 million (EUR 5 million) with SCOR Services Asia-Pacific Pte Ltd;
- USD 2 million (EUR 1 million) with GIE Colombus;
- EUR 1 million with SCOR Management Services Ireland Ltd;
- EUR 1 million with Rehalto.

As of December 31, 2019, loans and advances granted by SCOR SE to its subsidiaries amounted to EUR 790 million, breaking down as follows:

- EUR 284 million with SCOR GIE Informatique;
- CHF 125 million (EUR 114 million) with SCOR Switzerland AG;
- EUR 112 million with SCOR Capital Partners SAS;
- EUR 102 million with SCOR Auber SAS;
- USD 65 million (EUR 59 million) with SCOR US Corporation;
- USD 55 million (EUR 50 million) with SGLA Reinsurance Company;
- USD 40 million (EUR 36 million) with SCOR Reinsurance Asia-Pacific Pte Ltd;
- SGD 18 million (EUR 12 million) with SCOR Realty Singapore Pte Ltd;
- EUR 9 million with ReMark Group BV;
- SGD 8 million (EUR 5 million) with SCOR Services Asia-Pacific Pte Ltd;
- EUR 3 million with SCOR Management Services Ireland Ltd;
- EUR 2 million with Rehalto;
- USD 2 million (EUR 1 million) with GIE Colombus;
- EUR 1 million with Hokodo.

5.2.2. OTHER ASSETS

Property, plant and equipment and intangible assets

In EUR millions	Opening balances	Acquisitions/ creations	Disposals	Closing balances
Gross values	**864**	**1**	**(5)**	**860**
Intangible assets	**713**	**-**	**-**	**713**
Goodwill	475	-	-	475
Set-up costs	-	-	-	-
Other intangible assets	238	-	-	238
Property, plant and equipment	**151**	**1**	**(5)**	**147**
Deposits and security bonds	6	-	-	6
Equipment, furniture, fittings and fixtures	145	1	(5)	141
Depreciation, amortization and impairment	**(115)**	**(31)**	**4**	**(142)**
Other intangible assets (excluding goodwill)	(55)	(22)	2	(75)
Equipment, furniture, fittings and fixtures	(60)	(9)	2	(67)

Treasury shares

As at December 31, 2020, the number of shares held as treasury shares amounted to 259,567 shares (0.14% of capital) for a total value of EUR 7,962,992. These shares were acquired in the context of anticipated awards to Company employees and corporate officers as part of share allocation plans.

In EUR	Opening balance	Acquisitions/ creations	Disposals	Closing balance
TREASURY SHARES				
Number	668,058	3,956,374	(4,364,865)	259,567
Amount	26,464,840	109,867,849	(128,369,697)	7,962,992*

* *SCOR SE has signed a share option agreement with BNPP to which a EUR 35 million premium was paid during 2019 and 2020 and shown on the balance sheet in Treasury shares.*

5.2.3. SHAREHOLDERS' EQUITY

The share capital comprising 186,730,076 shares with a par value per share of EUR 7.8769723 amounted to EUR 1,470,867,636 as at December 31, 2020.

In EUR millions	2019 Shareholders' equity before allocation	Income allocation	Other movements during the period	2020 Shareholders' equity before allocation
Capital	1,473	-	(2)	1,471
Additional paid-in capital	678	-	(15)	663
Legal reserve	74	-	(74)	-
Other reserves	57	-	74	131
Retained earnings	820	908	-	1,728
Net income	908	(908)	110	110
Regulated reserves	45	-	-	45
TOTAL	**4,055**	**-**	**93**	**4,148**

- The EUR 908 million net income for 2019 was allocated to retained earnings.
- The issuance of shares resulting from the exercise of stock options until December 31, 2020 for a total of EUR 3.5 million was allocated to share capital of the Company for EUR 1.5 million and to additional paid-in capital for EUR 2 million. The exercise of options resulted in the creation of 189,700 shares.
- During 2020, the Board decided upon a share capital and additional paid-in capital reduction by cancellation of 509,135 treasury shares for a total amount of EUR 21 million, EUR 4 million was allocated to share capital and EUR 17 million to additional paid-in capital.
- The Article R. 352-1-1 of the Insurance Code does not require the constitution of a legal reserve for companies subject to prudential supervision such as the Company. Therefore, the board of directors decided to allocate the entire legal reserve (EUR 74 million) to other reserves.

5.2.4. SUBORDINATED LIABILITIES AND FINANCIAL LIABILITIES

		2020		2019	
In EUR millions	Maturity	Net book value	Fair value	Net book value	Fair value
SUBORDINATED LIABILITIES					
CHF 125 million	Perpetual	-	-	114	117
EUR 250 million	Perpetual	250	283	250	289
USD 625 million	Perpetual	522	553	569	572
USD 125 million	Perpetual	104	110	112	112
GBP 18 million	Perpetual	20	20	23	23
EUR 16 million	Perpetual	16	16	16	16
EUR 600 million	06/08/2046	603	682	602	683
EUR 250 million	06/05/2047	253	292	253	289
EUR 500 million	05/27/2048	509	608	509	605
EUR 159 million	02/11/2020	-	-	160	160
EUR 365 million	09/30/2020	-	-	233	233
EUR 300 million	09/17/2031	297	302	-	-
TOTAL		**2,574**	**2,866**	**2,841**	**3,099**

The balance includes EUR 39 million of accrued interest (as at December 31, 2019: EUR 44 million) and EUR (22) million of written premium.

Financial liabilities include:

Subordinated liabilities

- EUR 250 million in fixed rate perpetual subordinated notes was issued on October 1, 2014. The notes are redeemable by SCOR from October 1, 2025 on an annual basis on the interest payment dates. The coupon has been set at 3.875% until October 1, 2025 and will be reset every 11 years at the prevailing 11-year EUR mid-swap rate plus a margin of 3.70% thereafter.
- USD 625 million in fixed rate perpetual subordinated notes was issued on March 13, 2018. The notes are redeemable by SCOR from March 13, 2029 on an annual basis on the interest payment dates. The coupon has been set at 5.25% until March 13, 2029 and will be reset every 5 years thereafter at yield for U.S. Treasury Securities at constant Maturity (for a designated maturity of 5 years) plus the margin of 2.37%. The notes are hedged by a cross-currency swap.
- USD 125 million in fixed rate perpetual subordinated notes was issued on December 17, 2019. The notes are redeemable by SCOR from March 13, 2029 on an annual basis on the interest payment dates. The coupon has been set at 5.25% until March 13, 2029 and will be reset every 5 years thereafter at yield for U.S. Treasury Securities at constant Maturity (for a designated maturity of 5 years) plus the margin of 2.37%. The

notes are hedged by a cross-currency swap.

- A subordinated debt of GBP 18 million (EUR 20 million) set up between the UK branch of SCOR and SCOR Holding (UK) Ltd in December 18, 2014, with an interest rate of 4.70%.
- A subordinated debt of EUR 16 million set up between SCOR and SCOR Global P&C Ireland Ltd in December 1, 2014, with an interest rate of 3.875%.
- EUR 600 million in dated subordinated notes was issued on December 7, 2015. The notes are redeemable by SCOR from June 8, 2026 on an annual basis on the interest payment dates. The coupon has been set at 3.00% until June 8, 2026 and will be reset every 10 years at the prevailing 10-year EUR mid-swap rate +3.25%.
- EUR 250 million in dated subordinated notes was issued on June 5, 2015. The notes are redeemable by SCOR from June 5, 2027 on an annual basis on the interest payment dates. The coupon has been set at 3.25% until June 5, 2027 and will be reset every 10 years at the prevailing 10-year EUR mid-swap rate +3.20%.
- EUR 500 million in dated subordinated notes was issued on May 27, 2016. The notes are redeemable by SCOR from May 27, 2028 on an annual basis on the interest payment dates. The coupon was set at 3.625% until May 27, 2028 and will be reset every 10 years at the prevailing 10-year EUR mid-swap rate +3.90% until May 27, 2048, final redemption date.
- EUR 300 million in fixed rate perpetual subordinated notes was issued on September 17, 2020. The notes are redeemable by SCOR from September 17, 2031 on an annual basis on the interest payment dates. The coupon has been set at 1.375% until September 17, 2031 and will be reset every 10 years.

For 2020, SCOR SE recognized EUR 16.1 million in financial income from loans with related companies and EUR 68 million in interest expenses on borrowings with related companies.

5.2.5. MATURITY OF ASSETS AND LIABILITIES

The maturity of assets and liabilities at December 31, 2020 is as follows:

	2020				2019
In EUR millions	Total	Less than 1 year	1 to 5 years	More than 5 years	Total
ACCOUNTS RECEIVABLE	**2,097**	**2,037**	**60**	**-**	**2,397**
Accounts receivable from reinsurance transactions	**1,894**	**1,894**	**-**	**-**	**2,192**
Other accounts receivable	**203**	**143**	**60**	**-**	**205**
Employee and other related receivable	-	-	-	-	-
Taxes and related receivable	86	86	-	-	81
Receivables on related companies and other affiliates	32	32	-	-	30
Other	85	25	60	-	94
ACCOUNTS PAYABLE	**5,699**	**3,096**	**69**	**2,534**	**5,642**
Subordinated liabilities	**2,574**	**40**	**-**	**2,534**	**2,841**
Cash deposits received from retrocessionaires	**1,179**	**1,179**	**-**	**-**	**1,051**
Other liabilities	**1,946**	**1,877**	**69**	**-**	**1,750**
Liabilities arising from reinsurance operations	798	798	-	-	1,085
Other loans, deposits and guarantees received	803	803	-	-	210
Employee and other related payable	41	41	-	-	45
Taxes and other related payable	52	52	-	-	69
Payables on related companies and other affiliates	88	88	-	-	54
Other	164	95	69	-	287

The item "Reinsurance estimates – assumed" is presented in "Accounts receivable from reinsurance transactions", whereas the item "Reinsurance estimates – ceded" is presented in "Liabilities arising from reinsurance operations".

The breakdown of the reinsurance estimates – assumed is as follows as at December 31, 2020:

- reinsurance estimates — assumed — Life (EUR (82) million) includes premiums estimates for EUR 999 million, commissions payable for EUR (292) million, claims payable amounting to EUR (869) million, and EUR 80 million of accrued interest on the cash deposit;
- reinsurance estimates — assumed — Non-Life (EUR 1,254 million) includes premiums estimates for EUR 2,375 million, EUR (564) million of commissions payable, claims payable for EUR (614) million and EUR 57 million of accrued interest on the cash deposit.

The others loans, deposis and guarantees received consist of:

- debt of the German branch for EUR 15 million (EUR 15 million as of December 31, 2019);
- debt of the Japanese branch for EUR 3 million;
- loans granted to SCOR SE by its subsidiaries for EUR 785 million. Their breakdown as of December 31, 2020 is as follows:
  - EUR 292 million with SCOR Life Ireland dac,
  - EUR 231 million with SCOR Switzerland Asset Service AG,
  - EUR 159 million with SCOR Switzerland Asset Service AG,
  - EUR 5 million with SCOR Investment Partners SE.

As of December 31, 2019, the breakdown was as follows:

- EUR 97 million with SCOR Switzerland AG;
- EUR 81 million with SCOR Auber SAS;
- EUR 10 million with SCOR Investment Partners SE;
- EUR 5 million with SCOR Europe SE.

5.2.6. CONTINGENCY RESERVES

Gross balances

In EUR millions	Opening balance	Increase	Use over the period	Reversal without use	Closing balance
Retirement provisions	148	15	(37)	-	126
Free share allocation plans	43	8	(20)	-	31
Long service awards	-	-	-	-	-
Other provisions	55	1	(2)	(4)	50
TOTAL	**246**	**24**	**(59)**	**(4)**	**207**

Contingency reserves amount to EUR 207 million and consist of:

- EUR 126 million in reserves for post-employment benefits, of which EUR 69 million for retirement provisions and EUR 57 million for supplementary retirement;
- EUR 31 million for free share allocation plans with the following maturities: EUR 18 million at 2021, EUR 8 million at 2022, EUR 5 million at 2023 and beyond;
- EUR 50 million in other provisions.

5.2.7. GROSS UNDERWRITING RESERVES

In EUR millions	2020	2019	2018
Reinsurance reserves (Life)	3,139	3,437	2
Loss reserves (Life)	909	876	-
Unearned premiums reserves (Non-Life)	1,484	1,552	639
Loss reserves (Non-Life)	9,764	9,932	2,361
Other underwriting reserves (Non-Life)	1,979	1,951	6
Equalization reserves (Non-Life)	19	22	5
GROSS UNDERWRITING RESERVES	**17,294**	**17,770**	**3,013**

As at December 31, 2020, the gross underwriting reserves amount to EUR 17,294 million, decreasing by EUR 476 million compared to 2019.

For the Life business, the decrease of EUR 181 million is mainly driven by the decrease in assumed mathematical reserves for EUR 298 million, due to run-off businesses in Cologne and Milan branches, which is partially offset by the increase in outstanding loss reserves for EUR 95 million, mainly in New Zealand (EUR 41 million), Singapore (EUR 32 million) and Zurich (EUR 26 million) branches.

The gross technical reserves (Non-Life) decrease by EUR 295 million. This variation is explained by the decrease in outstanding loss reserves for EUR 229 million, mainly in SCOR SE Paris (EUR 148 million), Beijing (EUR 47 million) and Milan (EUR 37 million) branches, and in assumed unearned premium reserves for EUR 62 million of which Beijing branch (EUR 71 million).

5.2.8. ACCRUED INCOME AND DEFERRED EXPENSES

The analysis of accrued income and deferred expenses at December 31, 2020 is as follows:

	Assets		Liabilities	
In EUR millions	2020	2019	2020	2019
Due and accrued interests on rental income	42	41	-	-
Deferred acquisition costs – Non-Life	303	335	-	-
Deferred commissions received from reinsurers	-	-	121	142
Other accruals	104	116	122	48
TOTAL	**449**	**492**	**243**	**190**

The breakdown of other accruals mainly consists of, as at December 31, 2020:

- foreign exchange derivative instruments for EUR 94 million and premium/discount for EUR 10 million as assets;
- foreign exchange derivative instruments for EUR 87 million, premium/discount for EUR 33 million and cross-currency swaps for EUR 2 million as liabilities.

5.2.9. TRANSACTIONS WITH SUBSIDIARIES, AFFILIATES AND OTHERS

In EUR millions	2020				2019			
	Related companies	Other affiliates	Other	Total	Related companies	Other affiliates	Other	Total
ASSETS (GROSS)								
Investments	**9,927**	**32**	**12,673**	**22,632**	**9,993**	**34**	**12,201**	**22,228**
Investment properties	56	-	553	609	580	-	46	626
Shares other than variable — income securities and bonds	8,538	32	6,092	14,662	8,022	34	6,087	14,143
Loans	1,182	-	94	1,276	791	-	110	901
Cash deposits with ceding companies	151	-	5,934	6,085	600	-	5,958	6,558
Share of retrocessionaires in underwriting reserves	**2,169**	**-**	**813**	**2,982**	**2,212**	**-**	**998**	**3,210**
Accounts receivable	**494**	**-**	**1,603**	**2,097**	**445**	**-**	**1,952**	**2,397**
Accounts receivable from reinsurance transactions	428	-	1,466	1,894	358	-	1,834	2,192
Other accounts receivable	66	-	137	203	87	-	118	205
Other assets	**43**	**-**	**268**	**311**	**53**	**-**	**380**	**433**
Accrued income and deferred expenses	**42**	**-**	**407**	**449**	**48**	**-**	**444**	**492**
Accrued interests and rent	5	-	37	42	6	-	35	41
Deferred acquisition costs — assumed (Non-Life)	37	-	266	303	42	-	293	335
Other assumed reinsurance transactions	-	-	-	-	-	-	-	-
Other accruals	-	-	104	104	-	-	116	116
EQUITY AND LIABILITIES								
Subordinated liabilities	**36**	**-**	**2,538**	**2,574**	**432**	**-**	**2,409**	**2,841**
Gross underwriting reserves	**2,228**	**-**	**15,066**	**17,294**	**2,355**	**-**	**15,415**	**17,770**
Contingency reserves	**-**	**-**	**207**	**207**	**-**	**-**	**246**	**246**
Cash deposits received from retrocessionaires	**1,093**	**-**	**86**	**1,179**	**824**	**-**	**227**	**1,051**
Other liabilities	**1,023**	**-**	**923**	**1,946**	**688**	**-**	**1,062**	**1,750**
Liabilities arising from reinsurance operations	151	-	647	798	443	-	642	1,085
Financial liabilities	789	-	14	803	195	-	15	210
Other creditors	83	-	262	345	50	-	405	455
Deferred income and accrued expenses	**112**	**-**	**131**	**243**	**133**	**-**	**57**	**190**
Deferred commissions received from reinsurers (Non-Life)	111	-	10	121	133	-	9	142
Reinsurance estimates — retrocession	-	-	-	-	-	-	-	-
Other accruals	1	-	121	122	-	-	48	48

In EUR millions	2020				2019			
	Related companies	Other affiliates	Other	Total	Related companies	Other affiliates	Other	Total
Other accounts receivable	**66**	**-**	**137**	**203**	**87**	**-**	**118**	**205**
Accounts receivable for Atlas Cat bonds	-	-	100	100	-	-	85	85
Cash advances granted	16	-	-	16	21	-	-	21
Transfer pricing receivables	32	-	-	32	29	-	-	29
Miscellaneous	18	-	37	55	37	-	33	70
Other debts	**83**	**-**	**262**	**345**	**50**	**-**	**405**	**455**
Derivative instrument liabilities for Atlas Cat bonds	-	-	109	109	-	-	92	92
Cash advances granted	5	-	-	5	5	-	-	5
Transfer pricing payables	72	-	-	72	38	-	-	38
Miscellaneous	6	-	153	159	7	-	313	320

5.2.10. ASSETS – LIABILITIES BY CURRENCY

In EUR millions Currency	Assets 2020	Liabilities 2020	Surplus 2020	Surplus 2019
Eur	15,328	18,268	(2,940)	(2,533)
US dollar	7,004	4,549	2,454	2,435
Pounds sterling	955	924	32	(84)
Swiss franc	357	241	116	8
Japanese yen	184	361	(176)	(381)
Australian dollar	259	190	69	82
Yuan	1,277	1,014	263	234
New-Zealand dollar	42	54	(12)	(5)
Other currencies	2,185	1,990	194	244
TOTAL	**27,591**	**27,591**	**-**	**-**

5.3. Analysis of key income statement items

5.3.1. BREAKDOWN OF PREMIUMS AND COMMISSIONS

Breakdown of written premiums by geographical area

In EUR millions	2020	2019
France	998	1,057
North America	585	788
South America	180	128
Far East	1,360	1,530
Europe	3,383	3,375
Africa	20	23
Rest of the world	624	610
TOTAL	**7,151**	**7,511**

Portfolio development

	2020			2019		
In EUR millions	Prior years	2020	Total	Prior years	2019	Total
Premiums	**650**	**6,507**	**7,157**	**537**	**6,959**	**7,496**
Portfolio entries	16	140	156	12	86	98
Portfolio transfers	16	(178)	(162)	33	(116)	(83)
Movements	**32**	**(38)**	**(6)**	**45**	**(30)**	**15**
TOTAL	**682**	**6,469**	**7,151**	**582**	**6,929**	**7,511**

Change in commissions

In EUR millions	2020	2019
Commissions – assumed	1,447	1,541
Commissions – retroceded	(540)	(538)
TOTAL	**907**	**1,003**

5.3.2. ANALYSIS OF INVESTMENT INCOME AND EXPENSES

In EUR millions	2020			2019		
	Related companies	Other	Total	Related companies	Other	Total
Revenues from securities	359	9	368	192	1,040	1,232
Revenues from other investments	43	247	290	54	256	310
Other revenues	3	8	11	3	7	10
Realized gains	(1)	187	186	-	129	129
Total investment income	**404**	**451**	**855**	**249**	**1,432**	**1,681**
Management and financial costs	51	134	185	69	115	184
Other investment expenses	-	27	27	4	24	28
Realized losses	8	211	219	2	184	186
TOTAL INVESTMENT EXPENSES	**59**	**372**	**431**	**75**	**323**	**398**

Dividends received from subsidiaries amount to EUR 342 million mainly include SCOR Switzerland AG (EUR 130 million), SCOR Reinsurance Company (Asia) Ltd (EUR 124 million), SCOR Switzerland Asset Services (EUR 30 million), SCOR Canada Reinsurance Company (EUR 24 million), SCOR UK Group Ltd (EUR 16 million) and SCOR Auber SAS (EUR 14 million).

Dividends received from Mutual funds amount to EUR 17 million.

Foreign currency transactions

Foreign exchange income amounts to a EUR 11 million gain in 2020 compared to a EUR 3.1 million gain in 2019.

Foreign currency hedging strategy

The corporate financial statements are prepared in original currencies and converted into euros. Fluctuations in the exchange rates used to convert the accounts might generate a significant foreign exchange impact. To limit the exchange rate exposure, foreign currency forward transactions are entered into to hedge main currency surpluses in the balance sheet and are adjusted during the year for material arbitrage transactions involving currencies. Hedges include foreign currency spot trades, forward trades and options.

5.3.3. ANALYSIS OF GENERAL EXPENSES BY TYPE AND NON RECURRING INCOME OR LOSS

General expenses by nature

In EUR millions	2020	2019
Salaries	156	139
Pensions	(15)	23
Payroll taxes	42	33
Other	20	24
Total personnel expenses	**203**	**219**
Other general expenses	469	432
TOTAL GENERAL EXPENSES BY TYPE	**672**	**651**
Workforce		
Executives – Paris	727	671
Employees/Supervisors – Paris	58	75
Employees/branches	455	452
TOTAL CURRENT WORKFORCE	**1,240**	**1,198**

On December 31, 2020, the total headcount of SCOR SE is 1,240 (727 executives and 58 employees in Paris, 455 in branches).

Non-recurring result

The non-recurring loss amounted to EUR 4.5 million mainly due to the following items:

- litigation provision related the acquisition of MutRé in 2018 for EUR (1.8) million;
- exceptional charges related to 2018-2019 invoices from ReMark for EUR 7.9 million;
- sale of a transport equipment generating a profit of EUR 2.3 million.

It breaks down into non-recurring income for EUR 2.7 million and non recurring expenses for EUR (7.1) million.

5.3.4. ANALYSIS OF INCOME TAX

The Group in France is consolidated for tax purposes and is composed of SCOR SE as the parent company of the tax group, SCOR Investment Partners SE, SCOR Europe SE, ReMark France SAS, SCOR Auber SAS, Mondot Immobilier SAS, Marbot Real Estate SAS, DB Caravelle SAS, SCOR Capital Partners SAS, SCOR Développement SAS, Château Mondot SAS, Les Belles Perdrix de Trolong Mondot EURL, SCOR IP Holdco SAS, SCOR Capital Partners 2 BV Paris Branch, SCOR Capital Partners3, Marbot Management 2 SAS and SCOR Opérations.

Under the tax agreement, SCOR SE benefits from the tax loss carry-forwards of its subsidiaries, and tax benefits are transferred back to the individual subsidiary concerned in the case of future profits.

Total tax losses of the consolidated French tax group are EUR 1,428 million as at December 31, 2020 (EUR 1,205 million as at December 31, 2019).

The 2020 corporate tax loss of EUR (19.2) million relates mainly to:

- contribution of subsidiaries that are consolidated for tax purposes of EUR 14.2 million;
- tax credit for the tax group for EUR 2 million;
- tax expense for previous financial years for EUR (0.9) million;
- reversal of tax audit provision for EUR 2.4 million;
- tax audit settlement for EUR (0.6) million;
- reversal of income tax provision concerning SCOR Holding Switzerland (merger with SCOR SE in 2019) for EUR 0.8 million;
- income tax expense from the branches for EUR (37.2) million including:
  - Germany for EUR (15.2) million,
  - UK for EUR (8.2) million,
  - Canada for EUR (6.9) million,
  - Netherlands for EUR (4.0) million,
  - India for EUR (2.3) million,
  - New Zealand for EUR (0.6) million,
  - Sweden for EUR (0.3) million,
  - Argentina for EUR (0.1) million,
  - Malaysia for EUR (0.1) million,
  - Italy for EUR 0.4 million.

5.3.5. STOCK OPTIONS

The table below summarizes the status of the various stock option plans in force in 2020:

Plan	Date of Shareholders' Meeting	Date of Board of Directors meeting	Number of options open to subscription	Of which to corporate officers	Date of availability of options	Plan expiration date	Subscription of purchase price	Methods of exercising (if several periods)	Number of options exercised as of December 31	Number of options cancelled as of December 31	Number of options oustanding as of December 31
2010	04/15/2009	03/02/2010	1,378,000	125,000	03/19/2014	03/19/2020	18.40	NA	1,194,000	184,000	-
2010	04/28/2010	04/28/2010	37,710	NA	10/13/2014	10/13/2020	17.79	NA	21,500	16,210	-
2011	04/28/2010	03/07/2011	703,500	125,000	03/23/2015	03/23/2021	19.71	NA	401,000	78,000	224,500
2011	05/04/2011	07/27/2011	308,500	NA	09/02/2015	09/02/2021	15.71	NA	196,500	94,000	18,000
2012	05/04/2011	03/19/2012	938,000	125,000	03/24/2016	03/24/2022	20.17	NA	430,900	168,000	339,100
2013	05/03/2012	03/05/2013	716,000	100,000	03/22/2017	03/22/2023	22.25	NA	303,345	67,500	345,155
2013	04/25/2013	07/31/2013	170,000	NA	10/03/2017	10/03/2023	24.65	NA	28,000	65,000	77,000
2013	04/25/2013	11/05/2013	25,000	NA	11/22/2017	11/22/2023	25.82	NA	5,000	20,000	-
2014	04/25/2013	03/04/2014	694,875	100,000	03/21/2018	03/21/2024	25.06	NA	99,000	51,750	544,125
2014	05/06/2014	11/05/2014	9,000	NA	12/02/2018	12/02/2024	24.41	NA	3,750	3,000	2,250
2015	05/06/2014	03/04/2015	666,881	100,000	03/21/2019	03/21/2025	29.98	NA	34,125	108,689	521,817
2015	04/30/2015	12/18/2015	45,250	NA	12/19/2019	12/19/2025	35.99	NA	NA	45,250	-
2016-1	04/30/2015	02/23/2016	629,118	25,000	03/11/2020	03/11/2026	31.58	NA	NA	182,172	433,446
2016-2	04/27/2016	10/26/2016	750	NA	12/02/2020	12/02/2026	29.57	NA	NA	112	638
2017-1	04/27/2016	03/10/2017	480,000	100,000	03/11/2021	03/11/2027	33.78	NA	NA	130,000	350,000
2017-2	04/27/2017	10/24/2017	145,410	NA	12/02/2021	12/02/2027	34.75	NA	NA	17,952	126,108
2018-1	04/27/2017	02/21/2018	380,000	100,000	03/09/2022	03/09/2028	35.10	NA	NA	72,000	308,000
2018-2	04/26/2018	10/23/2018	198,088	NA	12/23/2022	12/23/2028	40.81	NA	NA	14,088	181,402
2019-1	04/26/2018	02/19/2019	428,000	100,000	03/08/2023	03/08/2029	38.66	NA	NA	48,000	380,000
2019-2	04/26/2019	10/23/2019	148,140	NA	10/26/2023	10/26/2029	37.11	NA	NA	1,500	144,462
2020-1	04/26/2019	04/28/2020	428,000	100,000	04/29/2024	04/29/2030	21.43	NA	NA	48,000	380,000
2020-2	06/16/2020	11/05/2020	189,326	NA	11/06/2024	11/06/2030	23.31	NA	NA	-	189,326
TOTAL AT DECEMBER 31, 2020									**2,717,120**	**1,415,223**	**4,565,329**
VALUATION									**53,198,316**	**36,767,811**	**131,194,361**

In application of Articles L. 225-181 and R. 225-137 of the French Commercial Code, the Company adjusted the price of the shares corresponding to options granted and the number of shares linked to options following the capital increases of December 31, 2002, of January 7, 2004 and December 12, 2006. Thus, according to the provisions of Article R. 22891 of the French Commercial Code, the adjustment applied equalizes, to the nearest hundredth of a share, the value of shares that will be received if the rights attached to stock subscription and purchase options are exercised after the capital increase, with pre-emptive subscription rights, of the Company decided on November 13, 2006 and the value of the shares that would have been obtained has those rights been exercised prior to the capital increase.

These calculations were performed individually and plan by plan and rounded up to the nearest unit. The new basis for exercising the rights attached to the stock subscription and purchase options were calculated by entering the value of the pre-emptive subscription right on the one hand, and the value of the share after detachment of this right on the other, as determined from the average of the opening prices during all the trading days included in the subscription period.

In addition, on January 3, 2007, the Company carried out a reverse stock split of shares comprising the capital of SCOR SE with the exchange of one new share with a par value of EUR 7.8769723 for 10 old shares with a par value of EUR 0.78769723 per share.

The stock option plans granted from 2003 are stock subscription plans that may give rise to a share capital increase.

In 2020, 189,700 options were exercised: 125,000 options exercised under the Stock option of March 18, 2010 vested on March 18, 2014, 4,300 options exercised under the stock option plan of October 12, 2010 vested on October 12, 2014, 18,500 options exercised under the stock option plan of March 22, 2011 vested on March 22, 2015, 30,000 options exercised under the stock option plan of September 1, 2011 vested on September 1, 2015, 4,900 options exercised under the stock option plan of March 23, 2012 vested on March 23, 2016, 4,750 options exercised under the stock option plan of March 20, 2014 vested on March 20, 2018 and 2,250 options exercised under the stock option plan of March 20, 2015 vested on March 20, 2019.

It should be noted that SCOR is committed to the neutral impact of each stock option and performance share allocation in terms of dilution. To achieve this, SCOR's policy is to systematically neutralize, insofar as possible, the potential dilutive impact that could result from the issuance of new ordinary shares following the exercise of stock options, by covering the exposure resulting from the issuance of stock options through the purchase of ordinary shares under its share buyback program and by cancelling the treasury shares thus acquired as the options are exercised. Thus, there is no capital dilution resulting from the granting of stock options.

5.3.6. EMPLOYEE SHARE OWNERSHIP PLANS

Employee profit-sharing

Under these agreements, employees of SCOR SE and certain subsidiaries are entitled to invest the amounts due to them under the profit-sharing plan in a corporate mutual fund entirely invested in SCOR SE shares.

In EUR thousands	2020	2019	2018	2017	2016
Amount distributed under the profit-sharing plan	1,318	769	182	1,665	1,216

The amount of 2020 profit-sharing payouts has been estimated in the accounts and set aside for EUR 0.1 million.

Amount paid into the Company employee saving plan

In EUR thousands	2020	2019	2018	2017	2016
Profit sharing (1)	1,065	642	130	1,217	740
Net voluntary payments (2)	1,470	1,551	717	607	515
Total payments	**2,535**	**2,193**	**847**	**1,824**	**1,255**
NET EMPLOYER CONTRIBUTION (3)	**1,425**	**1,465**	**602**	**630**	**509**

(1) Paid out in the financial year for the previous financial year.
(2) The voluntary payments shown include payments to all corporate mutual funds (FCPE), including PERCO since 2015.
(3) Including PERCO.

Personal training account

As of January 1, 2015, the personal training account (*Compte Personnel de Formation* – CPF) replaces the individual training entitlement (*Droit Individuel à la Formation* – DIF), in accordance with Law No. 2014-288 of March 5, 2014 relating to professional training, employment and social democracy. It should be noted that the CPF is managed externally by the Caisse des dépôts et consignations.

5.3.7. COMPENSATION OF THE CORPORATE OFFICER

The following table presents the gross cash compensation paid in 2019 and 2020 to the Group Chairman and Chief Executive Officer:

Chairman and Chief Executive Officer

In EUR	2020	2019
Fixed compensation	1,200,000	1,200,000
Variable compensation	758,940	1,184,400
Directors' compensation	61,000	76,000
TOTAL CASH COMPENSATION	**2,019,940**	**2,460,400**

The Chairman and Chief Executive Officer benefits from a company car and a shared driver.

Total pension benefits for the corporate officer amount to EUR 26.3 million.

5.3.8. ANALYSIS OF COMMITMENTS GIVEN AND RECEIVED

	Commitments received		Commitments given	
In EUR millions	2020	2019	2020	2019
Ordinary course of business	**3,807**	**3,214**	**15,717**	**15,017**
Financial instruments	2,364	2,749	2,519	2,809
Confirmed credits, letters of credit and guarantees given	1,416	446	3,288	2,875
Other commitments given and received	27	19	9,910	9,333
Hybrid transactions	**-**	**-**	**-**	**-**
TOTAL	**3,807**	**3,214**	**15,717**	**15,017**

Commitments received and given in the ordinary course of business

Financial instruments received and given

	Commitments received		Commitments given	
In EUR millions	2020	2019	2020	2019
Rate swaps	-	-	-	-
Cross-currency swaps	621	677	617	617
Currency forward purchases/sales	1,743	2,072	1,776	2,045
Trust assets	-	-	126	147
TOTAL	**2,364**	**2,749**	**2,519**	**2,809**

Cross-currency swaps are used to hedge foreign exchange and interest rate risks of perpetual notes in USD issued in 2020: the instruments convert the principal of 2020 placements for a total of USD 750 million into EUR and the coupon on the USD 400 million tranche to 2.945%; on the USD 225 million tranche to 2.955% and on the USD 125 million tranche to 3.115%. All instruments will mature on March 13, 2029.

In 2020, currency forward purchases and sales generated unrealized profits of EUR 36 million.

Confirmed credits, letters of credit, and guarantees received and given

	Commitments received		Commitments given	
In EUR millions	2020	2019	2020	2019
Confirmed credit	450	150	-	-
Letters of credit (unused portion)	224	155	-	-
Letters of credit	-	-	-	-
Securities pledged to financial institutions	-	-	235	311
Investments in subsidiaries and affiliates pledged to financial institutions	-	-	-	-
Other guarantees given to financial institutions	742	141	3,053	2,564
TOTAL	**1,416**	**446**	**3,288**	**2,875**

Various financial institutions provide sureties for the Company in the form of letters of credit to collateralize SCOR SE's technical liabilities. The total amount that benefits to cedents, not included in the table above, is EUR 697 million as of December 31, 2020 (EUR 755 million in 2019).

Confirmed credit

On December 26, 2018, SCOR SE received from BNP Paribas SA a EUR 150 million commitment as an overdraft facility. This commitment remains at December 31, 2020.

On June 24, 2020, SCOR SE received from CACIB and HSBC a EUR 300 million commitment as an overdraft facility.

Capacity to issue letters of credit

As of December 31, 2020, SCOR SE has an outstanding letter of credit capacity of EUR 224 million (EUR 155 million in 2019), recognized as a commitment received from banks. This outstanding capacity can be used to provide collateral on the forthcoming underwritten business. The allocation per bank is the following:

- JP Morgan: USD 88 million (EUR 73 million);
- BBVA: USD 62 million (EUR 52 million);
- CACIB: USD 37 million (EUR 31 million);
- BNP Paribas: USD 25 million (EUR 20 million);
- Citibank: USD 23 million (EUR 19 million);
- Helaba: USD 21 million (EUR 17 million);
- Natixis: USD 6 million (EUR 5 million);
- BLB: USD 5 million (EUR 4 million);
- Deutsche Bank: USD 4 million (EUR 3 million).

Other guarantees given

In return of technical provisions, SCOR SE gave guarantee in the form of securities pledged to ceding companies for an amount of EUR 3,053 million (EUR 2,564 million in 2019).

Other commitments given and received

	Commitments received		Commitments given	
In EUR millions	2020	2019	2020	2019
Guarantees and securities	2	3	33	35
Underwriting commitments	-	-	830	315
Assets pledged to ceding companies	-	-	-	-
Marketable securities pledged to financial institutions	-	-	-	-
Parental guarantees	-	-	8,879	8,812
Contract termination indemnities	-	-	-	-
Lease	25	16	168	171
TOTAL	**27**	**19**	**9,910**	**9,333**

As of December 31, 2020, commitments given by SCOR SE for parental guarantees amount to EUR 8,879 million (EUR 8,812 million in 2019), and benefit mainly to:

- SCOR Holding Switzerland AG: EUR 2,621 million (EUR 2,466 million in 2019);
- SCOR Reinsurance Company: EUR 2,029 million (EUR 1,695 million in 2019);
- SCOR Global Life America Holding Inc: EUR 1,083 million (EUR 1,139 million in 2019);
- SCOR Global Life Ireland dac: EUR 1,517 million (EUR 1,492 million in 2019).

Commitments given and received in respect of hybrid transactions

Apart from commitments mentioned in the note above, the Company no longer has any commitment with respect to hybrid transactions such as asset swaps or index default swaps. No facts in connection with the aforementioned commitments given and received have been brought to SCOR's knowledge, which may have an adverse impact on cash flows, cash positions or on its liquidity requirements.

5.3.9. POST BALANCE SHEET EVENTS

None.

5.3.10. LITIGATION

Comisión Nacional de la Competencia

On November 12, 2009, and following an administrative sanctioning procedure, the Spanish competition authority (*Comisión Nacional de la Competencia*, or the "CNC") sanctioned SCOR Global P&C SE Ibérica Sucursal, a branch of SCOR Global P&C, and a number of other insurance and reinsurance companies for an alleged infringement of Article 1 of Law 15/2007, of July 3, 2007, on Competition (the "Competition Act" which prohibits agreements and concerted practices that may have as an object or effect the restriction of competition in the market). The infraction would have consisted in an agreement to set the minimum price and other commercial conditions applied to customers in the market for decennial insurance for constructions in Spain. Pursuant to such decision, SCOR was sentenced to pay a fine of EUR 18.6 million. Other insurers and reinsurers were also fined in relation to the same matter.

On December 21, 2009 SCOR filed an appeal to the sanctioning decision before the Administrative Chamber of the National Audience (*Audiencia Nacional*, or the "AN").

On December 28, 2012, the AN issued its judgment on the appeal, annulling the decision of the CNC. The AN accepted SCOR's grounds and declared that the Company had not infringed the Competition Act. Consequently, the economic sanction imposed on SCOR by the CNC was annulled.

The State Attorney *(Abogado del Estado)* representing the CNC has appealed the AN judgment to the Supreme Court *(Tribunal Supremo)* in January 2013. The Supreme Court has accepted the State attorney's appeal on October 10, 2013.

On June 2, 2015, SCOR received the decision from the Spanish Supreme Court on the State Attorney's appeal. In its decision, the Supreme Court confirmed that SCOR, together with certain other market participants, were part of an antitrust violation. However, the Supreme Court canceled the fine imposed by the Agency and requested it to be recalculated. On July 2, 2015, SCOR filed an action for annulment of the Supreme Court decision. On September 15, 2015, this action was dismissed by the Supreme Court. On November 3, 2015, SCOR filed an appeal against the Supreme Court's decision in front of the Spanish Constitutional Court. This action was dismissed on February 26, 2016.

In March 2016, the CNMC (*Comisión Nacional de los Mercados y la Competencia*, former CNC) has commenced the reevaluation procedure of SCOR's fine imposed in 2009.

On March 9, 2017, the CNMC issued a resolution in which it confirmed SCOR's fine at the amount of EUR 18.6 million. SCOR has appealed the CNMC's resolution in front of the AN, and on April 25, 2019, the AN has rejected SCOR's appeal. Subsequently, on June 5, 2019, SCOR has appealed this decision in front of the Spanish Supreme Court. On January 30, 2020 SCOR was notified that the Spanish Supreme Court has not accepted SCOR's appeal, thereby triggering the requirement to pay the EUR 18.6 million fine. On February 25, 2020 SCOR has filed an appeal to the Spanish Constitutional Court against the decision of the Spanish Supreme Court. On September 25, 2020, SCOR had been informed that the Spanish Constitutional Tribunal declared SCOR's appeal inadmissible. This decision is final.

In addition to the litigation described above, SCOR is involved in court, arbitration and other formal or informal dispute resolution proceedings in its normal course of business. Based on Management's assessment these current proceedings are not expected to have a significant negative impact.

Legal actions against Thierry Derez, Covéa and Barclays

As announced in SCOR's press release dated January 29, 2019, the gravity of the facts brought to the attention of SCOR and its governance bodies relating to the misconduct committed to the detriment of SCOR, in the context of the preparation and submission by Covéa, on August 24, 2018, of its unsolicited takeover proposal for SCOR, compelled SCOR to initiate legal actions against Thierry Derez, Covéa SGAM, Covéa Coopérations and Barclays.

These legal actions consist of:

- a criminal action, by way of a direct prosecution *("citation directe")* before the Criminal Court of Paris *("Tribunal correctionnel de Paris")*, against Thierry Derez, for breach of trust *("abus de confiance")*;
- a criminal action, by way of a direct prosecution *("citation directe")* before the Criminal Court of Paris *("Tribunal correctionnel de Paris")*, against Covéa SGAM and Covéa Coopérations, for concealment of breach of trust *("recel d'abus de confiance")*;
- a civil action against Barclays before the High Court of Justice of London, for serious breach of confidence and trade secrets;
- a civil action *("action en responsabilité civile")*, before the Commercial Court of Paris *("Tribunal de commerce de Paris")*, against Thierry Derez, for serious breach of his legal and fiduciary duties and obligations as a director of SCOR in his personal capacity (regarding in particular loyalty, conflicts of interest, and confidentiality) as well as SCOR's trade secrets ("*secret des affaires*"); and
- a civil action *("action en responsabilité civile")*, before the Commercial Court of Paris *("Tribunal de commerce de Paris")*, against Covéa SGAM and Covéa Coopération, for having directly participated in and benefitted from the serious breaches by Thierry Derez.

In the criminal proceedings by way of direct prosecution ("*citation directe*") before the Criminal Court of Paris ("*Tribunal correctionnel de Paris*") against Thierry Derez, Covéa SGAM and Covéa Coopérations, the hearings on the merits are expected to be held in July 2021.

In the civil proceedings before the Commercial Court of Paris *("Tribunal de commerce de Paris")* against Thierry Derez, the Commercial Court of Paris ruled on November 10, 2020 that Thierry Derez had violated his legal and fiduciary duties and obligations as a director of SCOR in his personal capacity (regarding loyalty, conflicts of interest and confidentiality), by disclosing confidential SCOR information and documents to Covéa and its advisors with the aim of wrongfully favoring the preparation and execution of an unsolicited takeover bid for SCOR by Covéa. Thierry Derez was ordered to pay the amount of EUR 479,376, plus interest, in compensation for the damage caused to SCOR. The Court also ruled that Covéa SGAM and Covéa Coopérations had participated and benefited in full knowledge of the misconduct committed by Thierry Derez, and that the public communication of their unsolicited takeover bid for SCOR had been wrongful. Thierry Derez, Covéa SGAM and Covéa Coopérations are ordered in solidum to pay the sum of EUR 19,603,191, plus interest, in compensation for the damage caused to SCOR. Thierry Derez, Covéa SGAM and Covéa Coopérations have appealed against the judgment of November 10, 2020.

In the claim against Barclays for breach of confidence and trade secrets, the High Court of Justice of London has declined, by judgment delivered on January 30, 2020, Barclays' application to stay the proceedings until the judgment of the Paris Criminal Court *("Tribunal correctionnel de Paris")* in the criminal proceedings. The trial before the High Court of Justice of London is expected to take place in June 2021.

6. CERTIFICATION OF AUDIT OF HISTORICAL FINANCIAL INFORMATION

This is a translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory auditors' report on the financial statements

To the Annual General Meeting of SCOR SE,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of SCOR SE for the year ended December 31, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (Code de déontologie) for statutory auditors, for the period from January 1, 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Measurement of technical reserves related to reinsurance contracts

(see Notes 5.1.8 and 5.2.7 of the notes to the corporate financial statements)

Risk identified	Our response
The technical reserves of your company amount to EUR 4,048 million for Life reinsurance and EUR 13,246 million for Non-Life reinsurance as at December 31, 2020. As explained in Note 5.1.8 of the notes to the corporate financial statements, the Non-Life technical reserves are determined at year-end at a level that covers the estimated amount of its commitments as well as estimated claims management costs for both reported and unreported claims. Ultimate claims cost for a contract is estimated based on statistical experience for similar policies. Technical reserves for Life reinsurance are submitted by ceding companies and completed by estimates calculated by Life actuaries using statistics based on historical data and information provided by underwriters. The company is required to have adequate reserves to cover its commitments after consideration of estimated investment returns, mortality, morbidity and lapse rates, and other assumptions. Inherent uncertainties in the Life and Non-Life reserves' estimates are enhanced for reinsurers because of the longer time period between the date of an occurrence and the request for payment of the claim to the reinsurer, the diversity of contract development schemes, the dependence on ceding companies for information regarding claims and differing reserving practices among ceding companies. These estimates include significant uncertainties and require a significant degree of judgement from management. In this context, we considered the measurement of technical reserves related to reinsurance contracts as a key audit matter.	To cover the risk related to the technical reserves estimation, our audit approach was as follows: • we obtained an understanding of the report of the group chief actuary, as well as reports from Life and Non-Life Business Units actuaries, on the global adequacy of reserves; • we updated our understanding of the procedures and methods of measurement used in determining the technical reserves; • we obtained an understanding of the internal controls framework and tested the efficiency of key controls established by management in order to assess the completeness and reliability of the data and of the implemented models; • we appreciated, for a selection of contracts, the actuarial methods and parameters used and the assumptions chosen. • we performed procedures to analyze differences between expected claims and occurred claims in order to control subsequently the quality of estimates performed by the management; • we realized, with our Non-life actuarial specialists integrated in the audit team, a recalculation using our own assumptions and tools of technical reserves for the most sensitive actuarial segments reserves; • for Non-Life business, we analyzed the documentation supporting the measurement of reserves related to catastrophes, both man-made and natural; • for Life and Non-Life businesses, we analyzed the documentation justifying the impact of the Covid-19 in the valuation of the technical reserves; • we included within our team members with specific skills in IT systems to perform procedures aiming at reviewing the internal control environment of the systems used by the management and test the functioning of several automated processes as well as general IT controls that support those processes.

Measurement of reinsurance premiums

(see Notes 5.1.7 and 5.3.1 of the notes to the corporate financial statements)

Risk identified	Our response
SCOR SE gross written premiums amount to EUR 7,151 million during 2020 financial year. Accounts not received from ceding companies at the year-end are estimated, as stated in the Note 5.1.7 of the notes to the corporate financial statements. Overall, the premiums recorded for the year (premiums reported in the accounts received from cedants and estimated premiums) correspond to the estimated premium expected at the time the policy was underwritten. Your company periodically review its assumptions and estimates based on experience as well as various other factors. Actual premiums can turn out to be different from management estimates. Observing a large portion of estimates in the written premiums of a financial year is specific to the reinsurance business. In this context, we considered the measurement of reinsurance premiums as a key audit matter.	To cover the risk on the measurement of reinsurance premiums, we implemented the following audit approach: • we obtained an understanding of the internal controls framework on processes related to Life and Non-Life premium estimates and we tested the efficiency of key controls established by management; • we examined the consistency of premiums estimates over the period, comparing them both to the operational plan prepared by management and approved by Board of Directors and to premiums actuals from previous financial years and we investigated, if any, significant differences identified. • we performed, for a selection of contracts, a deep analysis of underlying assumptions taking into account the activity, the records of reinsurance accounts received, and any new information received from ceding companies; • for new contracts underwritten in 2020, we performed on a sampling basis, controls on the consistency of premium estimates based on new business information available at the underwriting department; • we included within our team members with specific skills in IT systems to perform procedures aiming at evaluating the internal control environment of the systems used by the management and test the functioning of several automated processes as well as general IT controls that support those processes.

Measurement of investments in affiliates

(see Notes 5.1.2 and 5.2.1 of the notes to the corporate financial statements)

Risk identified	Our response
On December 31, 2020, investments in affiliates were recorded for a net book value of EUR 7,043 million. As stated in the Note 5.1.2 of the notes to the corporate financial statements, they are initially measured at historical acquisition cost. Subsequently, their value is determined based on their nature and holding period: For active reinsurance companies, the fair value is the revaluated net assets value including the value of Life reinsurance portfolio and the forecasts of future profits of Non-Life reinsurance, net of taxes. At each reporting date, if the fair value of an investment in affiliates is below its historical cost, an analysis is conducted in order to determine if an impairment loss should be recorded. The assumptions and outcome of this analysis, conducted as at December 31, 2020, are detailed in 5.2.1 of the notes to the corporate financial statements. For real estate and financial (holding) companies, fair value is calculated as the share of net assets including unrealized gains, net of tax. An impairment provision is recorded on a line-by-line basis when such values are below historical cost. Given the weight of investments in affiliates in the financial statements, the complexity of models used and their sensitivity to changes in data and assumptions, we considered the measurement of investments in affiliates as a key audit matter.	To cover the risk related to the measurement of investments in affiliates, our audit approach was as follows: • we examined the estimate of the reference values determined by management and analyzed the valuation method and the data used, based on the information provided to us; • we compared, on a sample basis, the data used in the impairment tests of investments in affiliates to source data per entity as well as results of work on these affiliates, if appropriate; • we examined, on a sample basis, the calculation of recoverable values used by the company.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the finanal statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents provided to shareholders with respect to the financial position and the financial statements, except for the below mentioned observation, reminded that it is not our responsibility to conclude on the fairness or consistency with the financial statements of the solvency related information required by article L. 355-5 of the French Insurance code (Code des assurances).

The sincerity and consistency of the information relating to the payment terms mentioned in Article D.441-4 of the French Commercial Code (Code de Commerce) with the financial statements lead us to report the following observation: As indicated in the management report, this information does not include insurance and reinsurance transactions, as your company considers that they do not fall within the scope of the information to be produced, in accordance with the circular of the Fédération Française de l'Assurance of May 22, 2017.

Information relating to corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4 and L.22-10-10 et L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by or attributed to the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Format of the presentation of the financial statements intended to be included in the annual financial report

In accordance with Article 222-3, III of the AMF General Regulation, the Company's management informed us of its decision to postpone the presentation of the financial statements in compliance with the European single electronic format as defined in the European Delegated Regulation No 2019/815 of 17 December 2018 to years beginning on or after January 1st, 2021. Therefore, this report does not include a conclusion on the compliance with this format of the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2 I of the French Monetary and Financial Code (code monétaire et financier).

Appointment of the Statutory Auditors

We were appointed as statutory auditors of SCOR SE by the Annual General Meeting held on June 22, 1990 for MAZARS and on June 16, 2020 for KPMG SA.

As at December 31, 2020, MAZARS were in the 31st year of total uninterrupted engagement and KPMG SA in the1st year.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense and Courbevoie, February 23, 2021

The Auditors

French original signed by

KPMG S.A.		MAZARS	
Pierre Planchon	Antoine Esquieu	Maxime Simoen	Guillaume Wadoux
Associé	Associé	Associé	Associé

APPENDIX C
Glossary

This glossary is a list of selected reinsurance terms. It is not a complete list of terms used in this Universal Registration Document in the insurance or reinsurance industry.

ACCOUNTING YEAR

The entity's financial year in which the accounts are recorded.

ACCUMULATION

The sum of all risks which are correlated such that a single insured event will affect these risks or all the underwritten lines relating to the same risk.

ADVERSE DEVELOPMENT

Losses recorded during the period for which initial estimates recorded in previous accounting periods proved insufficient.

ASSET LIABILITY MANAGEMENT (ALM)

Risk-management technique aimed at earning stable and adequate returns and protecting capital by simultaneously managing the duration and other relevant characteristics of assets and liabilities.

ASSUMED BUSINESS

Transaction whereby a reinsurer agrees to cover part of a risk already underwritten or accepted by an insurer.

ATTACHMENT POINT

The amount of losses above which an excess of loss reinsurance contract becomes operative.

BEST ESTIMATES

An actuarial "best estimate" refers to the expected value of future potential cash flows (probability weighted average of distributional outcomes) related to prior underwritten business. Best estimates are based upon available current and reliable information and take into consideration the characteristics of the underlying portfolio.

BIOMETRIC RISKS

Risks related to human life including mortality, disability, critical illness, health, long-term care and longevity.

CAPITAL SHIELD STRATEGY

The capital shield strategy articulates the Group's risk appetite. This strategy is based on an economic approach and aims to protect the Group against potential shock losses, some of which are not immediately recognized from a pure accounting view. The policy builds on the following four concepts: traditional retrocession, capital market solution, buffer capital and contingent capital.

CASUALTY INSURANCE

Insurance primarily concerned with the losses caused by injuries to third parties by the policyholder and the legal liability imposed on the insured resulting therefrom.

CATASTROPHE (CAT)

SCOR defines a natural catastrophe as events involving several natural risks including but not limited to flood, windstorm, earthquake, hurricane, tsunami, and wildfire that give rise to an insurable loss. For reporting purposes, the Group separately considers catastrophes as events causing pre-tax losses, net of retrocession, totaling at least EUR 3 million.

CATASTROPHE (OR CAT) BOND

A high-performance bond which is generally issued by an insurance or reinsurance company. If a predefined occurrence takes place (such as an earthquake, tsunami, hurricane etc.), the bondholder loses all or part of his investment in the bond. This type of insurance-linked security allows insurance and reinsurance companies to transfer peak risks (such as those arising from natural catastrophes) to capital markets, thereby reducing their own risks.

CEDING COMPANY (ALSO CALLED CEDENT)

Insurance company, mutual society or insurance provider that transfers (or "cedes") a part of the risk it has underwritten to a reinsurer.

CESSION OR CEDED BUSINESS

Transaction whereby an insurer (cedent or ceding company) transfers part of its risk to the reinsurer against the payment of a premium. The opposite of ceded business is assumed business.

COMMISSION RATIO

The commission ratio is calculated by dividing Non-Life reinsurance commissions by Non-Life premiums earned. This ratio is net of retrocession.

COMMUTATION

A transaction through which insurers or reinsurers surrender all rights and are relieved from all obligations under the insurance or reinsurance contract in exchange for a single current payment.

CONTINGENT CAPITAL

Funds that would be available under a pre-negotiated agreement if a specific contingency (such as a natural disaster) occurs.

CREDIT AND SURETY INSURANCE

Credit insurance provides insurance coverage against loss to a supplier caused by customers' failure to pay for goods or services supplied. Surety insurance relates to sureties and guarantees issued to third parties for the fulfillment of contractual liabilities.

DECENNIAL INSURANCE

Decennial insurance provides insurance coverage to building owners and construction companies against losses caused by structural defects in new buildings resulting from inherent defects in design, construction or the materials used. In a number of countries, including France, such coverage is required as a matter of law. It is generally granted for a period of ten years following the completion of the construction.

DEFERRED ACQUISITION COSTS (DAC)

Costs associated with the acquisition of new contracts, mainly commissions, are recorded as assets and amortized on the basis of the residual term of the contracts for Non-Life business and on the basis of the recognition of future margins for Life contracts. DAC is subject to impairment testing conducted within the scope of the liability adequacy test.

DEFERRED TAX ASSET

Defined under IAS 12 as amounts of income tax recoverable in future accounting periods due to temporary differences or Net Operating Losses (NOL) carried forward.

DEPOSIT, FUNDS WITHHELD

Amounts which may be deposited with the ceding company to guarantee the reinsurer's liability. Income from securities deposited accrues to the reinsurer.

DIRECT INSURANCE

A policy taken out with an insurer by an individual or a company to cover a risk (property, service or person). This policy can either be underwritten directly with one of the insurer's agents or *via* a broker who receives a commission.

ELIGIBLE OWN FUNDS (EOF)

Amount of capital which is available and eligible to cover the Solvency II capital requirements (SCR). It is made of the addition of the IFRS shareholder's equity, the eligible hybrid debt and the impact of economic adjustments on the economic balance sheet. It is the numerator of the solvency ratio.

ENTERPRISE RISK MANAGEMENT (ERM)

Enterprise Risk Management is a process, deployed by an entity's Board of Directors, Chief Executive Officer, management and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risks to be within its risk appetite, in order to provide reasonable assurance regarding the achievement of the entity's objectives.

FACULTATIVE REINSURANCE

Reinsurance on an item-by-item or risk-by-risk basis. Facultative reinsurance is usually written for very large-line risks. It may be either proportional or non-proportional.

FINANCIAL SOLUTIONS

Financial Solutions combine traditional Life reinsurance with financial components providing liquidity, balance sheet, solvency and/or income improvements to the client. This type of reinsurance treaty is typically used by cedents to fund growth, stabilize earnings or optimize their solvency position (capital relief).

GROSS WRITTEN PREMIUMS

Actual and estimated premiums to be received for the period from the ceding companies. Gross premiums represent revenues for the accounting period.

GUARANTEED MINIMUM DEATH BENEFIT (GMDB)

The GMDB guarantees investors in a variable annuity that if the owner passes away while the market value is low, they would never get back less than their original principal.

INCURRED BUT NOT REPORTED (IBNR)

Provision for claims which have already occurred but have not been reported yet to the insurer at the reporting date.

INSURANCE LINKED SECURITIES (ILS)

Financial instruments whose values are driven by insurance loss events. Such instruments that are linked to property losses due to natural catastrophes represent a unique asset class, whose return is uncorrelated with the returns of the general financial markets.

INTERNAL MODEL

SCOR's internal model is used to quantify the risks that SCOR faces. In particular, it is used to calculate the Solvency Capital Requirement (SCR).

LEVERAGE RATIO

The leverage ratio is calculated by dividing subordinated debt by the sum of shareholders' equity and subordinated debt. The calculation excludes accrued interest and includes the impact of swaps related to subordinated debt issuances. This ratio is used to determine how much lenders are financing the Group's activities over shareholders.

LIABILITY ADEQUACY TEST (LAT)

An assessment of whether the carrying amount of an insurance liability needs to be increased (or the carrying amount of related deferred acquisition costs or related intangible assets, such as VOBA, decreased), based on a review of future cash flows.

LIFE AND HEALTH REINSURANCE

Collective term for the lines of business in connection with the insurance of people, *i.e.* life, pension, health, critical illness, long-term care and personal accident insurance.

LIFE TECHNICAL MARGIN

The Life technical margin is calculated as a percentage of the net technical result plus income from funds held by ceding companies and the net of gross and ceded earned premiums.

LONGEVITY

Longevity products cover the risk of negative deviation from expected results due to the insured or annuitant living longer than assumed in the pricing of the cover provided by insurers or pension funds.

LOSS/CLAIM

Event that triggers insurance cover and reserves recognition.

LOSS ADJUSTMENT EXPENSES (OR CLAIM MANAGEMENT EXPENSES)

Amount related to the expenses for actual or estimated claims expenses (declared or not declared yet) that occurred in the accounting year.

LOSS RATIO

The loss ratio is calculated by dividing Non-Life claims (including claims arising from natural catastrophes) by Non-Life premiums earned. This ratio is net of retrocession.

MATHEMATICAL RESERVE

Amount that a Life insurance or capitalization company must set aside and capitalize in order to meet its commitments to the insured.

MORBIDITY

The probability that an individual in a given group develop a certain disease or disorder.

MORTALITY

The relative incidence of death of Life insureds or annuitants holding a Life insurance policy.

NATURAL CATASTROPHE RATIO

The natural catastrophe ratio is calculated by dividing Non-Life claims arising from natural catastrophes by Non-Life premiums earned. This ratio is net of retrocession.

NET COMBINED RATIO

Sum of the Non-Life net attritional ratio, natural catastrophe ratio, commission ratio and the management expense ratio.

NET WRITTEN PREMIUM

Gross premiums diminished by the portion of premiums paid for retrocession, as opposed to gross written premiums.

NON-LIFE NET ATTRITIONAL RATIO

The Non-Life net attritional ratio is calculated by dividing Non-Life claims (excluding claims arising from natural catastrophes) by Non-Life premiums earned. This ratio is net of retrocession.

NON-PROPORTIONAL (EXCESS OF LOSS) REINSURANCE

Reinsurance contract written to protect the ceding company from all or part of claims in excess of a specified amount retained (priority). This generally takes the form of excess of loss (or XL) or excess of annual loss reinsurance.

P&C MANAGEMENT EXPENSE RATIO

The P&C management expense ratio is calculated by dividing management expenses incurred for Non-life reinsurance operations by Non-Life premiums earned. This ratio is net of retrocession.

PERILS

PERILS provides index values which can be used in industry-loss-based ILS transactions. The underlying data for the index is thereby directly collected from insurance companies underwriting property business in the affected areas and is processed in a standardized procedure to estimate industry-wide insured losses, which then form the basis of the PERILS index service.

PREMIUMS EARNED

Premiums an insurance company has recorded as revenues during a specific accounting period.

PRIMARY INSURER

An insurance company that issues insurance contracts to the public generally or to certain non-insurance entities.

PROBABLE MAXIMUM LOSS (PML)

The estimated anticipated maximum loss, taking into account ceding company and contract limits, caused by a single catastrophe affecting a broad contiguous geographical area, such as that caused by a hurricane or earthquake of such a magnitude that it is expected to recur once during a given period, such as every 50, 100 or 200 years.

PROPERTY INSURANCE

Insurance that provides coverage to a person with an insurable interest in tangible property for that person's property loss, damage or loss of use.

PROPORTIONAL (*PRORATA*) REINSURANCE

Reinsurer's share of claims carried by the reinsurer in proportion to its share of premiums received. Proportional reinsurance is generally written as a quota share of business or as surplus reinsurance.

PROVISION FOR CLAIMS PAYABLE

Reserve for claims reported but not settled yet. These are estimated by ceding companies and communicated to the reinsurer.

REINSTATEMENT PREMIUMS

Additional premiums charged under certain excess of loss reinsurance contracts to restore coverage amounts after a loss.

REINSURANCE

Procedure whereby an insurance company in turn insures itself with an outside company (the reinsurer) for part or all of the risks it covers, in return for payment of a premium.

REINSURANCE COMMISSION

Percentage of premiums paid by the reinsurer to the insurer in quota-share or facultative treaties as a contribution to the acquisition and administrative costs relating to the business ceded.

REINSURANCE POOLS

A reinsurance pool involves insurance and reinsurance companies as well as public authorities in order to spread the risks. It allows the Group to have limited and known commitments.

REINSURANCE TO CLOSE (RITC)

Lloyd's accounting practice based on a 3-year accounting process for Lloyd's syndicates. The syndicate underwriting account is closed at the end of the third year by means of reinsurance into the following year, which reinsures all future liabilities for the closed year and all previous years.

REINSURANCE TREATY

Reinsurance convention between an insurer and a reinsurer defining the terms under which the risks covered by the convention are ceded and accepted. The two main categories of treaty reinsurance are proportional and non-proportional.

RETENTION

Share of the risk retained by the insurer or reinsurer for its own account.

RETROCESSION

Transaction in which the reinsurer transfers (or cedes) all or part of the risks it has assumed to another reinsurer (the retrocessionaire), in return for payment of a premium.

RETURN ON EQUITY (ROE)

Return on equity is based on the Group's share of net income divided by average shareholders' equity (calculated as shareholders' equity at the beginning of the period adjusted for the effect of all movements during the period using a prorata temporis). This return is annualized when calculated quarterly.

RETURN ON INVESTED ASSETS (ROIA)

The return on invested assets is used to assess the return on the Group's invested assets excluding funds withheld by cedents. This percentage return is calculated by dividing the total investment income on invested assets by the average invested assets (calculated as the quarterly averages of the total invested assets).

RETURN ON INVESTMENT (ROI)

The return on investment is used to assess the profitability of the Group's investments, including funds withheld by cedents and other deposits less cash deposits. This percentage return is calculated by dividing the total net investment income by the average investments (calculated as the quarterly averages of the total investments).

RISK APPETITE

Defines the target risk profile (assets and liabilities combined) that SCOR actively seeks in order to achieve its expected return.

RISK APPETITE FRAMEWORK

Consistently defines the four following concepts: SCOR's risk appetite, SCOR's risk preference, SCOR's risk tolerance and "footprint" scenario.

RISK-FREE (INTEREST) RATE

The rate of interest that remunerates assets with no counterparty risk. Usually, the weighted five-year daily interest rates of treasury bills (T-bills) in Germany, the US, and Great Britain averaged over the period under consideration are used as proxies for the risk-free (interest) rate. The weighted average used for this calculation is based on the percentage of reserves denominated in the currency of each such reserve.

RUN OFF

The cessation of all underwriting of new business on a risk portfolio. As a result, all reserves are "run off" over time until their complete extinction. Run off may take up to several decades depending on the class of business.

SCOR GLOBAL LIFE (SGL) AND SCOR GLOBAL LIFE SE

SCOR Global Life refers to the operating segment recording all business underwritten by entities in the Life operating segment. SCOR Global Life SE refers to the legal entity.

SCOR GLOBAL P&C (SGP&C) AND SCOR GLOBAL P&C SE

SCOR Global P&C refers to the Non-Life operating segment and all business transacted by entities in this segment. SCOR Global P&C SE refers to the legal entity.

SCOR SE AND SCOR GROUP

SCOR SE refers to the legal entity SCOR SE, the issuer. SCOR SE and its consolidated subsidiaries are referred to as SCOR, SCOR Group or the Group.

SOLVENCY CAPITAL REQUIREMENT (SCR)

Solvency Capital Requirement *i.e.* required capital, under the Solvency II framework, calculated by SCOR's internal model, ensuring the Group can meet its obligation over the following 12 months with a 99.5% probability. It is the denominator of the solvency ratio.

SPECIAL PURPOSE VEHICLE (SPV)

A legal entity created to fulfill specific or temporary objectives (conduct defined activities or hold assets etc.). SPV's are typically used by companies to isolate the financial risk from the firm.

TAIL

The period of time that elapses between either the writing of the applicable insurance or reinsurance policy or the loss event (or the insurer's or reinsurer's knowledge of the loss event) and the payment in respect thereof. A "short-tail" product is one where ultimate losses are known comparatively quickly; ultimate losses under a "long-tail" product may remain unknown for several years.

TECHNICAL RATIO

The technical ratio is a P&C indicator and is calculated as the sum of the loss ratio and commission ratio. This ratio is net of retrocession and is used to assess the net performance of reinsurance transactions excluding P&C management expenses.

TECHNICAL RESULT

The balance of income and expenses allocated to the insurance business and shown in the underwriting income statement.

TOTAL LIQUIDITY

This total displays the Group's available short-term liquidity position. It is defined as cash and cash equivalents (which include cash held by the Group on behalf of third parties), short-term government bonds maturing between three months and twelve months from the date of purchase (included in loans and receivables) and bank overdrafts.

UNDERWRITING CAPACITY

The maximum amount that an insurance or reinsurance company can underwrite. The limit is generally determined by the company's retained earnings and investment capital. Reinsurance serves to increase a company's underwriting capacity by reducing its exposure to particular risks.

For Lloyd's, amount of gross written premiums net of acquisition costs underwritten by the Group through its investments in Lloyd's Syndicates.

UNDERWRITING EXPENSES

The aggregate of policy acquisition costs, including commissions, and the portion of administrative, general and other expenses attributable to underwriting activities.

UNDERWRITING RESERVES

Amounts that an insurer or reinsurer must place in reserves in order to pay out on claims insured, and on liabilities arising from policies written.

UNDERWRITING YEAR

The year starting with the effective date of a policy or with the renewal date of that policy; to be distinguished from the accounting year. For example, a claim may occur during the current accounting year, but relate to a policy commencing in a prior underwriting year.

UNEARNED PREMIUM RESERVES

For each reinsurance contract, these cover the portion of premiums written during the year relating to future periods (between the reporting date and the date at which the reinsurance contract expires).

UNIT-LINKED CONTRACT

Life insurance contract or capitalization certificate for which the amount guaranteed, and bonus amounts are expressed, not in a specific Euro amount, but by reference to one or more units of account such as mutual fund units or real estate investment trust units. Contractual guarantees are directly linked to upward or downward variations in a security listed on a regulated market or in the value of a real estate asset.

VALUE OF BUSINESS ACQUIRED (VOBA)

This refers to life reinsurance portfolios acquired in a business combination. It is calculated as the present value of the stream of expected future cash flows including estimates of future technical results, future investment income less future administrative expenses. The present value calculation is based on assumptions and risk discount factors relevant at the date of acquisition. VOBA is amortized over the lifetime of the underlying reinsurance portfolio and is subject to impairment testing as part of the LAT.

VALUE OF IN-FORCE BUSINESS (VIF)

Present value of expected future income flows from the portfolio of in-force business, discounted by a currency-specific risk discount rate and determined in accordance with local accounting principles.

VALUE OF NEW BUSINESS (VNB)

A measure of total economic profit (or loss) after risk margin and taxes resulting from underwriting or renewing reinsurance contracts measured on a Solvency basis at the point of sale. It is calculated as the discounted present value of all the expected future Solvency II cashflows (*e.g.* premiums, claims, commissions, expenses, collateral costs, cost of cat bonds, etc.) and the cost of Solvency risk capital required for the new business, as at the point of sale. The VNB growth is driven by new business premium volume growth, underwriting profitability, operating efficiency and capital efficiency.

XXX (OR TRIPLE X)

A regulation in the US, (NAIC Model Regulation XXX or Valuation of Life Insurance Policies Model Regulation) commonly referred to as Regulation XXX (or Triple X) which requires that US life insurance and life reinsurance companies must hold on their statutory financial statements a relatively high level of regulatory or statutory reserves for various types of life insurance business, primarily certain level term life products. The reserve levels required under Regulation XXX increase over time and are normally in excess of reserves required under IFRS.

APPENDIX D

Additional information relating to the management report of the company and the Group – Correspondence table

The statements and information pertaining to the management report on the Company's and the Group's activities in 2020, as approved by the Board of Directors on February 23, 2021 (the "Report"), are included and presented in the 2020 Universal Registration Document (URD) which will be submitted as such to the Shareholders' Meeting convened to approve the financial statements for the financial year ended December 31, 2020.

Therefore, the sections of the Universal Registration Document (URD) referred to in the correspondence table set forth under Section 6 hereafter, are fully incorporated in this Report of which they are deemed to be an integral part.

The information of the special report relating to the 2020 stock options plans established in accordance with Article L.225-184 of the French Commercial Code and the special report relating to the 2020 free share allocation plans established in accordance with the Article L.225-197-4 of the French Commercial Code, appear in section 2.2.3.4 – Plans providing employee profit sharing.

Statements and information relating to the resolutions submitted to the Shareholders' Meeting, pursuant to the provisions of Article R. 225-83, 4° of the French Commercial Code are presented in a separate report of the Board of Directors.

1. OPERATING AND FINANCIAL REVIEW OF SCOR SE

1.1. YEAR 2020

1.1.1. OPERATING AND FINANCIAL REVIEW OF SCOR SE IN 2020

The total assets of SCOR SE as at December 31, 2020 amounted to EUR 27,590,968,504.

The total financial assets (investments) amounted to EUR 21,193,777,763.

Shareholders' equity stood at EUR 4,147,856,141 and subordinated liabilities at EUR 2,574,031,249. Liabilities amounted to EUR 1,601,095,876 including other loans of EUR 803,299,340.

The net amount of underwriting reserves was EUR 14,312,471,148.

The technical result of SCOR SE as at December 31, 2020 was EUR 181,144,265 while the financial result was EUR 458,967,483.

SCOR SE's net income amounted to EUR 109,660,016 in 2020.

For additional information on the operating and financial situation of SCOR SE and its subsidiaries, as well as on the development of their business in 2020, see Section 1.3, Section 4 and Appendix D of the Universal Registration Document.

1.1.2. ADDITIONAL INFORMATION

Liabilities due to suppliers

Pursuant to the provisions of Article L. 441-6-1 of the French Commercial Code, except in specific situations (such as litigation regarding invoices received), suppliers' invoices are paid upon receipt or within 30 days of the end of the month.

In application of the circular of the French Insurance Federation *(Fédération française de l'assurance)* of May 29, 2017, information presented in the table below, does not include the transactions linked to insurance and reinsurance contracts

	Article D.441 I.1: Unpaid received bills at the end of the financial year whose term is expired						Article D.441 I.2: Unpaid issued bills at the end of the financial year whose term is expired					
In EUR millions	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payments												
Number of concerned bills	278	21	23	-	436	472	132	10	27	-	153	182
Total Amount of concerned bills without taxes	74	1	1	-	19	20	28	-	2	-	34	36
Percentage of total expenses of the year, without taxes	18.14%	0.22%	0.19%	-	4.54%	4.94%						
Percentage of total gross sales of the year, without taxes							18.43%	0.20%	1.10%	-	22.73%	24.03%
(B) Excluded bills from (A) related to debts and contested claims unaccounted												
Number of excluded bills	-	-	-	-	-	-	-	-	-	-	-	-
Total amount of excluded bills	-	-	-	-	-	-	-	-	-	-	-	-
(C) Reference payment term used (contractual or legal term – Article L. 441-6 or Article L. 443-1 of the commercial law)												
Payment term used to calculate late payments												
Contractual term	30 days end of the month											
Legal term												

Total amount of exceptional expenditures

Pursuant to Article 223 quarter of the French General Tax Code, we remind you that the amount of the expenses and charges referred to in Article 39.4 of said Code for 2020 totals EUR 247,881.

Add-back of general expenditures

Regarding general expenditures, no tax consolidation was recorded this year.

1.2. OPERATING RESULTS OF SCOR SE IN PAST FINANCIAL YEARS

1.2.1. FIVE-YEAR FINANCIAL SUMMARY

Pursuant to the provisions of Article R. 225-102 of the French Commercial Code, the following table presents a summary of SCOR SE's operating results for each of the last five financial years:

Ratio nature	2020	2019	2018	2017	2016
I. Financial position at the end of the year					
a) Social capital *(in EUR millions)*	1,471	1,473	1,521	1,524	1,517
b) Number of issued shares	186,730,076	187,049,511	193,085,792	193,500,317	192,534,569
c) Number of convertible bonds to shares	-	-	-	-	-
II. Global Profit and loss of effectives transactions *(in EUR millions)*					
a) Turnover without taxes	7,151	7,511	2,400	2,266	2,053
b) Net profit before taxes, depreciations and reserves	138	971	508	(90)	507
c) Current income tax	19	30	15	101	46
d) Net profit after taxes, depreciations and reserves	110	908	499	(5)	647
e) Allocated net profit amount	336 (1)	-	338	319	318
III. Profit and loss per share					
a) Net profit after taxes, and before depreciations and reserves	0.63	4.69	2.71	0.05	2.87
b) Net profit after taxes, depreciations and reserves	0.59	4.85	2.59	(0.02)	3.36
c) Paid dividend per share	1.80 (1)	-	1.75	1.65	1.65
IV. Salaries					
a) Number of salaries	1,240	1,198	817	805	744
b) Gross wages amount	156	139	136	124	132
c) Amount of paid employees benefits (Healthy contribution, others benefits, etc.)	47	80	34	33	29

(1) Subject to adjustment based on Shareholders' Meeting's decision regarding the allocation of 2020 income.

1.2.2. DIVIDENDS DISTRIBUTED BY SCOR SE OVER THE LAST THREE FINANCIAL YEARS

Over the three previous financial years, the amounts distributed by SCOR SE as dividends were as follows:

Fiscal year ended on:	12/31/2019	12/31/2018	12/31/2017
Number of shares (1)	187,049,511	193,085,792	193,500,317
Net dividend per share	EUR -	EUR 1.75	EUR 1.65
Amount eligible for the deduction allowance specified by Article 158-3 of the French General Tax Code (2)	EUR -	EUR1.75	EUR 1.65

(1) Number of shares of the Company, with a par value of EUR 7.8769723, outstanding at the time of distribution of the related dividend, including treasury shares.
(2) For natural persons only: the dividend paid in 2018, 2019 and 2020 for the financial years 2017, 2018 and 2019 gave entitlement to a 40% deduction (except where the beneficiary opted for fixed-rate taxation on dividends (prélèvement libératoire forfaitaire, where applicable).

2. TRENDS IN THE SCOR SE SHARE PRICE THROUGHOUT 2020

Refer to Section 5.1.1. – Trends in the SCOR SE share price throughout 2020.

3. SOCIAL AND ENVIRONMENTAL IMPACT OF SCOR'S ACTIVITY

See Section 6 – Non-financial performance statement.

4. CONSEQUENCES OF RESPECT OF HUMAN RIGHTS, THE FIGHT AGAINST CORRUPTION AND FISCAL EVASION

See Section 6 – Non-financial performance statement.

5. RELATED PARTY AGREEMENTS

See Section 2.3.2 – Related party transactions and agreements.

6. ADDITIONAL INFORMATION PROVIDED IN THE MANAGEMENT REPORT OF THE COMPANY AND THE GROUP – CORRESPONDENCE TABLE

The following information and statements are fully incorporated into this Report, of which they are an integral part, in the various sections of the Universal Registration Document referred to in the correspondence table below:

Management report	Legal provisions	Universal registration document
STATEMENTS DEALING WITH THE MANAGEMENT OF SCOR SE AND THE GROUP IN 2020:		
Analysis of the Company's and the Group's business development, results and financial position (including the debt situation)	Articles L. 225-100-1, I., 1°, L. 232- 1, II, L. 233-6 and L. 233-26 of the French Commercial Code	Sections 1.1.1, 1.1.2, 1.3.1, 1.3.3, 1.3.5, 1.3.6, 1.3.7, 1.3.8, 1.3.9, 4.1, 4.2, 4.3, 4.4, 4.5, 4.6 and 4.9
Situation and activity of the Company and the Group during the past year	Articles L. 225-100-1, I., 1°, L. 232- 1, II, L. 233-6 and L. 233-26 of the French Commercial Code	Sections 1.1.1, 1.1.2, 1.3.1, 1.3.3, 1.3.5, 1.3.6, 1.3.7, 1.3.8, 1.3.9, 4.1, 4.2, 4.3, 4.4, 4.5, 4.6 and 4.9
Results of the activity of the Company, its subsidiaries and the companies under its control	Articles L. 225-100-1, I., 1°, L. 232- 1, II, L. 233-6 and L. 233-26 of the French Commercial Code	Sections 1.1.1, 1.1.2, 1.3.1, 1.3.3, 1.3.5, 1.3.6, 1.3.9, 4.1, 4.2, 4.3, 4.4, 4.5, 4.6 and 4.9
Important events occurred since the closing of the last financial year	Articles L. 232- 1, II, and L. 233-26 of the French Commercial Code	Sections 1.3.10
Table of the Company's results in the course of the five last financial years	Article R. 225-102 of the French Commercial Code	Appendix D – 1.2.1
Dividends distributed in the course of the three last years and dividends eligible to the 40% relief	Article 243 bis of the General French Tax Code	Appendix D – 1.2.2
Amount of the intercompany loans – Loans of less than two years granted by the Company, as an ancillary to its main activity, to micro businesses and SME or companies of an intermediate size with which it maintains economical relationships	Articles L. 511-6 and R. 511-2-1-3 of the French Monetary and Financial Code	None
Information on expenses and charges not deductible from taxes	Article 223 quarter of the French General Tax Code	Appendix D – 1.1.2
Clients and suppliers payment terms	Article D. 441-4 of the French Commercial Code	Appendix D – 1.1.2
Key financial performance indicators	Article L. 225-100-1, I., 2° of the French Commercial Code	Sections 1.1, 1.3.5 and 1.3.9
Research and development activities within the Group and SCOR SE	Articles L. 232-1, II and L. 233-26 of the French Commercial Code	Section 1.2.6
Non financial performance statement of the Group and SCOR SE	Articles L. 225-102-1, R. 225-105, I and L. 22-10-36 of the French Commercial Code	Section 6

Additional information provided in the management report of the company and the Group – Correspondence table

Management report	Legal provisions	Universal registration document
Main risk factors and uncertainties facing the Group	Article L. 225-100-1, I., 3° of the French Commercial Code	Section 3
Indications on the use of financial instruments, and the Company's objectives and policy in terms of financial risk management and market risks	Article L. 225-100-1., 4° of the French Commercial Code	Sections 3.1.3, 3.1.4, 3.1.5, 3.2.4, 3.2.5 and 3.2.6
Indication on the financial risks related to the effects of the climate change and presentation of the means taken by the Company to reduce them by implementing a low-carbon strategy at all stage of its activity	Article L. 22-10-35, 1° of the French Commercial Code	Section 6
Main characteristics of the internal control and risk management procedures	Article L. 22-10-35, 2° of the French Commercial Code	Section 3.3
FINANCIAL AND LEGAL INFORMATION		
Company's securities		
• Shareholding	Article L. 233-13 of the French Commercial Code	Section 5.2
• Threshold crossing	Article L. 233-13 of the French Commercial Code	Section 5.2.1.1 and 5.3.2.7
• Transactions performed by the Company in its own shares in the framework of Articles L. 22-10-61, L. 22-10-62 and L. 22-10-63 of the French Commercial Code	Article L. 225-211 of the French Commercial Code	Section 5.2.1.2
• Notice of holding more than 10% of the share capital of another joint-stock company – Disposal of cross shareholdings	Articles L. 233-29, L. 233-30 and R. 233-19 of the French Commercial Code	-(1)
• Employee share ownership	Article L. 225-102, paragraph 1 of the French Commercial Code	Section 5.2.1.1 and 5.2.1.3
• Adjustment of the conversion basis for securities granting access to the share capital	Articles R. 228-90 and R. 228-91 of the French Commercial Code	Section 5.2
• Summary statement on the transactions on titles by the persons referred to in Article L. 621-18-2 of French Monetary and Financial Code (persons discharging managerial responsibilities as well as the persons closely associated with them)	Article 223-26 of the General Regulation of the AMF	Section 2.2.4
Foreseeable evolution		Sections 1.3.3, 1.3.4, 1.3.5 and Appendix B – 5.3.9
Collective agreements concluded within the Company and the impact on the economic performance and work conditions of the employees (included in the Non-financial performance statement of the Group and SCOR SE)	Articles L. 225-102-1, III and R. 225- 105 of the French Commercial Code	Section 6
Financial sanctions and orders by the Competition Authority on express decision for anti-competition behaviors	Article L. 464-2 of the French Commercial Code	Section 4.6. Note 26
SUBSIDIARIES AND AFFILIATES		
Group organization chart		Section 1.2.3
Subsidiaries' business overview during the financial year closed	Article L. 233-6 of the French Commercial Code	Sections 1.2.3, 1.2.5, 1.3.1, 1.3.5, 1.3.6, 1.3.9 and Appendix B – 5.2.1

Management report	Legal provisions	Universal registration document
Purchase of shareholdings during the financial year closed	Article L. 233-6 of the French Commercial Code	Sections 4.6 Note 4 and Appendix B – 5.2.1
Existing branches	Article L.232-1 of the French Commercial Code	Section 1.2.3.2
Transfer or disposal of shares undertaken to regularize cross shareholdings	Articles R. 233-19 of the French Commercial Code	None
REPORT ON THE CORPORATE GOVERNANCE		
Information related to the remunerations		
For each of the corporate officers Total remuneration and advantages of any kind paid or granted in respect of the mandate during the financial year by the Company, the controlled companies or the company controlling it (L. 233-16 of the French Commercial Code), distinguishing between fixed, variable and exceptional items, including in the form of equity securities, debt securities or securities giving access to the capital or entitling the holder to the grant of debt securities of the Company, as well as the main conditions for exercising rights, in particular the price and date of exercise and any change in these conditions	Article L. 22-10-9, I., 1° of the French Commercial Code	Sections 2.2.1.2, 2.2.1.3 and 2.2.3
The relative proportion of fixed and variable compensation	Article L. 22-10-9, I., 2° of the French Commercial Code	Sections 2.2.1.2 and 2.2.1.3
Exercise of the option to request the return of variable remuneration	Article L. 22-10-9, I., 3° of the French Commercial Code	None
Any remuneration paid or granted by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code	Article L. 22-10-9, I., 5° of the French Commercial Code	Sections 2.2.1.2 and 2.2.1.3
For the Chairman of the Board of Directors, the Chief Executive Officer and each Deputy Chief Executive Officer, the ratios between the level of compensation of each of these executives and, on the one hand, the average compensation on a full-time equivalent basis of the company's employees other than corporate officers, and on the other hand, the median compensation on a full-time equivalent basis of the company's employees other than corporate officers	Article L. 22-10-9, I., 6° of the French Commercial Code	Sections 2.2.1.2
The annual evolution of the remuneration, of the company's performance, of the average remuneration on a full-time equivalent basis of the company's employees, other than executives, and of the ratios referred to in 6°of Article L.22-10-9, I of the French Commercial Code over at least the five most recent financial years, presented together and in a manner that allows for comparison	Article L. 22-10-9, I., 7° of the French Commercial Code	Section 2.2.1.2
An explanation of how the total remuneration complies with the adopted remuneration policy, including how it contributes to the long-term performance of the company, and how the performance criteria have been applied	Article L. 22-10-9, I., 8° of the French Commercial Code	Section 2.2.1.4
The manner in which the vote of the last ordinary general meeting provided for in II of Article L. 22-10-34 of the French Commercial Code was taken into account	Article L. 22-10-9, I., 9° of the French Commercial Code	Section 2.2.1.4
Any deviation from the procedure for implementing the remuneration policy and any waiver applied in accordance with the second paragraph of III of Article L. 22-10-8 of the French Commercial Code, including an explanation of the nature of the exceptional circumstances and an indication of the specific elements to which a waiver is applied	Article L. 22-10-9, I., 10° of the French Commercial Code	Section 2.2.1.1

Management report	Legal provisions	Universal registration document
Clear and concise presentation of the compensation policy for corporate officers, describing all the components of fixed and variable compensation and explaining the decision-making process followed for its determination, review and implementation	Article L. 22-10-8, I., paragraph 2 of the French Commercial Code	Section 2.2.1.4
Commitments of any kind taken by the Company to the benefit of its corporate officers, corresponding to remuneration items, damages or advantages owed or likely to be owed with respect to the taking up, the termination or the change of their functions or after the exercise of such functions, mentioning the precise methods for determining these commitments and the estimated amount of the sums likely to be paid in respect thereof	Article L. 22-10-9, I., 4° of the French Commercial Code	Section 2.2.1.2 and 2.2.1.4
Choice of the Board related to the means of conservation by the officers of shares granted freely and/or shares resulting from the exercise of stock options	Articles L. 225-197-1, L. 22-10-59 du code de commerce and L. 225-185 of the French Commercial Code	Section 2.2.1.4
Information related to the composition, the operation and the powers of the Board		
Reference to a corporate governance code in accordance with the principle "comply or explain" as well as location where such code can be consulted	Article L. 22-10-10, 4° of the French Commercial Code	Section 2.1.1
Composition, conditions of preparation and organization of the works of the Board	Article L. 22-10-10, 1° of the French Commercial Code	Sections 2.1.2, 2.1.3 and 2.1.4
Implementation of the principle of balanced representation of women and men within the Board	Article L. 22-10-10, 2° of the French Commercial Code	Section 2.1.3.3
List of all mandates and functions exercised in any company by each corporate officer during the financial year	Article L. 225-37-4, 1° of the French Commercial Code	Section 2.1.3.2
Summary table of the delegations in course of validity granted by the Shareholders' Meeting for increasing the share capital	Article L. 225-37-4, 3° of the French Commercial Code	Section 5.2
Agreements entered into, directly or through an intermediary, between a corporate officer and a company which share capital is held, directly or indirectly, at more than 50% by the Company	Article L. 225-37-4, 2° of the French Commercial Code	Section 2.3.1
Description of the procedure implemented by the company pursuant to the second paragraph of Article L. 22-10-12 of the French Commercial Code and its implementation	Article L. 22-10-10, 6° of the French Commercial Code	Section 2.3.1
Choice made of one of the two means for exercising the General Management	Article L. 225-37-4, 4° of the French Commercial Code	Section 2.1.5.1
Limitations brought by the Board of Directors to the powers of the Chief Executive Officer	Article L. 22-10-10, 3° of the French Commercial Code	Section 2.1.5.2
Specific means for the participation of the shareholders to the Shareholders' Meeting or provisions of the articles of association providing for such means	Article L. 225-37-4, 9° of the French Commercial Code	Sections 5.3.2.5
Information relating to governing bodies		
Search for a balanced representation within the executive committee and the 10% of positions with the highest responsibility	Article L. 22-10-10, 2° of the French Commercial Code	Section 6.2.1.2

Management report	Legal provisions	Universal registration document
Items likely to have an influence in the case of a tender offer		
Share capital structure	Article L. 22-10-11 of the French Commercial Code	Section 5.2
Restrictions to the exercise of the voting rights and the transfer of shares pursuant to the articles of association or provisions of the agreements brought to the knowledge of the Company in accordance with Article L. 233-11 of the French Commercial Code	Article L. 22-10-11 of the French Commercial Code	Sections 5.2.1.1, 5.2.8.1, 5.3.2.3, 5.3.2.4, 5.3.2.6 and 5.3.2.7
Direct or indirect shareholding interests in the Company of which it is aware pursuant to Articles L. 233-7 (threshold crossing) and L.233-12 of the French Commercial Code (cross-shareholding)	Article L. 22-10-11 of the French Commercial Code	Sections 5.2.1.1, 5.2.8.2 and 5.3.2.7
List of the persons holding titles comprising special control rights and description thereof	Article L. 22-10-11 of the French Commercial Code	Section 5.2.8.1
Control mechanism provided for in a potential employee shareholding scheme, when the voting rights are not exercised by the latter	Article L. 22-10-11 of the French Commercial Code	Section 2.2.3.4
Agreements between the shareholders of which the Company is aware likely to trigger restrictions to the transfer of shares and the exercise of voting rights	Article L. 22-10-11 of the French Commercial Code	Section 5.2.1.1
Rules applicable to the nomination and the replacement of the members of the Board as well as the modification of the articles of association of the Company	Article L. 22-10-11 of the French Commercial Code	Sections 2.1.2, 5.3.2.4, 5.3.2.5 and 2.1.3
Powers of the Board in particular with respect to the issuance or the redemption of shares	Article L. 22-10-11 of the French Commercial Code	Sections 5.2, 5.3.2.3 and 5.3.2.2
Agreements entered into by the Company which are modified or terminated in the case of a change of control of the Company	Article L. 22-10-11 of the French Commercial Code	Sections 5.2.8.4
Agreements providing for damages to the members of the Board or the employees, if they resign or are dismissed without cause or if their employment is terminated because of a cash tender offer or an exchange tender offer	Article L. 22-10-11 of the French Commercial Code	Sections 2.2.1.2, 2.2.1.4 and 2.2.2.1

(1) The Company did not hold any cross shareholdings in 2020.

APPENDIX E

Correspondence table – Delegated regulation (EC) of March 14, 2019

	Appendix 1 of the delegated regulation (EC) No. 2019/980 and No 2019/979 of the European Commission of March 14, 2019	Paragraph		Pages
1	**PERSON RESPONSIBLE**			
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2	**STATUTORY AUDITORS**			
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3	**RISK FACTORS**	**3**	**RISK FACTORS AND RISK MANAGEMENT MECHANISMS**	**121 TO 160**
4	**INFORMATION ABOUT THE ISSUER**			
4.1	Legal and commercial name of the issuer	5.3.1.1	Legal and commercial name of the issuer	268
4.2	Place of registration, registration number and legal entity identifier of the issuer	5.3.1.2	Place of registration, registration number and legal entity identifier of the issuer	268
4.3	Date of incorporation and the length of time of the issuer	5.3.1.3	Date of incorporation and the length of time of the issuer	268
4.4	Domicile and legal form of the issuer, legislation under which the issuer operates, its country of incorporation, address, telephone number of its registered office and website of the issuer	5.3.1.4 & 5.3.1.5	Domicile and legal form of the issuer, legislation under which the issuer operates, its country of incorporation, address, telephone number of its registered office and website of the issuer Applicable laws and regulations	268
5	**BUSINESS OVERVIEW**			
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5.2	Principal markets	1.3.1 & 1.3.2	Reinsurance market developments & Financial market developments	21
5.3	Important events in the development of the issuer's business	1.3.3	Significant events of the year	22 to 23
5.4	Strategy and objectives	1.1.4, 1.2.5 & 6	Current strategic plan, Business overview & Non-financial performance statement	8, 11 to 20
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5.6	Information on SCOR's competitive position	1.3.4	Information on SCOR's competitive position	23
5.7	Investments	1.2.7 & 6.4.3	Investments Group's operations	20 302-303

Appendix 1 of the delegated regulation (EC) No. 2019/980 and No 2019/979 of the European Commission of March 14, 2019		Paragraph		Pages
6	**ORGANIZATIONAL STRUCTURE**			
6.1	Brief description of the Group and of the position of the issuer	1.2.3	Organizational structure of SCOR	9 to 11
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8.2	Sources and amounts of the issuer's cash flows	1.3.8	Cash Flows	36
8.3	Borrowing requirements and financing structure	1.3.6 & 1.3.7	Financial position, liquidity and capital resources Solvency	34 to 36
8.4	Restrictions on the use of capital resources that have materially affected or could materially affect, directly or indirectly, the issuer's operations	1.3.6	Financial position, liquidity and capital resources	34 to 35
8.5	Sources of financing relating to the material investments in progress and for which firm commitments have already been made	1.3.6	Financial position, liquidity and capital resources	34 to 35
9	**REGULATORY ENVIRONMENT**	**5.3.1.5**	**APPLICABLE LAWS AND REGULATIONS**	**268 TO 269**
10	**TREND INFORMATION**			
10.1	(a) Most significant trends in production, sales, inventory, costs, and selling prices since the end of the last financial year (b) any significative change in the financial performance of the group since the end of the last financial year	1.3.4 & 1.3.5 1.3.10	Information on SCOR's competitive position & revenues and earnings summary Events subsequent to December 31 2020	23 to 33 39
10.2	Known trends, uncertainties, demands, commitments and events reasonably likely to have a material effect on the issuer's prospects	1.3.4 & 1.3.5	Information on SCOR's competitive position & Revenues and earnings summary	23 to 33
11	**PROFIT FORECASTS OR ESTIMATES**	**N/A**	**N/A**	**N/A**
12	**ADMINISTRATIVE AND MANAGEMENT BODIES**			
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12.2	Administrative, management, and supervisory bodies and Senior Management conflicts of interest	2.1.3	Board of Directors	43 to 71
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16	**PRINCIPAL SHAREHOLDERS**			
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18.2	Interim and other financial information	N/A	N/A	N/A
18.3	Auditing of historical annual financial information	4.9	Auditing of historical consolidated financial information	245 to 252
18.4	Pro forma financial information	N/A	N/A	N/A
18.5	Dividend distribution policy	1.1.3	Dividend distribution policy	7
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19.2	Charter and Bylaws	5.3.2	Charter and Bylaws	269 to 275
20	**MATERIAL CONTRACTS**	**5.3.5**	**MATERIAL CONTRACTS**	**275**
21	**DOCUMENTS ON DISPLAY**	**1.3.11**	**DOCUMENTS ON DISPLAY**	**39**

APPENDIX F

Annual financial report – Correspondence table

In order to assist readers of the Annual Financial Report, the following table cross-references the information required by Articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the General Regulation of the AMF.

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STATEMENT BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT		**APPENDIX A**	**312**
MANAGEMENT REPORT		**APPENDIX D**	**355 TO 363**
Review of the parent company's and consolidated Group's net income or loss, financial position, main risks and uncertainties, and share issue authorizations (Articles L. 22-10-34 and L. 225-100-2 of the French Commercial Code)	Articles L. 225-100-1, I., 1°, L. 232- 1, II., L. 233-6 and L. 233-26 of the French Commercial Code	1.1.1 1.3.5 5.2 3.1	5 23 to 33 255 to 267 122 to 124
Information about items that could affect a public offer, as required by Article L. 22-10-11 of the French Commercial Code	Article L. 22-10-11 of the French Commercial Code	5.2 5.3.2	255 to 267 269 to 275
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Statutory Auditors' fees	Article 222-3 of the General Regulation of the AMF	4.6 Note 21 4.8.4	238 244
Report of the Board of Directors on the corporate governance	Article L. 225-37, last paragraph of the French Commercial Code, Article L.451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General Regulation of the AMF	see correspondence table of the Management Report	359 to 363
Statutory Auditors' report on the report on the corporate governance prepared in accordance with Article L. 225-37 of the French Commercial Code	Article L.451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General Regulation of the AMF	2.5	120
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Corporate financial statements	Article L.451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General Regulation of the AMF	Appendix B	313 to 348
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APPENDIX G

Correspondence table – Information incorporated by reference

Items of the relevant appendix	Document in which the information is included	Parts incorporated by reference [1]
Sections 18.1 and 18.3 of appendix 1 of the Delegated Regulation No. 2019/980 of the European Commission of March 14, 2019	Universal registration document filed with the AMF on March 13, 2020 under number D.20-0127	• The corporate financial statements for the financial year ended December 31, 2019 (see Appendix C – Unconsolidated corporate financial statements of SCOR SE) • SCOR's consolidated financial statements for the financial year ended December 31, 2019 (see Section 4) • The report of the Statutory Auditors regarding said financial statements (see Section 4.9 and Appendix C Unconsolidated corporate financial statements of SCOR SE, §6)
Sections 18.1 and 18.3 of appendix 1 of the Delegated Regulation No. 2019/980 of the European Commission of March 14, 2019	SCOR SE's registration document filed with the AMF on March 4, 2019 under number D.19-0092	• The corporate financial statements for the financial year ended December 31, 2018 (see Appendix C – Unconsolidated corporate financial statements of SCOR SE) • SCOR's consolidated financial statements for the financial year ended December 31, 2018 (see Section 4) • The report of the Statutory Auditors regarding said financial statements (see Section 4.9 and Appendix C – Unconsolidated corporate financial statements of SCOR SE, §6)

(1) Parts of these documents which are not expressly included in the universal registration document are of no concern to the investor.

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