

**SCOR**  
Paris  
June 16, 2020

**2020  
Combined  
Assembly Meeting**

**Denis Kessler**  
Chairman and CEO of SCOR SE

# Disclaimer

## **General:**

Numbers presented throughout this report may not add up precisely to the totals in the tables and text. Percentages and percent changes are calculated on complete figures (including decimals); therefore the presentation might contain immaterial differences in sums and percentages due to rounding. Unless otherwise specified, the sources for the business ranking and market positions are internal.

## **Forward looking statements:**

This presentation includes forward-looking statements and information about the objectives of SCOR, in particular, relating to its current or future projects. These statements are sometimes identified by the use of the future tense or conditional mode, as well as terms such as “estimate”, “believe”, “have the objective of”, “intend to”, “expect”, “result in”, “should” and other similar expressions. It should be noted that the achievement of these objectives and forward looking statements is dependent on the circumstances and facts that arise in the future.

Forward-looking statements and information about objectives may be impacted by known and unknown risks, uncertainties and other factors that may significantly alter the future results, performance and accomplishments planned or expected by SCOR, and in particular by the potential impact of the Covid-19 crisis which cannot be accurately assessed at this stage, given the high uncertainty related to the magnitude and duration of the Covid-19 pandemic and to the possible effects of future governmental actions and/or legal developments.

Information regarding risks and uncertainties that may affect SCOR’s business is set forth in the 2019 reference document filed on March 13, 2020, under number D.20-0127 with the French Autorité des marchés financiers (AMF) posted on SCOR’s website [www.scor.com](http://www.scor.com).

In addition, such forward-looking statements are not “profit forecasts” within the meaning of Article 1 of Commission Delegated Regulation (EU) 2019/980.

## **Financial information:**

The Group’s financial information contained in this presentation is prepared on the basis of IFRS and interpretations issued and approved by the European Union. Unless otherwise specified, prior-year balance sheet, income statement items and ratios have not been reclassified.

The calculation of financial ratios (such as book value per share, return on investments, return on invested assets, Group cost ratio, return on equity, combined ratio and life technical margin) are detailed in the Appendices of the Q1 2020 presentation (see page 21). The financial results for the full year 2019 included in the presentation have been audited by SCOR’s independent auditors.

The financial information for the first quarter of 2020 included in the presentation is unaudited.

Unless otherwise specified, all figures are presented in Euros.

Any figures for a period subsequent to March 31, 2020 should not be taken as a forecast of the expected financials for these periods.

# Agenda: 2020 Combined Assembly Meeting

- A** SCOR successfully delivers on its mission
- B** SCOR is fully mobilized to manage the shock of Covid-19

## SCOR pursues one mission

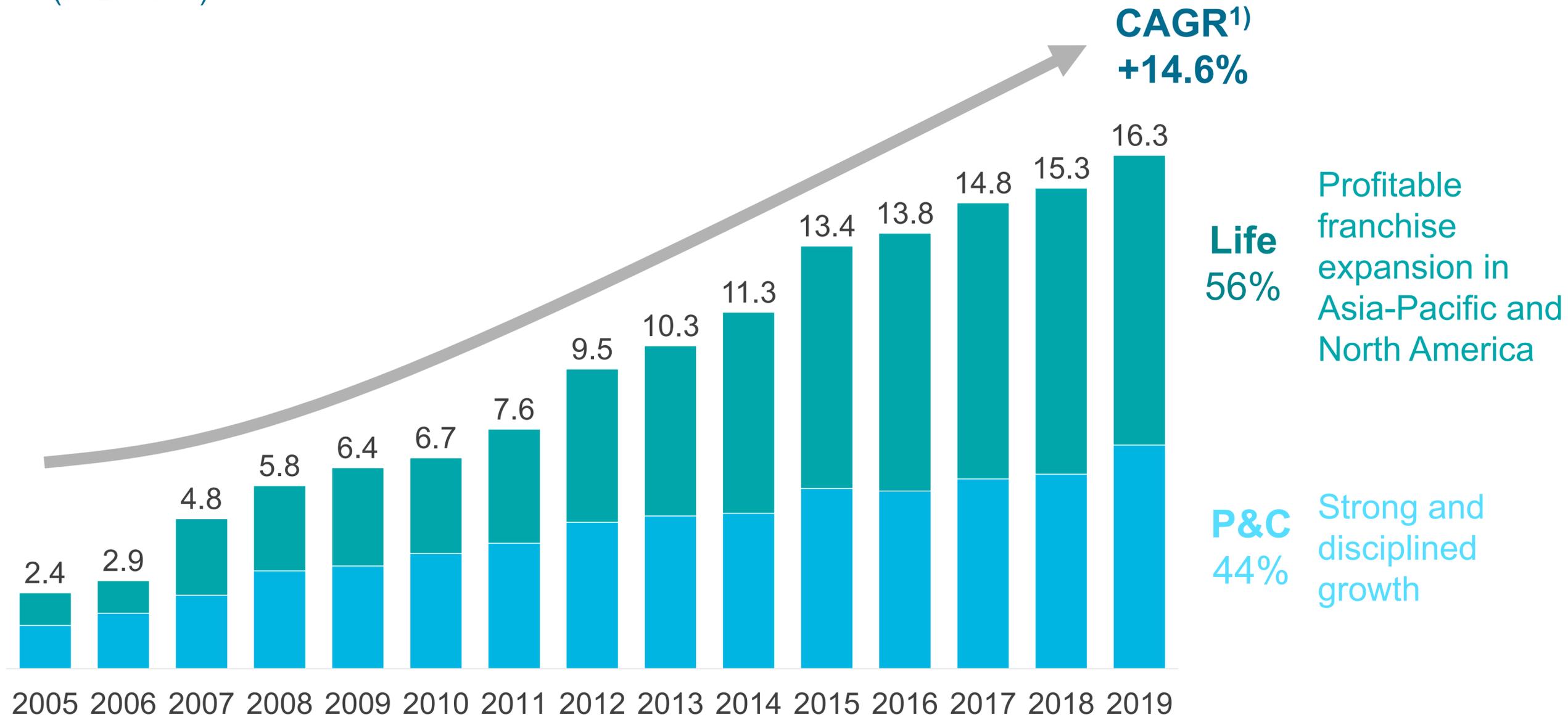
**“SCOR's aim, as an independent global reinsurance company, is to develop its Life and P&C business lines, to provide its clients with a broad range of innovative reinsurance solutions and to pursue an underwriting policy founded on profitability, supported by effective risk management and a prudent investment policy, in order to offer its clients an optimum level of security, to create value for its shareholders, and to contribute to the welfare and resilience of Society by helping to protect insureds against the risks they face.”**

# “...SCOR develops its Life and P&C business lines...”

The Group delivers strong growth by expanding its balanced portfolio of risks between Life and P&C

**Gross Written Premiums multiplied by 6.8x in 14 years**

(in EUR bn)



**4<sup>th</sup> largest reinsurer worldwide<sup>2)</sup>**

1) Compound annual growth rate between 2005 and 2019 (at current FX)  
2) Source AM Best – Top world’s largest reinsurance groups (2018)

# “...SCOR develops its Life and P&C business lines...”

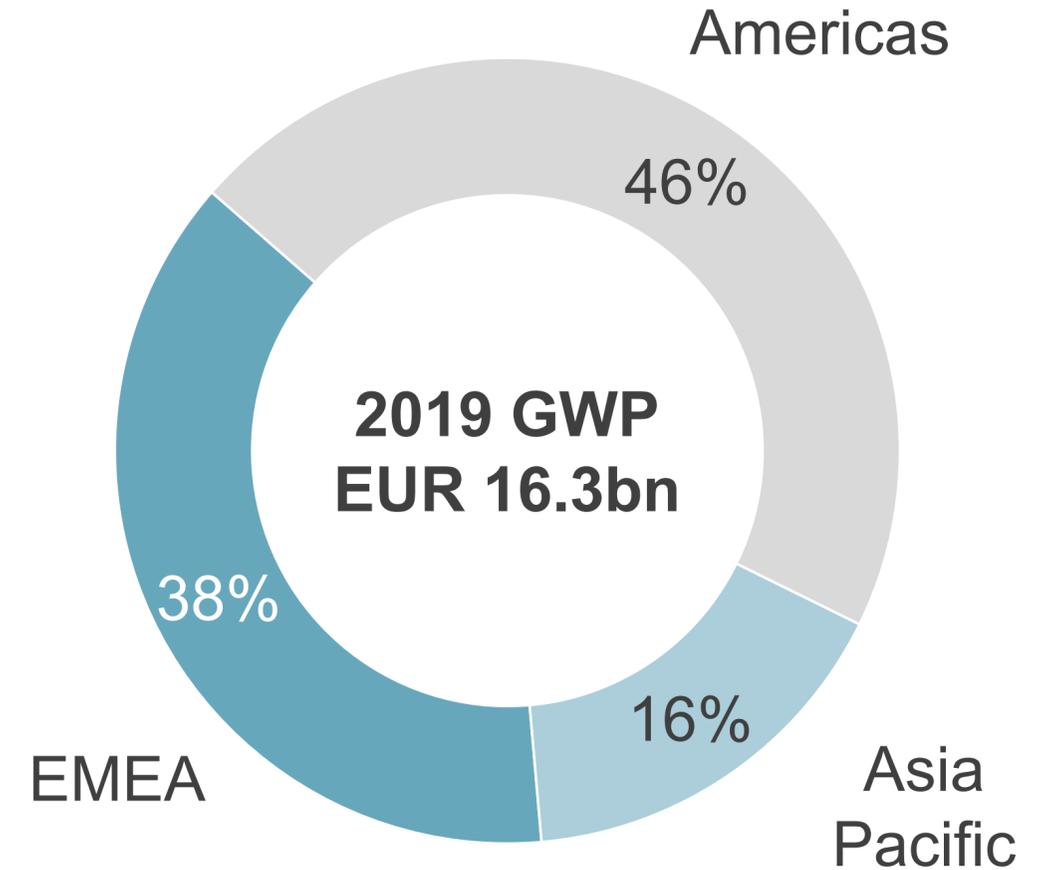
The Group expands and deepens its Tier 1 franchise through a truly global presence

**38 offices worldwide – 4,000 clients throughout the world**

(As of December 31, 2019)



● SCOR offices

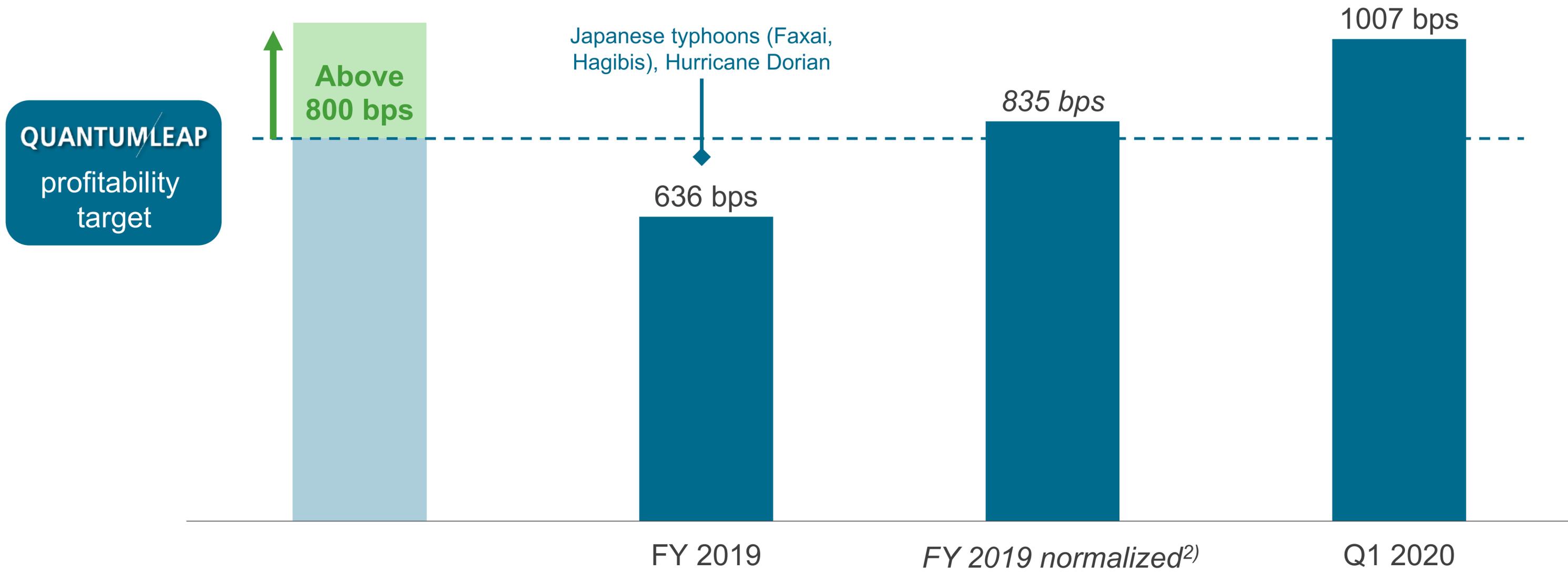


# “...SCOR pursues an underwriting policy founded on profitability...”

The Group delivered strong results both in 2019 and in Q1 2020

Return on Equity, excess over the 5-year risk-free rates across the cycle<sup>1)</sup>

(in bps)



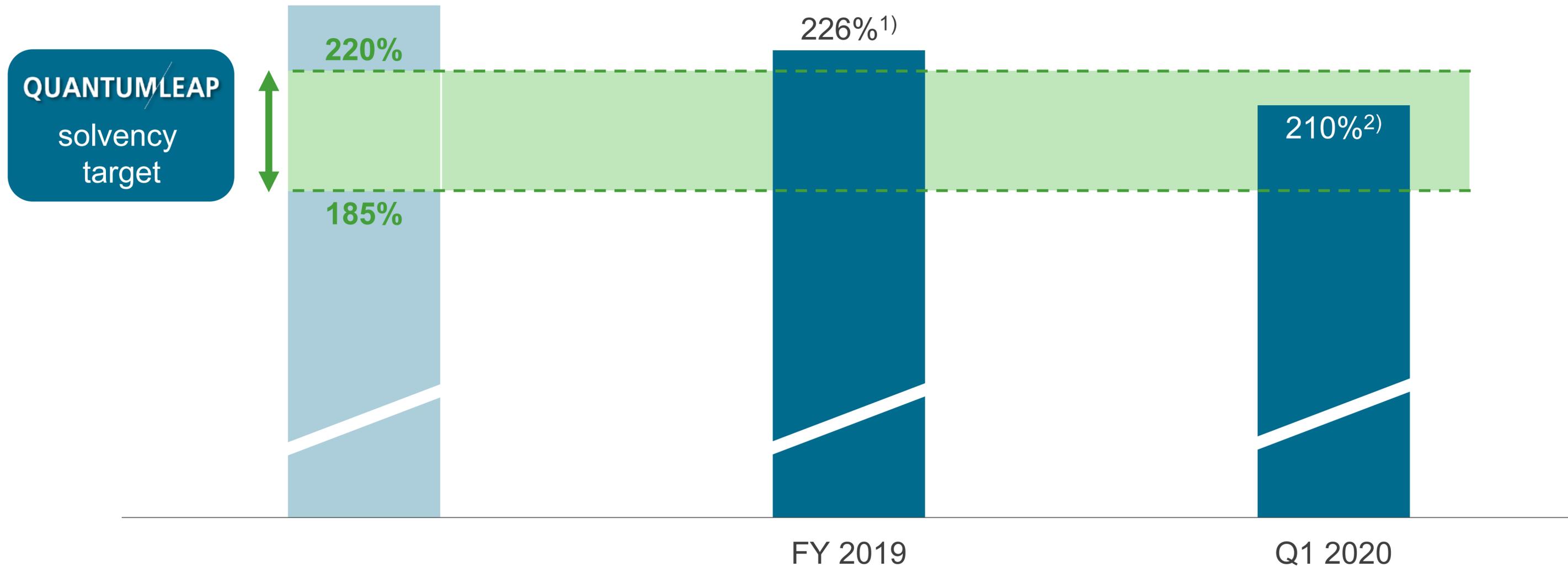
1) Based on a 5-year rolling average of 5-year risk-free rates

2) Return on Equity normalized for nat cat (7% budget cat ratio), reserve release and change in Ogden rate

# “...SCOR offers its clients an optimum level of security...”

The Group delivered on its solvency target both in FY 2019 and in Q1 2020

## Solvency ratio (in %)



- 1) The solvency ratio of 226% at December 31, 2019, included the payment of a gross dividend of EUR 1.80 per share for the 2019 fiscal year, which corresponds to 7 solvency ratio percentage points. In the absence of a dividend distribution for the 2019 fiscal year, the estimated solvency ratio at December 31, 2019, is 233%
- 2) The estimated solvency ratio of 210% at March 31, 2020, included the payment of a gross dividend of EUR 1.80 per share for the 2019 fiscal year, which corresponds to 7 solvency ratio percentage points. In the absence of a dividend distribution for the 2019 fiscal year, the estimated solvency ratio at March 31, 2020, is 217%

“...SCOR offers its clients an optimum level of security...”

The Group benefits from a top-tier financial strength recognized by all four rating agencies

**FitchRatings**

**AA-**  
Stable  
outlook

April 24, 2020  
Affirmation

**STANDARD  
& POOR'S**

**AA-**  
Stable  
outlook

September 09, 2019  
Affirmation



**A+ / aa-<sup>1)</sup>**  
Stable  
outlook

September 25, 2019  
Affirmation

**MOODY'S**

**Aa3**  
Negative  
outlook<sup>2)</sup>

May 07, 2020  
Affirmation

1) Financial Strength Rating of “A+” (different scale from other rating agencies) - Long-Term Issuer Credit Ratings (ICR) of “aa-” (same scale as the other rating agencies)  
2) Outlook changed on May 7, 2020

# “...SCOR has a prudent investment policy...”

## The Group pursues a prudent asset management strategy

### Continued prudent appetite for asset risks

- Very granular fixed income portfolio benefitting from its:
  - Very high quality (A+ average rating)
  - Short duration positioning (3.2 years)
- Very strong liquidity of the portfolio with EUR 8.3 billion of financial cash flow expected in the next 24 months
- Very low exposure to listed equities of 0.6%<sup>1)</sup> of invested assets
- Very low exposure to convertible bonds of 1.0%<sup>1)</sup> of invested assets

### De-risking actions of the investment portfolio undertaken in 2019

- Voluntary reduction of credit exposure:
  - Decrease of corporate bond exposure from 49% of invested assets in Q4 2018 to 41% of invested assets in Q1 2020
  - Specific reduction of BBB- and High Yield issuers as well as of exposure to the banking sector
- Decrease of the real estate exposure with the acceleration of mature assets disposals ahead of the crisis

1) As of Q1 2020, in percentage of invested assets

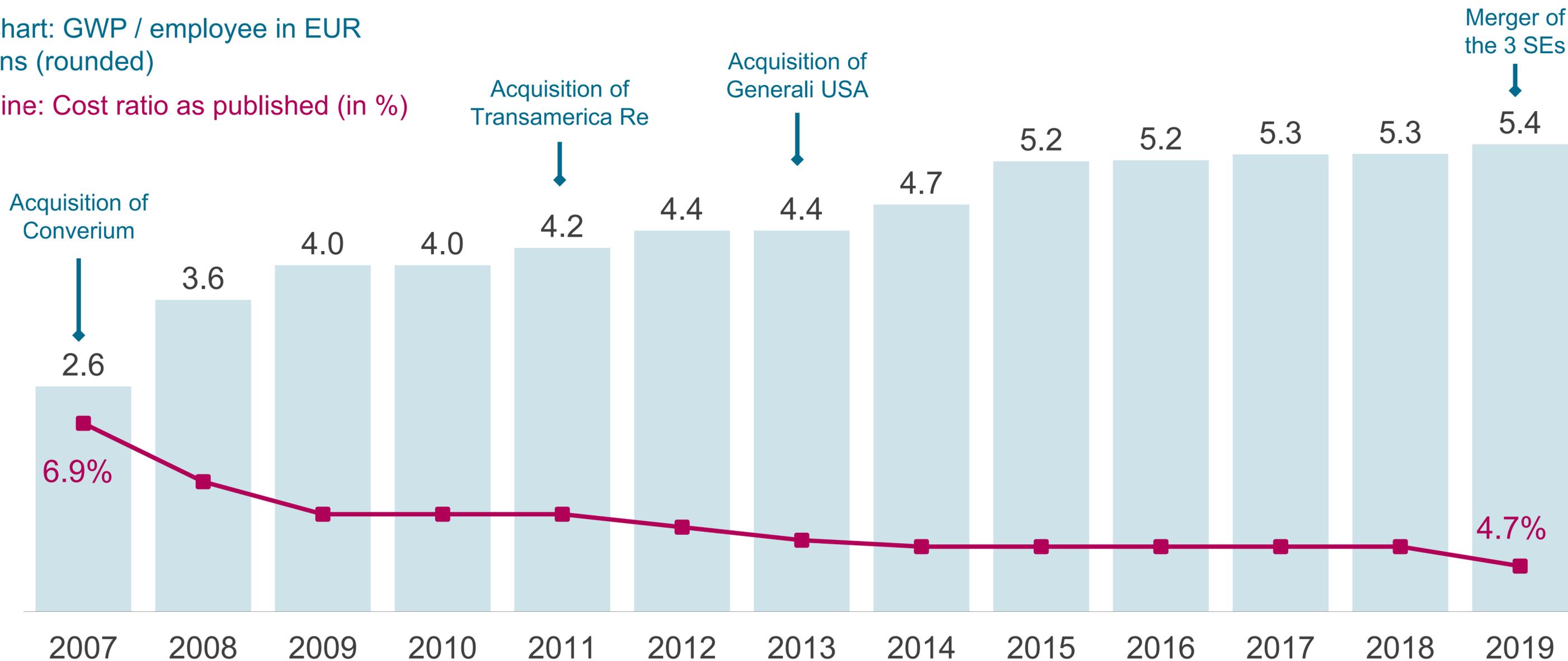
# “...SCOR creates value for its shareholders...” as an efficient company

## The Group increases its productivity over time

### SCOR generates economies of scale through premium growth and optimizes its operational and legal structure

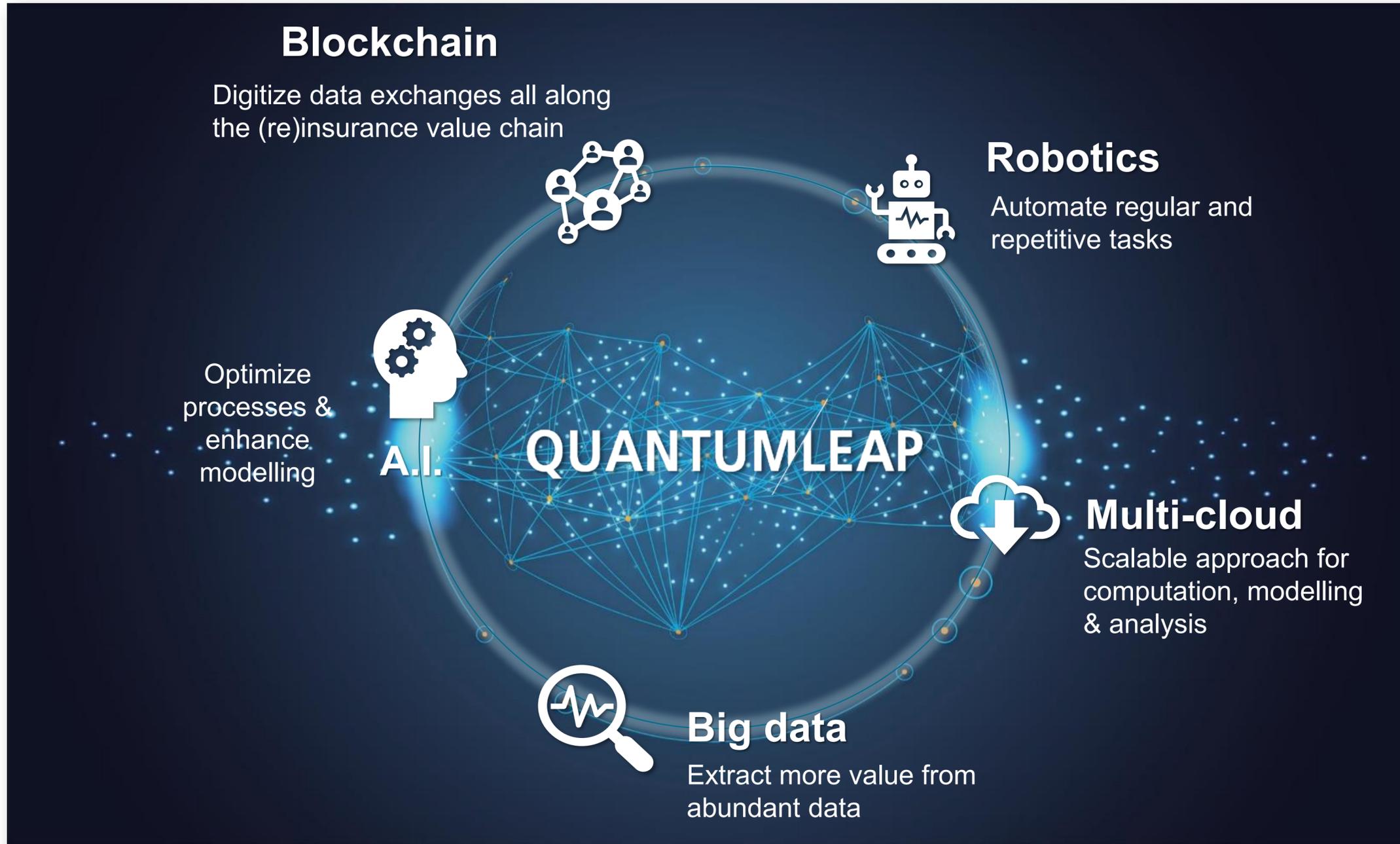
Bar chart: GWP / employee in EUR millions (rounded)

Red line: Cost ratio as published (in %)



**“...SCOR creates value for its shareholders...”** by deploying new technologies

“Quantum Leap” aims to accelerate the use of new technologies to innovate, expand its products and services offering and increase its efficiency



**More than  
EUR 570 million  
invested by SCOR in  
projects since 2011**



**~ EUR 250 million  
investment in  
technology over  
QUANTUMLEAP**

**“...SCOR creates value for its shareholders...”** through a global talent pool fully mobilized to bring the Group to the highest level of excellence



**“...SCOR creates value for its shareholders...”** through effective governance

The Group’s corporate governance benefits from a culture of the highest standards



**Diverse and highly experienced Board**

**Best in class corporate governance standards**

**Strong internal control and Group supervision**

# “...SCOR creates value for its shareholders...” through leading ESG actions

## The Group plays a leading role in working towards a sustainable and responsible development

### ESG integration on both sides of the balance sheet

- Finance a more sustainable world
- Support climate change awareness
- Transition the investment portfolio to carbon neutrality

- Help reduce the protection gap
- Accompany the energy transition
- Help people live healthier lives

### Strong support for science, innovation and research

- Roll back the frontiers of knowledge
- Share insights into the main climate and pandemic risks threatening the world



### Active role in various climate-related initiatives

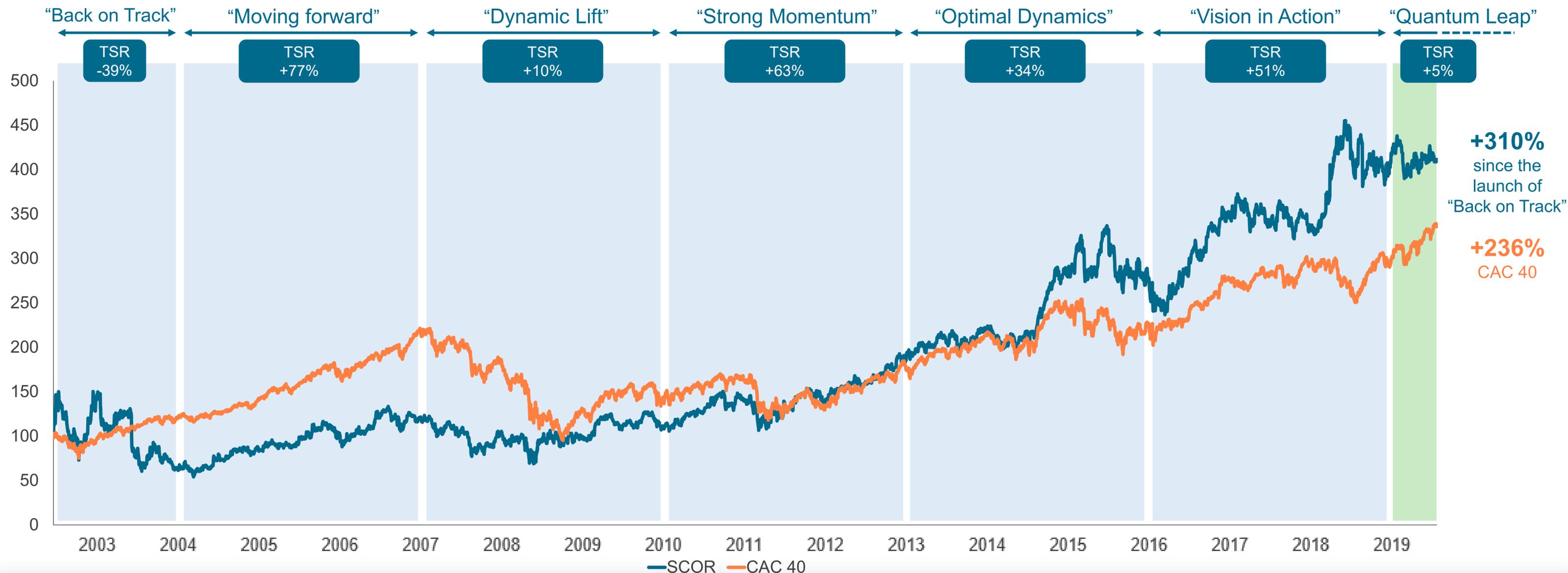


### Strong ESG ratings



# “...SCOR creates value for its shareholders...”

Total shareholders' return (TSR) with dividends reinvested from November 18, 2002 to December 31, 2019 (base 100 as of November 18, 2002)



**SCOR returned close to EUR 3.2bn<sup>1)</sup> to shareholders since 2002**

**“...SCOR contributes to the welfare and resilience of Society...”**

The Group accomplishes its mission year after year

**Satisfaction of the Group's clients' needs  
in a long-term mutually beneficial perspective**

**Contribution to the protection of people and businesses adversely  
affected by man-made risks and acts of God**

**EUR 82.6 billion in claims paid<sup>1)</sup> over the last ten years**

1) Between 2010 and 2019 (included), gross of retrocession

# Agenda: 2020 Combined Assembly Meeting

- A SCOR successfully delivers on its mission
- B SCOR is fully mobilized to manage the shock of Covid-19**

SCOR has been proactive in taking actions without delay to help stop the spread of the pandemic and to contribute more generally to the resilience of society, for the wider benefit of all its stakeholders

**Actively protect  
the health and  
safety of  
employees**

**Ensure seamless  
transition into  
serving the  
Group's client  
base**

**Spread the  
knowledge on the  
evolution of the  
pandemic**



Spread knowledge  
not the virus



# SCOR is fully mobilized to anticipate, measure and manage the impacts of the Covid-19 pandemic, just as it has done for other disasters in the past

## SCOR Global Life

Situation well below extreme 1-in-200-year scenario disclosed by SCOR

- The key exposure relates to mortality business, primarily in the U.S., where SCOR has a diversified portfolio predominantly exposed to younger age and higher socioeconomic groups
- There is limited exposure to lines of business impacted by economic downturn, for example disability in France and Australia
- There are some potential positive offsetting impacts over time from our longevity and long-term care (France) portfolios

## SCOR Global P&C

Close monitoring of exposure to affected lines

- Many LOBs are simply not loss impacted or have minimal loss exposure even if they may be affected in terms of volume due to the nature of their coverage
- SCOR Global P&C has incidental and immaterial exposure in many of the LOBs most affected by the pandemic and the ensuing financial and economic crises, such as event cancellation or contingency business
- The Business Interruption development is being closely monitored, in all relevant jurisdictions
- Potential exposures could also arise within the Trade Credit, Surety and Political Risks portfolio, limited to ~7% of the SCOR Global P&C premium base

## SCOR Global Investments

Resilient and “defensive” portfolio

- At the end of Q1 2020, the fixed income portfolio, of very high quality with an average rating of A+, and highly liquid, has limited exposure to the oil and gas sectors (1.7% of invested assets), as well as to the airlines, retail, leisure, hotel and entertainment sectors (2.4% of invested assets)
- The liquidity of the investment portfolio is very strong. The invested assets portfolio (EUR 20.3 billion) benefits from its short duration positioning, with a fixed income duration of 3.2 years (versus 4.3 years at the end of 2018), and with EUR 8.3 billion of financial cash-flows<sup>1)</sup> expected over the next 24 months, equivalent to 41% of invested assets

**The Group will provide more details on its exposures in its Q2 2020 results disclosed on July 23, 2020**

# In accordance with the respective calls issued by the EIPOA<sup>1)</sup> and the ACPR<sup>2)</sup>, the Board of Directors has decided to propose that no dividend be paid for the 2019 fiscal year



**February  
26, 2020**

- In view of 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

**March 27,  
2020**

- 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

**April 2020**

- The EIOPA<sup>1)</sup> and the ACPR<sup>2)</sup> 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"*

**May 25,  
2020**

- In view of these factors, the Board of Directors of SCOR SE, which met 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 income for that year be allocated to distributable earnings

The ACPR's position calling for no dividend distribution covers the period from April until October 1, 2020. SCOR will regain its freedom in terms of capital management after this deadline.

# SCOR has strong potential for long-term value creation

The (re)insurance industry demonstrates year after year its essential role and the relevance of its business model



Fundamental function of risk pooling



Ability to absorb exogenous shocks



Contribution to the resilience and support to the development of societies and economies

SCOR firmly believes that (re)insurance is an attractive industry



Expanding risk universe  
Bridging of protection gap  
Higher demand for risk cover



P&C pricing improving on a risk-adjusted basis



Technological changes improving the efficiency of the (re)insurance industry

**SCOR will continue to develop, with the twofold objective of profitability and solvency, fully sticking to the same fundamental principles that have ensured its success**