SOLVENCY AND FINANCIAL CONDITION REPORT 2024

SCOR

The Art & Science of Risk

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Solvency and financial condition report 2024

European Company with a share capital
of EUR 1,414,526,205.51

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SCOR
The Art & Science of Risk

Executive summary

INTRODUCTION

This document, the Solvency and Financial Condition Report (SFCR) for SCOR Group and SCOR SE, presents information on SCOR and its solvency position as at December 31, 2024 and has been prepared in accordance with Solvency II regulations. SFCR appendices include key financial information in the standard format of Solvency II public Quantitative Reporting Templates.

This report covers the consolidated SCOR Group as a whole (SCOR SE and all its branches and subsidiaries), as well as additional information specific to SCOR SE, which is a European Economic Area (EEA) regulated reinsurance undertaking based in France (further referred to as regulated entity or solo entity).

The following three subsidiaries of SCOR SE, which are also EEA regulated reinsurance undertakings, have published separate Solvency and Financial Condition Reports:

- SCOR Global Reinsurance Ireland dac (further referred to as SGRI);
- SCOR Ireland dac (further referred to as SI);
- SCOR Europe SE (further referred to as SCOR Europe).

The SFCRs of SCOR Group and its EEA regulated entities are available at www.scor.com and have also been submitted to the relevant supervisory authorities.

The Solvency and Financial Condition Report includes the following chapters, which are summarized below:

A. Business and performance
B. System of governance
C. Risk profile
D. Valuation for solvency purposes
E. Capital management

Within the narratives and the tables of the executive summary and the narratives of the rest of this report, the figures have been presented in millions of currency units to improve readability. Tables containing figures in the rest of this report are presented in thousands of currency units. Certain reclassifications and revisions have been made to the financial information in respect of the prior year to bring it in line with the current year presentation. This report is available in English and French.

References to additional details included in the following publicly available documents have been made throughout the report:

- 2024 *document d'enregistrement universel* – the Universal Registration Document of SCOR SE, including the consolidated financial statements of SCOR Group and unconsolidated corporate financial statements of SCOR SE (*États financiers non consolidés de SCOR SE*), filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) and available on SCOR's website www.scor.com/en/regulated-information (further referred to as the 2024 Universal Registration Document or the URD);
- SCOR's strategic plan for 2024-2026, "Forward 2026", available at www.scor.com/en/press-release/scor-launches-its-new-strategic-plan. With Forward 2026, SCOR will drive value creation for its shareholders, clients, employees, and for society as a whole. The Group maintains a controlled risk appetite and disciplined underwriting as it acts on business opportunities created by the supportive market conditions, fueling growth on its diversified and equally weighted P&C and L&H portfolios. On December 12, SCOR hosted its 2024 Investor Day in London and presented its new L&H strategy and updated Forward 2026 strategic plan.

With the implementation of IFRS 17 (International Financial Reporting Standards), the Group's underlying statutory accounts have changed. As a result, IFRS 17 is the standard for the Group's financial statements, while French Gaap remains the basis for SCOR SE. The main impact is on the section A.2 – Business Performance and, to a lesser extent, chapter D Valuation, which compares valuations under the SII standard and the current financial statements standard.

For the Group, Section A. 2.1 presents underwriting performance mainly through the Insurance Service Result (ISR), while SCOR SE's Section A. 2.2 continues to describe the Net Underwriting Result which is the main French GAAP KPI.

SCOR GROUP

Business and performance

SCOR SE and its consolidated subsidiaries (referred collectively as "SCOR" or the "Group") form the world's 6th largest reinsurer(1) serving more than 5,000 clients. The Group is organized in three activities, SCOR Property and Casualty ("SCOR P&C"), SCOR Life and Health ("SCOR L&H") and SCOR Investments.

SCOR P&C, the Group's Non-Life business unit, operates worldwide through the insurance and reinsurance subsidiaries and branches of SCOR SE in the EMEA, Americas and Asia-Pacific regions.

SCOR L&H, the Group's Life business unit, operates worldwide through the insurance and reinsurance subsidiaries and branches of SCOR SE in the EMEA, Americas and Asia-Pacific regions.

SCOR Investments, the Group's third business unit, is in charge of the investments of the Group.

(1) By net reinsurance premiums written, source: "AM Best Special Report Global Reinsurance 2024".

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.

SCOR Group is subject to supervision by the French insurance supervisor (*Autorité de contrôle prudentiel et de résolution* – ACPR), which has oversight authority as Group supervisor but also as 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.

— Consolidated SCOR Group

in EUR millions	Year ended 12/31/2024	Year ended 12/31/2023
Eligible Own Funds (EOF)	9,469	9,219
Solvency Capital Requirement (SCR)	4,515	4,404
Solvency ratio	**210%**	**209%**
Gross written premiums	20,064	19,371

The Group has consistently executed its strategic plans combining growth, profitability and solvency, and it continues to take actions to navigate the transition to new risk environments and fully seize new opportunities.

In 2024, SCOR completed the 2024 L&H assumption review and communicated a total impact of EUR (0.7) billion (pre-tax) in insurance service result and EUR (0.9) billion (pre-tax) in contractual service margin (CSM). The ensuing external review of 100% of its gross of SCOR's retrocession Present Value of Future Cash Flows, confirmed that "in aggregate at the Group level the valuation of the PVFCF, RA and CSM gross of retrocession is materially reliable and in a range of reasonableness". Please refer to Section A.1.2.3 – SCOR SE – Significant business and other event in the period.

As at December 31, 2024, SCOR's solvency ratio is 210%, within the optimal range of 185%-220% as defined in its strategic plan, and its Eligible Own Funds consist of 83% of Tier 1, and 17% of Tier 2 capital.

System of governance

SCOR SE is a European Company (*Societas Europea*) registered with the Paris Trade and Companies Register. It is SCOR Group's parent company.

SCOR SE's shares are listed on the Eurolist of Euronext Paris SA and on the SIX Swiss Exchange in Zurich. SCOR SE is subject to applicable French laws and regulations (including, but not limited to, the French Commercial Code, the French Monetary and Financial Code, the French Insurance Code and the AMF Regulation) and is supervised notably by the AMF and *the Autorité de contrôle prudentiel et de résolution* ("ACPR"). In application of the July 3, 2008 Act implementing the European Union Directive 2006/46/CE of June 14, 2006, SCOR SE refers to the AFEP-MEDEF corporate governance code for listed companies.

SCOR believes that its application of corporate governance principles is appropriate and complies with best corporate governance practices in effect in France in light of AMF and AFEP-MEDEF recommendations.

During the year ending on December 31, 2024, Frieder Knüpling, Chief Executive Officer of SCOR Life and Health, one of the persons effectively running SCOR has left the Group. Since the departure of Frieder Knüpling from the Group, the position of CEO of the business unit SCOR L&H is hold, until further notice, by Thierry Léger.

On December 31, 2024, SCOR has three persons effectively running the Company: Thierry Léger, Chief Executive Officer of SCOR SE, Jean-Paul Conoscente, Chief Executive Officer of SCOR P&C, and François de Varenne, Group CFO and Deputy CEO of SCOR SE.

Risk profile

The Group regularly conducts reviews of the risks that could have a material adverse effect on its activity, its financial position or results (or capacity to meet objectives).

The Group has identified the following categories of risks, also applicable to legal entities:

- underwriting risks related to the P&C and L&H reinsurance businesses: these risks are accepted on the basis of their estimated risk-adjusted profitability and provisions are maintained in the balance sheet to cover the estimated ultimate liability for losses and adjustment expenses on reported and unreported claims incurred at the end of each accounting period, net of the corresponding estimated recoveries;
- market risks: the risk that the fair value of future cash flows of a financial instrument fluctuates because of changes in market prices or macroeconomic variables;
- credit risks: which are related to borrowers and counterparties failing to fulfil their contractual obligations;
- liquidity risks: the risks of not having sufficient financial resources available to meet obligations as they fall due, or only being able to secure them at excessive cost;
- operational risks: which are inherent to all businesses, mainly come from risks related to systems, staff, processes, the legal/regulatory environment, risks related to external fraud and cyber attacks;
- strategic risks: refer to risks related to strategic decisions and the strategic positioning of the company, which can arise as a result of either the strategy itself, from external risks or from internal risks. Thus, emerging risks could also impact the success of the strategy.

The Risk profile chapter outlines the current view of SCOR's main risks and main risk management mechanisms in SCOR's ERM (Enterprise Risk Management) framework, in place at the level of the Group and its parent company, SCOR SE.

Valuation for solvency purposes

Solvency II requires SCOR to produce an economic balance sheet (subsequently referred to as EBS) representing a market view of its assets and liabilities as at the reporting date. Solvency II regulations require the EBS to include assets valued at the amount for which they could be exchanged between knowledgeable and willing parties in an arm's length transaction and liabilities valued at the amount for which they could be transferred, or settled, between knowledgeable and willing parties in an arm's length transaction. In addition, liabilities are not adjusted to take account of the credit standing of the reporting entity.

The details of the valuation principles applied in the EBS, including the differences between the valuation principles and those applied in the financial statements, are outlined in Chapter D – Valuation for solvency purposes of this report. The year-on-year comparison highlights reclassifications linked to the implementation of the IFRS 17 standards.

In the EBS, both assets and liabilities relating to in-force business are recognized at market-consistent values, which constitute the valuation for solvency purposes. SCOR's EBS as at December 31, 2024, was prepared based on the assumption that the Group and all solo entities will continue as going concern in line with the preparation of the consolidated and legal entities' financial statements. SCOR Group prepares consolidated financial statements in accordance with IFRS.

The preparation of the EBS requires management to make certain judgments, assumptions and estimates. These affect the reported amounts of assets and liabilities and the additional disclosures. Management reviews these estimates and assumptions periodically, based on past experience and other factors. The actual outcome and results could differ substantially from estimates and assumptions made. The most material financial statement items for which the Group and EEA regulated entities use estimates and assumptions are technical provisions (best estimate liabilities and risk margin), insurance and reinsurance receivables/payables, intangible assets and deferred taxes.

The consolidated economic balance sheet of SCOR Group is prepared using the same principles applied to its consolidated financial statements (as described in Section D.1.3 – Participations). All material intragroup balances and transactions including the result of intercompany transactions are eliminated.

The principles for the valuation for solvency purposes of assets, technical provisions and other liabilities as presented in this chapter have been applied consistently by SCOR Group and its subsidiaries, including third-country undertakings.

Capital management

Capital management is at the core of SCOR's strategy. SCOR's goal is to manage its capital in order to maximize its profitability while maintaining solvency within its "optimal" target range of between 185% and 220% in line with its risk/return strategy as defined in SCOR's current strategic action plan, focusing on 2024-2026 Forward 2026.

SCOR has had strong capital management governance and processes in place with integrated supervision of regulatory constraints at Group level for many years, ensuring an optimized use of capital and fungibility of capital within the Group. On a quarterly basis, SCOR monitors and updates all Group and legal entity capital and regulatory solvency positions (actuals and one-year projections) to detect any material changes over each quarter and to anticipate the necessary actions to maintain adequate solvency. This detailed capital planning exercise is based on the Group's bi-annual financial operating plan and is broken down at legal entity level. SCOR also performs three-year capital projections, including IFRS, regulatory capital, and rating capital projections.

SCOR Group considers that there is no significant restriction affecting fungibility and transferability of its basic own funds for covering the Group Solvency Capital Requirement (except in case of sanctions).

SCOR developed its internal model to ensure that its solvency is properly measured: the model is part of a comprehensive solvency framework which seeks to ensure that SCOR is solvent now and will continue to be solvent in the future. Based on a deep understanding of the risks SCOR faces, the internal model uses state-of-the-art techniques to measure the SCR.

SCOR's internal model is central to SCOR's decision making and is widely used to support the Group's business initiatives and to provide input to management decisions.

SCOR SE

Business and performance

— SCOR SE

in EUR millions	Year ended 12/31/2024	Year ended 12/31/2023
Eligible Own Funds (EOF)	9,461	9,152
Solvency Capital Requirement (SCR)	4,515	4,404
Solvency ratio	**210%**	**208%**
Gross written premiums	10,303	9,421

SCOR SE's Eligible Own Funds on December 31, 2024, consist of 83% of Tier 1 and 17% of Tier 2 capital.

System of governance

SCOR SE is a European Company (*Societas Europaea*) registered with the Paris Trade and Companies Register under the number 562 033 357 RCS Paris. It is SCOR Group's parent company. SCOR SE's governance structure is the same as that of SCOR Group.

Risk profile

SCOR SE regularly conducts reviews of the risks that could have a material adverse effect on its activity, its financial position or results (or capacity to meet objectives).

SCOR SE has identified the following risks categories:

- underwriting risks related to the P&C and L&H reinsurance businesses;
- market risks;
- credit risks;
- liquidity risks;
- operational risks;
- strategic risks.

The Risk profile chapter outlines the current view of SCOR's main risks and main risk management mechanisms in SCOR's ERM (Enterprise Risk Management) framework, in place at the level of the Group and its parent company, SCOR SE.

Valuation for solvency purposes

Solvency II requires SCOR SE to produce an economic balance sheet (subsequently referred to as EBS) representing a market view of its assets and liabilities as at the reporting date. Solvency II regulations require the EBS to include assets valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction and liabilities valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction. In addition, liabilities are not adjusted to take account of the credit standing of the reporting entity.

The details of the valuation principles applied in the EBS, including the differences between the valuation principles and those applied in the financial statements, are outlined in this chapter.

In the EBS, both assets and liabilities relating to in-force business are recognized at market-consistent values, which constitute the valuation for solvency purposes. SCOR SE's EBS as at December 31, 2024 was prepared based on the assumption that SCOR Group, SCOR SE and all solo entities will continue as going concern in line with the preparation of the consolidated and legal entities' financial statements. SCOR SE prepares its financial statements under French GAAP.

The preparation of the EBS requires management to make certain judgments, assumptions and estimates. These affect the reported amounts of assets and liabilities and the additional disclosures. Management reviews these estimates and assumptions periodically, based on past experience and other factors. The actual outcome and results could differ substantially from estimates and assumptions made. The most material financial statement items for which the Group and EEA regulated entities use estimates and assumptions are technical provisions (best estimate liabilities and risk margin), insurance and reinsurance receivables/payables and deferred taxes.

Capital management

As the parent company of SCOR Group, SCOR SE's capital management governance and processes, and capital planning are the same as those of SCOR Group.

SCOR SE's own funds structure is similar to that of the Group. SCOR SE considers all its basic own funds, identified in line with Solvency II rules and resulting from economic adjustments made to SCOR SE's shareholders' equity under French GAAP, as available and eligible to cover the SCR.

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

SCOR's internal model is central to decision making and is widely used to support the Group's business initiatives and to provide input to management decisions.

Business and performance

A.1. BUSINESS

A.1.1. OVERVIEW OF THE SCOR GROUP AND SCOR SE

A.1.1.1. NAME AND LEGAL FORM OF SCOR GROUP AND SCOR SE

SCOR SE is the parent company of SCOR Group. SCOR SE is a European Company (*Societas Europaea*).

Registered office of SCOR SE and contact information

SCOR SE

5, avenue Kleber

75116 PARIS

France

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Fax: +33 (0) 1 58 44 85 00

www.scor.com

E-mail: scor@scor.com

A.1.1.2. SUPERVISORY AUTHORITIES FOR SCOR GROUP AND ITS FRENCH ENTITIES

The Group's business units' activities of insurance, reinsurance and asset management are subject to comprehensive regulation and supervision in each of the various jurisdictions where 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 supervisor (*Autorité de contrôle prudentiel et de résolution* – ACPR).

Under Solvency II, supervisors from all Member States – in which SCOR's subsidiaries are established – are involved in the Group's supervision through the College of supervisors in which the ACPR and the Central Bank of Ireland (CBI) participate.

Name of the supervisory authority	Contact details	Entities in scope
Autorité de contrôle prudentiel et de résolution (ACPR)	Autorité de contrôle prudentiel et de résolution 4, place de Budapest CS 92459 75436 PARIS CEDEX 09	SCOR SE

A.1.1.3. STATUTORY AUDITORS

The principal auditors for SCOR Group and SCOR SE are as follows:

Name
MAZARS Represented by Maxime Simoen and Jennifer Maingre-Coudry Tour Exaltis – 61, rue Henri Regnault 92075 Paris-La Défense cedex, France CRCC of Versailles
KPMG SA Represented by Antoine Esquieu and Jean François Mora Tour EQHO – 2, avenue Gambetta 92400 Courbevoie, France CRCC of Versailles

A.1.1.4. SIGNIFICANT SHAREHOLDERS KNOWN TO SCOR

As of December 31, 2024, SCOR's shareholders are mainly institutional, since they represent 78.8% of SCOR's share capital and come mainly from France (35.6%), the United States (15.9%), the rest of Europe (23.8%) and the rest of the world (3.6%).

To SCOR's knowledge, based on public threshold notifications, SCOR SE's share capital is distributed as follows as at December 31, 2024:

As at December 31, 2024	Number of shares	% of capital	% voting rights(1)
BNP Paribas Cardif	9,023,568	5.02%	5.03%
Norges Bank	8,971,126	5.00%	5.00%
ACM Vie S.A.	9,363,508	5.21%	5.22%
Treasury shares(2)	204,285	0.11%	0.00%
Employees(3)(4)	5,892,050	3.28%	3.29%
Officers (Chairman and CEO)	23,830	0.01%	0.01%
Others	146,099,033	81.36%	81.45%
TOTAL	**179,577,400**	**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) Including treasury shares (stock shares) but excluding equivalent securities pursuant to Article L. 233-9, I, 4° of the French Commercial Code such as call options. (see the SCOR public threshold notification of October 20, 2023 referred to in Section 5.2.1.1 of the 2023 Universal Registration Document of SCOR SE).
(3) Overall number of shares held by employees (including performance shares granted prior to the publication of Law No. 2015-990 of August 6, 2015). As of December 31, 2024, the proportion of employees holding SCOR SE shares in registered form amounts to 39.4%.
(4) As of December 31, 2024, employee shareholdings to be taken into consideration for the calculation of the 3% threshold mentioned in Article L. 225-23 of the French Commercial Code (Code du commerce) amount to 2.26% of the share capital.

A.1.1.5. GOVERNANCE, ORGANIZATIONAL AND LEGAL STRUCTURE OF THE GROUP

Organizational structure of the Group and description of Group operating companies

The Group parent company whose stock is listed on the Euronext Paris regulated market and on the SIX Swiss Exchange (formerly SWX Swiss Exchange) in Zurich since August 8, 2007.

SCOR shares are also traded off-market on the US stock exchange through an American Depositary Receipt (ADR) program.

The Group is organized around three business units offering a wide range of innovative reinsurance solutions: SCOR L&H (Life and Health), SCOR P&C (Property and Casualty) and SCOR 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 P&C, the Group's Non-Life business unit, operates worldwide through SCOR SE and its insurance and reinsurance subsidiaries and branches in the EMEA region, the Americas and the Asia-Pacific region.

SCOR L&H, the Group's Life business unit, operates worldwide through the insurance and reinsurance subsidiaries and branches of SCOR SE in the EMEA region, in the Americas region and the Asia-Pacific region.

SCOR Investments, the Group's business unit in charge of investments of the Group, is responsible for defining, implementing and controlling the asset allocation of the Group's legal entities investment portfolios on a centralized basis. It is organized around two areas: Group functions and SCOR Investment Partners SE, an AMF-approved portfolio management company, which directly manages the assets of many SCOR Group subsidiaries as well as investment vehicles on behalf of the Group and third-party clients.

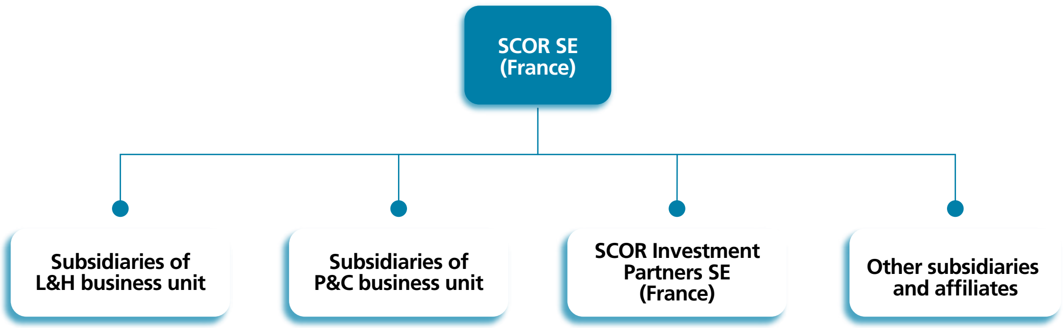
The Group's subsidiaries, branches and representative offices are connected through a central network of applications and data exchange platforms (subject to applicable data privacy and protection regulations), which allow local access to centralized risk analysis, underwriting or pricing databases and 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 across the Group's various offices, SCOR encourages its underwriters, actuaries, modelers, claims management experts and risk controllers to share and exchange experience of its various geographic markets and business lines.

SCOR SE wholly owns a large majority of its operating subsidiaries.

As may be required, SCOR SE also grants loans to Group subsidiaries and provides them with 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 tool through the annual allocation of capital to the operating subsidiaries based on the profitability expected from their underwriting activity.

Legal and organizational structure of SCOR

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



For more information on the legal and governance structure, see Section B.1.2.1 – Legal structure of the Group and Section B.1.3.1 – Governance of the Group.

Significant subsidiaries, investments in associates and joint ventures

	Country	2024 Percentage		2023 Percentage		Consolidation method
		Control	Interest	Control	Interest	
SCOR SE and its direct subsidiaries						
SCOR SE	France	Parent	Parent	Parent	Parent	Parent
SCOR GIE Informatique	France	100	100	100	100	Full
SCOR Real Estate	France	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 Ireland Dac	Ireland	100	100	100	100	Full
SCOR Global Reinsurance Ireland Dac	Ireland	100	100	100	100	Full
SCOR Reinsurance Asia Pacific Pte Ltd	Singapore	100	100	100	100	Full
SCOR Switzerland Asset Services AG	Switzerland	100	100	100	100	Full
SCOR UK Company Ltd	UK	100	100	100	100	Full
SCOR Underwriting Ltd	UK	100	100	100	100	Full
SCOR Services UK Limited	UK	100	100	100	100	Full
General Security Indemnity Company of Arizona	US	100	100	100	100	Full
SCOR Financial Life Insurance Company (SFLIC)	US	100	100	100	100	Full
SCOR Arizona Reinsurance Company	US	100	100	100	100	Full
SCOR Reinsurance Company	US	100	100	100	100	Full
SCOR US Corporation	US	100	100	100	100	Full
SCOR Global Life USA Reinsurance Company (SGLUSA)	US	100	100	100	100	Full
SCOR Global Life Americas Holding Inc. (SGLAH)	US	100	100	100	100	Full
SCOR Life Reassurance Company (SLRC)	US	100	100	100	100	Full
SCOR Life Assurance Company (SLAC)	US	100	100	100	100	Full
SCOR Global Life Americas Reinsurance Co. (SGLA)	US	100	100	100	100	Full
SCOR Global Life Reinsurance Company of Delaware (SGLDE)	US	100	100	100	100	Full
SCOR Global Life USA Holdings, Inc (SGLUSAH)	US	100	100	100	100	Full
Non insurance entities						
MRM SA	France	100	100	56.63	56.63	Full
SCOR Investment Partners SE	France	100	100	100	100	Full
SCOR Real Estate	France	100	100	100	100	Full

There are no material differences between the scope of the Group in the consolidated financial statements and the scope of consolidated data determined for Solvency II purposes.

Branches of SCOR SE

SCOR SE has branches in Germany, in United Kingdom, in Switzerland, in China, in Canada, in Spain, in Italy, in Malaysia, in India, in Sweden, in Japan, in Singapore, in New Zealand, in South Africa and in Argentina.

Significant intragroup transactions

The main transactions within the Group involve the following:

- equities;
- derivatives;
- internal reinsurance; and
- cost sharing, contingent liabilities and off-balance sheet items.

A.1.2. BUSINESS DESCRIPTION

A.1.2.1. LINES OF BUSINESS AND GEOGRAPHICAL AREAS

SCOR SE ("the Company") and its consolidated subsidiaries (referred to collectively as "SCOR" or the "Group"), form the world's 6th largest reinsurer[1] serving more than 5,000 clients. The Group is organized in three activities, SCOR Property and Casualty ("SCOR P&C"), SCOR Life and Health ("SCOR L&H") and SCOR Investments.

SCOR Group has presented its new three-year strategic plan Forward 2026 during its investor day, on September 7, 2023.

SCOR intends to drive value creation for its shareholders, clients, employees, and for society as a whole. The Group maintains a controlled risk appetite and disciplined underwriting as it acts on business opportunities created by the supportive market conditions, fueling growth on its diversified and equally weighted P&C and L&H portfolios:

- in Life and Health (L&H) reinsurance, SCOR leverages the full potential of its leading platform to grow its Contractual Service Margin and actively manages its portfolio to ensure the conversion of profits into cash flows;
- in Property and Casualty (P&C) (re)insurance, SCOR expects the hard market conditions to continue, which should enable the Group to grow in selected attractive lines while building a balanced and resilient portfolio;
- in Investments, SCOR maintains its prudent and sustainable investment strategy and benefits from a high reinvestment rate environment to increase its regular income yield. SCOR continues to expand its third-party asset management at SCOR Investment Partners, offering differentiated value propositions through strategies focused on recurring returns, with limited downside risk and sustainable offerings.

Business units of the Group

The Group is organized into three business units (SCOR P&C, SCOR L&H and SCOR 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 P&C business, which has responsibility for property and casualty insurance and reinsurance and the SCOR L&H business, with responsibility for Life reinsurance. 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 of the Universal Registration Document. 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 Investments is the asset management business unit of the Group. Its role is complementary to the two operating segments as it manages SCOR P&C's and SCOR L&H's investment assets associated with the contract liabilities. SCOR Investments also manages assets on behalf of third parties, although these activities are currently not considered material. Therefore, SCOR Investments is not considered as a separate reportable operating segment for purposes of IFRS 8 – Operating Segments.

Global operations

The Group's operations are organized into three regional management platforms, or "Regional Functions", named EMEA Regional Function, Asia-Pacific Regional Function and Americas Regional Function. Each Regional Function has local, regional and Group responsibilities. Each Regional Function includes the following functions: Legal and Compliance, Information Technology support, Finance, Human Resources and General Services. Regional Function-shared service costs are allocated to the business units based on allocation keys.

The SCOR P&C segment carries out its global operations through the subsidiaries and branches of its main reinsurance entity SCOR SE, which merged with SCOR P&C SE and SCOR L&H SE in March 2019. In November 2018, SCOR 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 post-Brexit. Its business purpose is mainly direct insurance of major industrial risks across Europe. This subsidiary started its activities on January 1, 2019.

The SCOR P&C segment is divided into two business areas: Reinsurance and MGA (including Property, Casualty, Motor, Credit & Surety, Decennial Insurance, Aviation, Marine, Engineering, and Agricultural risks) and SCOR Business Solutions, as well as three complementary businesses: P&C CUO (Chief Underwriting Officer), P&C Underwriting Solutions and P&C Business Operations.

(1) By net reinsurance premiums written, source: "AM Best Special Report Global Reinsurance 2024".

SCOR L&H segment operates worldwide through the subsidiaries and branches of SCOR SE. Through this network SCOR L&H is represented in three business regions (the Americas, EMEA, 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. SCOR L&H aims to achieve diversification, both from a geographical and a product lines perspective.

SCOR's cost center is referred to in this Solvency and Financial Condition Report as "Group Functions". Group Functions do not represent an operating segment and do not generate revenues. The costs in Group Functions are Group-related and are not directly attributable to either the P&C or L&H segment. However, those costs that are indirectly attributable are allocated to the operating segments based on suitable allocation keys. Group Functions include 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 ESG Officer departments (Legal and Compliance, Communication, Human Resources, Sustainability), Investments, Technology, Transformation and Group Corporate Finance departments (Information Technology, Cost Controlling and Budgeting, Group Project Office and Business Continuity) and Group Chief Risk Officer departments (Group Actuarial, Risk Coverage, Risk Governance, Prudential and Regulatory Affairs, Risk Modeling).

Both business units, P&C and L&H, 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, 2024, the Group served c.5,000 clients throughout the world. SCOR's strategy of offering both P&C and L&H products gives it balanced diversification (in terms of risks, geography and markets), which is a cornerstone of its strategy.

Non-Life business

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

- Reinsurance & MGA;
- SCOR Business Solutions;

and three business enablers:

- P&C Global CUO teams;
- P&C Underwriting Solutions;
- P&C Business Operations.

Reinsurance & MGA

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;
- property catastrophes: providing reinsurance solutions to cover natural catastrophes events and property risks worldwide;
- 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;
- political risks: Confiscation Expropriation Nationalization Deprivation (CEND), embargo and no currency transfer.

SCOR draws its expertise from a local presence in North America (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;
- additional extensions to IDI policies such as waiver of subrogation against builders and consequential third-party liability.

SCOR offers to its clients with a global market vision on both established and emerging markets, from small residential properties to large industrial complexes, 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 its clients flexible adequate solutions for all 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.

MGA's

Effective April 2024, the MGA portfolio was transferred into Reinsurance given the portfolio nature of MGA's. MGAs perform certain functions ordinarily handled only by insurers, such as underwriting, pricing and settling claims.

MGA are mainly involved with specialty lines of business in which specialized expertise is required. Whilst managed within Reinsurance, the business can be underwritten both as reinsurance (via fronting arrangements) or using SCOR insurance Paper.

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

SCOR Business Solutions

Following the April 2024, reorganization, the insurance operations were consolidated with SCOR Business Solutions.

Insurance and Facultative risks

SCOR Business Solutions includes SCOR's large corporate risk insurance and facultative reinsurance unit as well as specialist lines written by SCOR Lloyd's syndicate (the SCOR Syndicate) such as Political and Credit risk, Environmental Liability, International and US Property. Taking a consistent and long-term approach, SCOR Business Solutions 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.

Binders and Facilities

SCOR Business Solutions also includes large binders underwritten by SCOR Lloyds syndicate (SCOR Syndicate) as well as, in certain cases, specialized types of insurance agent/broker vested with underwriting authority from an insurer.

Global CUO team

The Global P&C CUO Team is comprised of five distinct pillars:

- CUO R/I & MGA;
- CUO SBS & Fac;
- CUO Casualty;
- CUO Cyber;
- Portfolio Monitoring.

The objective of the CUO Team is to establish a clear strategic direction and maintain a strong performance focus combined with a robust yet flexible technical underwriting control function to support strategy execution for Reinsurance and SBS for all lines of business. The CUO role includes defining risk appetite and steering the portfolio across all lines of business within R/I & MGA and SBS, portfolio and accumulation monitoring, managing the underwriting guidelines and supporting the Business Heads.

Underwriting Solutions

The Underwriting Solutions team comprises four distinct pillars:

- transactions;
- alternative solutions – reinsurance and SBS;
- product development & innovation;
- reinsurance broker relationship management.

P&C Business Operations

The P&C Business operation team comprises three pillars:

- Pricing & Modeling;
- Claims;
- Technical Accounting & Administration.

Life Reinsurance

SCOR's Life and Health segment underwrites Life Reinsurance business in the following product lines:

- protection;
- longevity;
- finance Solutions.

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 L&H'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 L&H's Protection portfolio, is characterized by the dominance of long-term contractual relationships. SCOR L&H 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 L&H portfolio based on gross written premiums for the year ended December 31, 2024. SCOR L&H 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.

Solvency II lines of business

Under Solvency II, insurance and reinsurance obligations are analyzed by defined lines of business.

The material lines of SCOR's Non-Life business are as follows:

- motor vehicle liability insurance;
- marine, aviation and transport insurance;
- fire and other damage to property insurance;
- general liability insurance;
- credit and suretyship insurance;
- miscellaneous financial loss;
- non-proportional casualty reinsurance;
- non-proportional property reinsurance;
- non-proportional marine, aviation, transport reinsurance;
- others (regrouping smaller Lines of Business).

The material lines of SCOR's Life business are as follows:

- Life reinsurance;
- health reinsurance.

For further information on SCOR's underwriting and performance by Solvency II line of business, see Section A.2 – Underwriting performance.

A.1.2.2 SCOR SE – ADDITIONAL INFORMATION ON BUSINESS

SCOR SE wholly owns a large majority of its operating subsidiaries.

As may be required, SCOR SE also grants loans to Group subsidiaries and provides them with guarantees so that they can underwrite under favorable conditions, particularly by leveraging 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 operating subsidiaries, through annually renewed proportional and non-proportional treaties which constitute the Group's internal steering tool, through the annual allocation of capital to the operating subsidiaries based on the profitability expected from their underwriting activity.

A.1.2.3 SIGNIFICANT BUSINESS AND OTHER EVENTS IN THE PERIOD

- On April 29, Claire McDonald is appointed as CEO of SCOR Business Solutions, starting from September 1.
- On May 30, SCOR has successfully sponsored a new catastrophe bond ("cat bond"), Atlas Capital DAC Series 2024-1, which will provide the Group with multi-year risk transfer capacity of USD 175 million to protect itself against named storms in the US and earthquakes in the US and Canada. The risk period for Atlas Capital DAC Series 2024-1 will run from June 1, 2024 to May 31, 2027. The transaction has received the approval of the Irish regulatory authorities. The cat bond offering integrates ESG related considerations to support investors' due diligence. The contract has been accounted for as a reinsurance contract, in accordance with IFRS 17 – Insurance Contracts.
- On July 15, SCOR provides an update on its Q2 2024 and FY 2024 results following an acceleration of the annual L&H reserving assumption review. The main aim of this review is to strengthen the robustness of cash flow projections and reduce the risk of future earnings volatility. SCOR completes the 2024 L&H assumption review and communicated a total impact of EUR (0.7) billion (pre-tax) in insurance service result and EUR (0.9) billion (pre-tax) in contractual service margin (CSM). In parallel, SCOR mandated an external reviewer – Milliman – to perform independent reviews on its L&H assumptions. In December 2024, SCOR receives the conclusion of Milliman who reviewed 100% of SCOR's gross of retrocession Present Value of Future Cash Flows, confirming that "in aggregate at the Group level the valuation of the PVFCF, RA and CSM gross of retrocession is materially reliable and in a range of reasonableness".
- On December 12, SCOR hosts its 2024 Investor Day in London and presents its new L&H strategy and updated Forward 2026 strategic plan.
- On December 16, SCOR announces the successful placement of EUR 500 million Restricted Tier 1 Notes.
- On December 19, SCOR announces the success of its cash tender offer on existing RT1 Notes (ISIN: FR0012199123) for an amount of EUR 186.4 million.

A.1.2.4 SCOR SE – ADDITIONAL INFORMATION ON SIGNIFICANT EVENTS

In addition to the above-mentioned significant events affecting SCOR Group, in 2024 SCOR SE carried out the following significant transactions:

Capital increase in SCOR Europe

On March 19, 2024, April 24, 2024 and December 18, 2024 SCOR SE increased its stake in the capital of its subsidiary SCOR Europe respectively by EUR 20 million, EUR 7 million and EUR 10 million.

Reduction of the share capital of SCOR SE

On May 17, 2024, SCOR SE has reduced its capital by canceling 440,425 treasury shares by EUR 12 million.

Dividend payment

On May 23, 2024, SCOR SE paid a EUR 322 million dividend to its shareholders.

Call options

On July 31, 2024 and November 18, 2024, SCOR SE signed several call option agreements with Natixis and BNPP allowing SCOR SE to buy its own shares to cover stock option plans and the free allocation of shares in return for the payment of a predefined exercise price. The exercise dates for the options run from April 1, 2027, to March 1, 2029. The total number of options purchased in fiscal year 2024 amounts to 549,476. A premium of EUR 2.7 million was paid for these purchases, which was recorded in other assets.

Decreases in the Fiducie trust's capital

On September 12, 2024, SCOR SE made a withdrawal of USD 13 million (EUR 9 million) from the Fiducie trust as the result of a reduction in its commitments towards Aegon.

Purchase of shares held in MRM

In the second half of 2024, SCOR SE purchased a total of 1,394,142 shares held in MRM for EUR 46.3 million. Following this acquisition, MRM becomes a wholly-owned subsidiary of SCOR SE.

Capital increase in SCOR Reinsurance Asia Pacific PTE Ltd

On November 20, 2024, SCOR SE increased its stake in the capital of its subsidiary SCOR Reinsurance Asia Pacific PTE Ltd by USD 85 million (EUR 80 million).

Placement of Restricted Tier 1 Notes

On December 16, SCOR announces the successful placement of EUR 500 million Restricted Tier 1 Notes.

Capital increase in SCOR Global Reinsurance Ireland

On December 16, 2024, SCOR SE increased its stake in the capital of its subsidiary SCOR Global Reinsurance Ireland by USD 111 million (EUR 106 million).

Capital increase in SCOR Global Life Americas Holding

On December 16, 2024, SCOR SE increased its stake in the capital of its subsidiary SCOR Global Life Americas Holding Inc. by USD 39 million (EUR 37 million).

Cash tender offer on existing RT1 Notes

On December 19, SCOR announces the success of its cash tender offer on existing RT1 Notes (ISIN: FR0012199123) for an amount of EUR 186.4 million.

Impairment on the affiliates of Remark, SCOR Europe, SV One and Telemed

In December 2024, SCOR SE determined impairments of EUR 13 million on Remark, EUR 10 million on SCOR Europe, EUR 6 million on SV One and EUR 3 million on Telemed.

Dividends received

During 2024, SCOR SE received EUR 290 million in dividends from its subsidiaries (EUR 243 million in 2023).

A.2. UNDERWRITING PERFORMANCE

A.2.1. SCOR GROUP

A.2.1.1. OVERALL UNDERWRITING PERFORMANCE

SCOR Group operates in two business units: SCOR P&C, with responsibility for Property and Casualty insurance and reinsurance ("Non-Life"); and SCOR L&H, with responsibility for Life and Health reinsurance ("Life"). Each business unit underwrites several types of risks and offers various products and services, which are marketed *via* separate channels and the performance of which is managed on a different basis, in line with the nature of the business.

With the implementation of IFRS 17, the Group's underlying statutory accounts have changed. For the Group, this section presents underwriting performance mainly through the Insurance Service Result (ISR) and Insurance Revenue.

— **SCOR Group**

IFRS *In EUR thousands*	2024			2023		
	SCOR L&H	SCOR P&C	Total	SCOR L&H	SCOR P&C	Total
Insurance revenue	8,486,711	7,638,995	16,125,706	8,425,992	7,496,215	15,922,207
Insurance service expenses	(8,954,246)	(5,944,221)	(14,898,467)	(7,834,248)	(6,120,854)	(13,955,102)
Net income/(expenses) from reinsurance contracts held	109,806	(915,367)	(805,561)	(14,253)	(478,107)	(492,360)
Net revenue associated with financial reinsurance contracts	10,057	-	10,057	11,104	-	11,104
INSURANCE SERVICE RESULT	**(347,672)**	**779,407**	**431,735**	**588,595**	**897,254**	**1,485,849**

Insurance Service Result

Insurance Service Result is the net amount of Insurance Revenue and Insurance Service Expenses net of retrocession effects. The Group's insurance service result for the year ended December 31, 2024 stands at EUR 422 million or 432 million when including net revenues associated with financial reinsurance contracts. The P&C insurance service result stands at EUR 779 million and L&H insurance service result amounted at EUR (358) million, or EUR (348) million when including net revenues associated with financial reinsurance contracts.

Insurance Revenue

Insurance Revenue for the year ended December 31, 2024 amounts to EUR 16,126 million, increasing by 1.5% at constant exchange rates (1.3% at current exchange rates) compared to FY 2023.

SCOR P&C insurance revenue stands at EUR 7,639 million, up 2.5% at constant exchange rates (up 1.9% at current exchange rates) compared to FY 2023.

SCOR L&H insurance revenue stands at EUR 8,487 million up 0.7% at constant exchange rates (0.7% increase at current exchange rates) compared to FY 2023.

Premium written

Gross written premium is a non-GAAP metric that is non defined under the IFRS 17 accounting framework but continues to be described in this report. While the insurance revenue is on an earned basis, GWP is on written basis. Additionally, GWP is gross of all commission and non-distinct investment component.

— **SCOR Group**

In EUR thousands	2024		2023	
By segment				
SCOR P&C	9,868,612	49%	9,451,894	49%
SCOR L&H	10,195,230	51%	9,919,105	51%
TOTAL	**20,063,842**	**100%**	**19,370,999**	**100%**

Gross written premiums for the financial year ended December 31, 2024 amounts to EUR 20,064 million, a increase of 3.6% at current exchange rates compared to EUR 19,371 million in 2023. The amount at constant exchange rates increases by 4.1% compared to 2023. The change in gross written premiums compared to the same period in 2023 is driven by a increase in SCOR P&C gross written premiums of 5.1% at constant exchange rates (4.4% at current exchange rates) and an increase for SCOR L&H gross written premiums of 3.2% at constant exchange rates (2.8% at current exchange rates).

- for SCOR P&C, in 2024, gross written premiums increased by 4.4% compared to 2023 from EUR 9,452 million to EUR 9,869 million. At constant exchange rates, gross written premiums decreased by 5.1% following the strategy to focus on optimizing the capital allocation by line and by client and on optimizing the portfolio mix in terms of risk diversification;
- SCOR L&H gross written premiums have grown by 2.8% from EUR 9,919 million in 2023 to EUR 10,195 million in 2024 (3.2% increase at constant exchange rates). Growth was predominantly recognized in the Protection product line mainly in Asia Pacific, the US and in specific markets in EMEA.

A.2.1.2. UNDERWRITING RESULTS BY LINE OF BUSINESS

Non-Life business

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

- reinsurance & MGA;
- SCOR Business Solutions;

and three business enablers:

- P&C Global CUO teams;
- P&C Underwriting Solutions;
- P&C Business Operations.

— **SCOR Group – Non-Life**

IFRS *In EUR thousands*	Insurance service result 2024	 2023
Motor vehicle liability insurance	142,674	(51,775)
Marine, aviation and transport insurance	(44,873)	36,676
Fire and other damage to property insurance	348,053	507,013
General liability insurance	(115,112)	(292,192)
Credit and suretyship insurance	134,081	198,728
Miscellaneous financial loss	22,691	58,039
Non-proportional casualty reinsurance	63,796	115,201
Non-proportional marine, aviation, transport reinsurance	8,666	29,054
Non-proportional property reinsurance	250,295	295,205
Other	(30,863)	1,304
TOTAL FOR SCOR P&C	**779,407**	**897,254**

Non-Life gross written premiums

Gross written premiums of EUR 9,869 million for the year ended December 31, 2024 increase by 5.1% at constant exchange rates compared to EUR 9,452 million for the same period in 2023.

Non-Life Insurance Revenue

SCOR P&C's Insurance Revenue Stands at EUR 7,639 million in 2024, up 2.5% at constant exchange rates (up 1.9% at current exchange rates) compared to 2023.

Non-Life Insurance Service Result

The P&C Insurance Service Result stands at EUR 779 million, supported by a CSM amortization of EUR 1,107 million and a risk adjustment release of EUR 164 million, partly offset by a negative experience variance.

Combined ratio

SCOR P&C's combined ratio stands at 86.3% in 2024, compared to 85.0% in 2023. The combined ratio in 2024 includes a Nat Cat ratio of 9.4% compared to 7.3% in 2023.

Life and Health business

SCOR L&H operates in the following three regions: Americas, EMEA (Europe, Middle East and Africa and Latin America) and Asia Pacific. It underwrites L&H reinsurance business in the following product lines:

- Protection;
- Longevity;
- Financial Solutions.

Protection encompasses traditional L&H 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 2024, SCOR performs an extensive annual review of its L&H actuarial assumptions. The main aim of this review is to strengthen the robustness of cash flow projections and reduce the risk of future earnings volatility.

SCOR completes the L&H assumption review and communicates a total impact of EUR (0.7) billion (pre-tax) in insurance service result and EUR (0.9) billion (pre-tax) in contractual service margin (CSM).

In parallel, SCOR mandated an external reviewer – Milliman – to perform independent reviews on its L&H assumptions. In December 2024, SCOR receives the conclusion of Milliman who reviewed 100% of SCOR's gross of retrocession Present Value of Future Cash Flows, confirming that "in aggregate at the Group level the valuation of the PVFCF, RA and CSM gross of retrocession is materially reliable and in a range of reasonableness".

SCOR's 2024 L&H profitability was impacted by this review reflected in 2024 ISR of EUR (348) million.

Life and Health gross written premiums by product line

SCOR L&H has grown by 2.8% in gross written premiums from EUR 9,919 million in 2023 to EUR 10,195 million in 2024 (3.2% increase at constant exchange rates[1]. Growth was predominantly recognized in the Protection product line mainly in Asia Pacific, the US and in specific markets in EMEA.

Protection

The Protection business accounts for 86% of total gross written premiums in 2024 and remains the main driver for premium growth. SCOR L&H has maintained a leading position in the US Life reinsurance market, the largest Life reinsurance market in the world. Globally, SCOR L&H strategically redefined its position across markets to improve margins. Asia Pacific markets remain an area with significant opportunities for profitable growth.

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

- Mortality protection: based on 2024 gross written premiums 58% of SCOR L&H's portfolio is traditional mortality reinsurance business. SCOR L&H remains a leader in Mortality in the US, as well as maintaining its strong position in key European markets.
- Critical illness: SCOR L&H is a market leader in the UK and some Asian markets. It also leverages its experience and expertise to further develop its value proposition.
- Long-term care (LTC): SCOR L&H 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, also applied to other territories.
- Disability: SCOR L&H has established strong market positions in disability in many continental Europe markets, Australia, New Zealand, and Canada.
- Medical reinsurance: SCOR L&H is mainly exposed in APAC and Western European markets.
- Personal accident is also mainly represented in APAC and Western Europe.

SCOR L&H has successfully deployed a number of innovative and tailored client services which aim to help insurers expand and develop their own client bases. In this market segment, SCOR L&H has leadership positions in many markets.

Longevity

SCOR L&H 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 9% of SCOR L&H's gross written premiums and the main active market to date for SCOR L&H is the UK.

(1) At December 31, 2023 exchange rates.

Financial Solutions

In the Financial Solutions product line, accounting for 5% of 2024 gross written premiums, SCOR L&H has built a recognized position in providing capital and solvency solutions. Since 2013, SCOR L&H has signed landmark transactions in Europe, the US, Asia and Latin America.

Life and Health Insurance Revenue

In 2024, SCOR L&H Insurance Revenue amounts to EUR 8,487 million, growing by 0.7% at constant exchange rates (0.7% at current exchange rates) compared to 2023. As a reminder, insurance revenue is the sum of expected claims and expenses for the relevant period (estimated at the beginning of each quarter), CSM amortization, Risk Adjustment release and amortization of existing onerous contracts.

Life and Health Insurance Service Result

SCOR L&H's Insurance Service Result including net revenues associated with financial reinsurance contracts, stands at EUR (348) million, of which a CSM amortization of EUR 347 million, a Risk Adjustment release of EUR 121 million, a negative experience variance of EUR 375 million and the impact of onerous contracts of EUR (451) million. Experience variances and the impact of onerous contracts are driven by SCOR's L&H review of actuarial assumptions while experience variance is in addition impacted by unfavorable experience in the US and other territories and some one-off items.

— SCOR Group – Life and Health

IFRS *In EUR thousands*	Insurance service result[1]	
	2024	2023
Health reinsurance	(308,435)	(45,916)
Life reinsurance	(39,237)	634,511
TOTAL SCOR L&H	**(347,672)**	**588,595**

(1) incl. net revenues associated with financial reinsurance contracts.

A.2.1.3. UNDERWRITING RESULTS BY GEOGRAPHICAL AREA

In 2024, SCOR generated approximately 36% of its gross written premiums in Europe, Middle East and Africa (EMEA) (2023: 36%), with significant market positions in France, Germany, Spain and Italy; 46% in the Americas (2023: 45%) and 18% in Asia (2023: 19%).

Non-Life business

Non-Life gross written premiums

In 2024, gross written premiums increased by 4.4% compared to 2023, from EUR 9,452 million to EUR 9,869 million. At constant exchange rates, the gross written premiums decreased by 5.1%, following strategy to focus on optimizing the capital allocation by line and by client and on optimizing the portfolio mix in terms of risk diversification. In 2024, SCOR P&C generated approximately 41% of its gross written premiums in Europe, Middle East and Africa (EMEA), 44% in the Americas and 15% of its gross written premiums in Asia.

The following table shows the breakdown of gross volume of Non-Life premiums written and insurance service result by geographic area based on market responsibility, considering the country in which the ceding company operates for treaty business and location of the insured for facultative business:

— SCOR Group – Non-Life

IFRS *In EUR thousands*	As at December 31, 2024			
	EMEA	Americas	Asia-Pacific	Total
Gross written premiums	4,060,496	4,335,359	1,472,757	9,868,612
INSURANCE SERVICE RESULT	**309,667**	**255,164**	**214,576**	**779,407**

— SCOR Group – Non-Life

IFRS *In EUR thousands*	As at December 31, 2023			
	EMEA	Americas	Asia-Pacific	Total
Gross written premiums	4,065,760	3,931,065	1,455,069	9,451,894
INSURANCE SERVICE RESULT	**286,074**	**368,245**	**242,935**	**897,254**

Life and Health business

Life and Health gross written premiums

Gross written premiums for the financial year ended December 31, 2024 have grown by 2.8% from EUR 9,919 million in 2023 to EUR 10,195 million in 2024 (3.2% increase at constant exchange rates). Growth was predominantly recognized in the Protection product line mainly in Asia Pacific, the US and in specific markets in EMEA.

In 2024, SCOR L&H generated approximately 31% of its gross written premiums in Europe, Middle East, Africa and Latin America (EMEA), 48% in the Americas and 21% in Asia Pacific.

The following table shows the breakdown of gross volume of L&H premiums written and insurance service result by geographic area based on market responsibility.

— SCOR Group – Life and Health

IFRS *In EUR thousands*	As at December 31, 2024			
	EMEA[1]	Americas	Asia-Pacific	Total
Gross written premiums	3,117,374	4,913,933	2,163,923	10,195,230
INSURANCE SERVICE RESULT[2]	**(225,544)**	**(134,054)**	**11,926**	**(347,672)**

(1) Global Retro included in EMEA.
(2) Incl. net revenue associated with financial reinsurance contracts.

— SCOR Group – Life and Health

IFRS *In EUR thousands*	As at December 31, 2023			
	EMEA[1]	Americas	Asia-Pacific	Total
Gross written premiums	2,956,875	4,804,560	2,157,670	9,919,105
INSURANCE SERVICE RESULT[2]	**177,025**	**402,969**	**8,601**	**588,595**

(1) Global Retro included in EMEA.
(2) Incl. net revenue associated with financial reinsurance contracts.

A.2.2. SCOR SE

A.2.2.1. OVERALL UNDERWRITING PERFORMANCE

— SCOR SE

French GAAP *In EUR thousands*	As at December 31, 2024				
	Net technical result[1]	Net interest on deposits	Internal management expenses[2]	Net underwriting result	
	(A)	(B)	(C)		
Total SCOR SE Non-Life	445,207	-	(267,039)	178,168	(A)+(C)
Total SCOR SE Life	(158,249)	135,841	-	(22,408)	(A)+(B)
TOTAL	**286,958**	**135,841**	**(267,039)**		

(1) SCOR SE Non-Life: net technical result includes claims expenses (unallocated loss adjustment expenses or «ULAE»).
(2) SCOR SE Non-Life: includes all management expenses, 50% of corporate expenses and Cat bond expenses.

— SCOR SE

French GAAP *In EUR thousands*	As at December 31, 2023				
	Net technical result[1]	Net interest on deposits	Internal management expenses[2]	Net underwriting result	
	(A)	(B)	(C)		
Total SCOR SE Non-Life	87,955	-	(314,587)	(226,632)	(A)+(C)
Total Scor SE Life	159,624	128,985	-	288,609	(A)+(B)
TOTAL	**247,579**	**128,985**	**(314,587)**		

(1) SCOR SE Non-Life: net technical result includes claims expenses (unallocated loss adjustment expenses or «ULAE»).
(2) SCOR SE Non-Life: includes all management expenses, 50% of corporate expenses and Cat bond expenses.

A.2.2.2. UNDERWRITING RESULT BY LINE OF BUSINESS

Non-Life business

— SCOR SE – Non-Life

French GAAP *In EUR thousands*	As at December 31, 2024 Net technical result[1]	Internal management expenses[2]	Net underwriting result
Motor vehicle liability insurance	185,273	(6,501)	178,772
Marine, aviation and transport insurance	(11,982)	(5,977)	(17,959)
Fire and other damage to property insurance	73,136	(20,790)	52,346
General liability insurance	(3,807)	(11,138)	(14,945)
Credit and suretyship insurance	69,840	(6,152)	63,688
Non-proportional casualty reinsurance	178,092	(54,415)	123,677
Non-proportional property reinsurance	5,194	(81,079)	(75,885)
Other	(50,539)	(80,987)	(131,526)
TOTAL	**445,207**	**(267,039)**	**178,168**

(1) Net technical result includes claims expenses (unallocated loss adjustment expenses or «ULAE»).
(2) Includes all management expenses, 50% of corporate expenses, Lloyds expenses and Cat bond expenses.

— SCOR SE – Non-Life

French GAAP *In EUR thousands*	As at December 31, 2023 Net technical result[1]	Internal management expenses[2]	Net underwriting result
Motor vehicle liability insurance	(26,756)	(10,031)	(36,786)
Marine, aviation and transport insurance	(15,875)	(7,804)	(23,679)
Fire and other damage to property insurance	109,712	(29,026)	80,687
General liability insurance	(297,370)	(16,168)	(313,539)
Credit and suretyship insurance	77,022	(9,903)	67,120
Non-proportional casualty reinsurance	105,166	(59,720)	45,446
Non-proportional property reinsurance	76,278	(89,755)	(13,477)
Other	59,777	(92,181)	(32,404)
TOTAL	**87,955**	**(314,587)**	**(226,632)**

(1) Net technical result includes claims expenses (unallocated loss adjustment expenses or «ULAE»).
(2) Includes all management expenses, 50% of corporate expenses, Lloyds expenses and Cat bond expenses.

Life business

— SCOR SE – Life

French GAAP *In EUR thousands*	Net underwriting result[1] 2024	2023
Health reinsurance	22,015	60,718
Life reinsurance	(44,423)	227,890
TOTAL	**(22,408)**	**288,609**

(1) Net underwriting result includes the net technical result and net interest on deposits.

A.2.2.3. UNDERWRITING RESULT BY GEOGRAPHICAL AREA

In 2024, SCOR SE generated approximately 69% of its gross written premiums in Europe (2023: 69%), with a significant market position in France, 22% in Asia (2023: 22%) and 9% in the Americas, Africa and the rest of the world (2023: 9%).

Non-Life business

In 2024, the total Net underwriting result is positive at EUR 178,168 million, constituting an increase of EUR 404,800 million compared to 2023 driven by an overall increase of the net technical result and a decrease of the internal management expenses.

Deteriorated Net underwriting result in the EMEA region was marked by several exceptional developments such as claims related to Nat Cat events such as Ukrainian conflict, Italian hail deterioration, Baltimore bridge collapse, Central Europe Flood/ Boris, UAE/Oman floodings, Hurricane Debby and New Caledonia civil unrest.

— SCOR SE – Non-Life

French GAAP *In EUR thousands*	As at December 31, 2024			
	EMEA	Americas	Asia-Pacific	Total
Gross written premiums	4,020,472	577,203	1,308,471	5,906,146
Net technical result[(1)]	183,123	58,644	203,440	445,207
Internal Management expenses[(2)]	(211,038)	(24,486)	(31,515)	(267,039)
NET UNDERWRITING RESULT	**(27,915)**	**34,158**	**171,925**	**178,168**

(1) Net technical result includes claims expenses (unallocated loss adjustment expenses or «ULAE»).
(2) Includes all management expenses, 50% of corporate expenses and Cat bond expenses.

— SCOR SE – Non-Life

French GAAP *In EUR thousands*	As at December 31, 2023			
	EMEA	Americas	Asia-Pacific	Total
Gross written premiums	3,977,741	592,704	1,024,773	5,595,219
Net technical result[(1)]	(190,017)	111,082	166,890	87,955
Internal Management expenses[(2)]	(246,296)	(32,325)	(35,966)	(314,587)
NET UNDERWRITING RESULT	**(436,313)**	**78,757**	**130,923**	**(226,632)**

(1) Net technical result includes claims expenses (unallocated loss adjustment expenses or «ULAE»).
(2) Includes all management expenses, 50% of corporate expenses and Cat bond expenses.

Life business

Life gross written premiums

Gross written premiums for the financial year ended December 31, 2024 amounted to EUR 4,397 million.

In 2024, SCOR SE Life generated approximately 59% of its gross written premiums in Europe, Middle East and Africa (EMEA), 7% in the Americas and 34% in Asia.

Net earned premiums

Net earned premiums for the year ended December 31, 2024 amounted to EUR 3,569 million. The split per region is 64% in Europe, Middle East and Africa (EMEA), 9% in the Americas and 27% in Asia.

Net benefits and claims paid

Net benefits and claims paid for the year ended December 31, 2024 amounted to EUR 3,212 million. The split per region is 60% in Europe, Middle East and Africa (EMEA), 13% in the Americas and 27% in Asia.

— SCOR SE – Life

French GAAP *In EUR thousands*	As at December 31, 2024			
	EMEA	Americas	Asia-Pacific	Total
Gross written premiums	2,572,379	310,562	1,513,838	4,396,779
NET UNDERWRITING RESULT[(1)]	**47,523**	**(107,167)**	**37,236**	**(22,408)**

(1) Net underwriting result includes the net technical result and net interest on deposits.

— **SCOR SE – Life**

French GAAP *In EUR thousands*	As at December 31, 2023			
	EMEA	Americas	Asia-Pacific	Total
Gross written premiums	2,429,069	320,037	1,076,986	3,826,092
NET UNDERWRITING RESULT[(1)]	**216,591**	**(12,322)**	**84,340**	**288,609**

(1) Net underwriting result includes the net technical result and net interest on deposits.

A.3. INVESTMENT PERFORMANCE

A.3.1. SCOR GROUP

A.3.1.1. INVESTMENT INCOME AND EXPENSES

Investment income and expenses by asset class

Investment income by nature

— **SCOR Group**

IFRS *In EUR thousands*	2024	2023
Investment income	**909,580**	**894,419**
Interest revenue on financial assets not measured at FVPL[(1)]	827,779	725,954
Other investment revenue[(2)]	142,584	196,128
Net impairment losses[(3)]	(60,782)	(27,663)
INVESTMENT MANAGEMENT EXPENSES[(4)]	**(89,253)**	**(65,622)**

(1) See Section 4.6.17. Note 17.1 in Universal Registration Document 2024.
(2) See Section 4.6.17. Notes 17.2 in Universal Registration Document 2024.
(3) See Section 4.6.7. Note 7.6 in Universal Registration Document 2024.
(4) See Section 4.6.19. Note 19 in Universal Registration Document 2024.

Total investment income before management expenses stands at EUR 910 million as at December 31, 2024.

Investment income breaks down as follows by type of income and category of financial asset:

- interest revenue on financial assets not measured at FVPL at EUR 828 million (see Section 4.6.17. Note 17.1 in Universal Registration Document 2024);
- other investment revenue at EUR 143 million in 2024 (see Section 4.6.17. Notes 17.2 and 17.3 in Universal Registration Document 2024) with:

  — net impairment losses amount to EUR (61) million.

Investment expenses amount to EUR (89) million.

Investment income on invested assets

Compared to total investment income, as shown in the income statement, investment income on invested assets excludes foreign exchange gains/losses and some other items (see table below).

Risk assets outperformed government bonds again in 2024. For the second year in a row, the US stock market index, the S&P 500, rose by 25% or more. This performance was driven by much stronger-than-expected US growth, the prospect of higher revenues from artificial intelligence and continued investor demand. Credit markets also benefited from a supportive environment as corporate fundamentals remained solid and default rates muted. Tighter credit spreads helped to offset interest rate volatility.

Indeed, interest rates experienced significant shifts throughout the year, in line with inflation data releases and monetary policy adjustments, ending the year at higher levels.

While the central scenario at the beginning of the year was one of a rapid normalization of monetary policies, a series of disappointing inflation reports in the United States led to a significant rise in interest rates by the spring. Rates rose across the Board, despite growing divergences in inflation and growth between different geographical areas, particularly the United States and Europe. The US 10-year yield rose by almost 0.8% between January and April, peaking at 4.7%. The German 10-year yield rose by 0.7% over the same period, reaching its highest level of the year at 2.7% at the end of May.

Central banks, advocating prudence and patience, delayed the start of their cut cycle. The change was most pronounced in the United States, where the Fed kept its key rates unchanged until September 2024, when the cut cycle began with a historic 50 basis point cut, followed by two 25 basis point cuts. In Europe, the European Central Bank started to reduce interest rates earlier in June. Supported by more favorable inflation data and a gradual deterioration in economic activity from the summer onwards, the ECB accelerated its normalization from September, cutting rates by 25 basis points in each of the last three meetings of the year. As a result, the ECB's deposit rate stood at 3% at the end of December.

The Fed's more accommodative stance from July onwards accelerated the decline in long-term interest rates. In addition, the publication of a disappointing employment report at the end of July and a contraction in economic activity indices cast doubt on the soft-landing scenario in the US. As inflation began to show reassuring signs, the focus thus shifted to growth over the summer. The unwinding of speculative positions and low market liquidity led to a sharp fall in global equity markets, a widening of credit spreads and a fall in interest rates in response to increased risk aversion. However, this was very short-lived, and equity and credit markets quickly resumed their positive trend, with the US outperforming its European peers. US growth figures for the second and third quarters underlined the health of the US economy, while European activity showed increasing signs of weakness.

The election of Donald Trump in November first of all increased the divergence between the US and European markets. The Republican candidate's program was seen as supportive of the US economy, albeit potentially inflationary. A sharp rise in tariffs, on the other hand, could drag the rest of the world into a trade war and worsen the economic situation in Europe. However, the Fed's more hawkish stance in December, with the prospect of higher rates for longer into 2025, dominated the end of the year and thwarted the US rally. For once, in December the S&P 500 Index underperformed the Euro Stoxx 50, which rose 2.4%. However, this was not enough to reverse the trend for the year, which saw the Euro Stoxx 50 rising 11.9% compared with 25% for the S&P 500, which broke record after record in 2024. Similarly, EUR and USD credit spreads tightened by between 20 and 80 basis points on average over the year, depending on the credit quality of the underlying issuers.

The summer rally in interest rates did not last. After the sharp fall in rates in the third quarter, inflation concerns returned, due to the still uncertain impact of Trumponomics and the deterioration in public deficits. Long-term yields resumed their upward trend. US and German 10-year yields ended the year at 4.6% and 2.4% respectively, 0.7% and 0.4% higher than in 2024. However, the most notable underperformance came from UK yields, with the 10-year rate rising by 1% over the period to reach parity with its US counterpart. The UK economy suffered from persistently high inflation and higher than expected borrowing requirements.

The global macroeconomic environment was very supportive of the US dollar, which appreciated by more than 7% against the G10 currencies.

The geopolitical deterioration in the Middle East and the snap elections in France had a limited impact. The underperformance of French government bonds did not spill over to the rest of the eurozone. The eurozone was more affected by the ongoing weakness in China, which faces the risk of Japanification of its economy despite the stimulus plans announced in 2024.

Income and expenses

Investment income on invested assets for the year ended December 31, 2024, amounts to EUR 800 million compared to EUR 711 million for the year ended December 31, 2023. This investment income excludes an amount of EUR 9 million loss from recognition of the changes in fair value of the call option granted by Covéa. The return on invested assets in 2024 is 3.5% as compared to 3.2% in 2023. 2024 is driven by strong regular investment income and benefits from a supportive interest rate environment and by the positioning of the portfolio. Investment gains and losses stand at EUR 20 million, mostly driven by change in fair value in most asset classes. Net impairment and amortization stand at EUR (29) million.

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 17 – Investment income of 2024 Universal Registration Document.

— SCOR Group

IFRS *In EUR thousands*	2024	2023
Interest revenue on debt instruments not measured at FVPL[1]	702,796	609,137
Other regular income (dividends and interest)[2]	93,945	86,480
Net real estate rental income[3]	12,751	12,807
Regular income	**809,491**	**708,423**
Realized gains/losses on debt instruments not measured at FVPL[4]	(9,875)	(10,931)
Realized gains/losses on Real Estate	1,132	12,205
Change in fair value[5]	28,984	66,424
Investment gains and losses	**20,242**	**67,698**
Real estate amortization and impairment	(14,275)	(61,844)
Net impairment loss on financial assets (change in ECL)[6]	(41,692)	(19,309)
Other income[7]	26,618	16,178
Net impairment and amortization	**(29,349)**	**(64,975)**
TOTAL INVESTMENT INCOME ON INVESTED ASSETS	**800,384**	**711,147**
Foreign exchange gains/losses	(20,836)	10,783
Income on other consolidated entities	15,979	7,025
Third party interest on consolidated funds[8]	116,673	119,498
Income on technical items and other[9]	(8,200)	42,901
Financing costs on real estate investments	5,582	4,065
IFRS INVESTMENT INCOME	**909,582**	**895,420**
Average invested assets	**23,124,285**	**22,163,730**
Return on invested assets *(ROIA in %)*	**3.46%**	**3.21%**

(1) As at December 31, 2024, Interest revenue on debt instruments not measured at FVPL is presented net of EUR 125 million of revenues attributable to third parties.
(2) As at December 31, 2024, other regular income is presented net of EUR 1 million income attributable to assets not held for investment purposes and is presented net of EUR 8 million of revenues attributable to third parties.
(3) As at December 31, 2024, net real estate income is presented net of EUR 4 million in real estate revenues attributable to third parties and net of EUR 6 million of financing expenses related to real estate investments.
(4) As at December 31, 2024, Realized gains/losses on debt instruments not measured at FVPL is net of EUR 3 million losses attributable to third parties.
(5) As at December 31, 2024, Change in fair value is net of EUR 16 million of losses related to other consolidated entities as well as net of EUR 9 million of losses related to the change in fair value of the option on own shares granted to SCOR in connection with the Covéa settlement agreement and net of EUR 3 million in losses related to the change in fair value of derivatives.
(6) As at December 31, 2024, the net impairment loss on financial assets is net of EUR 19 million of impairments attributable to third parties.
(7) As at December 31, 2024, other income is presented net of EUR (2) million of other real estate income and EUR 5 million of other income attributable to third parties.
(8) Third party revenues excluded in investment income on invested assets on items (1), (2), (4), (5), (6) and (7).
(9) Income on technical items and other include amongst other technical items all revenues attributable to assets not held for investment purposes and the fair value change of the option on own shares granted to SCOR in connection with the Covéa settlement agreement, both excluded from all investment income on invested assets calculation.

During 2024, invested assets increased to EUR 24,155 million from EUR 22,914 million at December 31, 2023, mainly as a result of positive income generated by the invested assets portfolio, positive foreign exchange impacts and by positive fair value adjustments of the portfolio.

Liquidity, defined as SCOR's share of cash and cash equivalents, short-term investments (primarily government bonds with maturities above three months and below twelve months) and bank overdrafts, stood at 9% of invested assets as at December 31, 2024, stable compared to December 31, 2023.

At December 31, 2024, the fixed income portfolio represents a significant portion of SCOR's invested assets with 78% invested in this asset class, slightly lower compared to the end of 2023 (79% at year-end 2023).

The exposure to government bonds decreased to 23% of invested assets at the end of 2024 (24% at year-end 2023). The exposure to corporate bonds increased to 45% (44% at year-end 2023). Structured and securitized products remain stable at 2%, as well as the exposure to covered bonds and agency mortgage-backed securities at 8%.

The fixed income portfolio remains of very high quality with an average rating of "A+" at the end of 2024. The duration of the fixed income portfolio stands at 3.8 years at the end of 2024, compared to 3.0 years at the end of 2023, as a consequence of duration extension measures in line with new ALM framework.

SCOR's exposure to loans remained stable at 5% of invested assets as at December 31, 2024, as well as the exposure to equity securities at 0%.

The real estate portfolio exposure stands at 3% of invested assets as at December 31, 2024, stable as compared to year-end 2023.

Other Investments, Comprising Mainly Insurance-Linked Securities, Private Equity And Infrastructure Funds And Non-Listed Equities Remains Stable At 5% Of Invested Assets As At December 31, 2024.

A.3.1.2. INVESTMENT GAINS AND LOSSES RECOGNIZED IN EQUITY

Total unrealized gains and losses for the global portfolio of investments increase by EUR 127 million in 2024 as compared to 2023.

— SCOR Group

IFRS *In EUR thousands*	2024	2023	Variance YTD
Fixed income	(721,966)	(844,046)	122,080
Loans	1,371	(3,791)	5,162
Equities	-	-	-
Real estate	69,405	69,193	212
Other investments	-	-	-
TOTAL URGL	**(651,190)**	**(778,644)**	**127,454**

A.3.1.3. SECURITIZED INVESTMENTS

The table below presents information on the type of securitized investments held within the Group:

— SCOR Group

As at December 31, 2024 *In EUR thousands*	AAA	AA	A	BBB	<BBB and non-rated	Total	Market to Book Value %
Assets-backed securities	-	-	-	-	-	-	**0%**
Collateralized loan obligations	**363,125**	-	-	-	**62,879**	**426,004**	**100%**
Collateralized debt obligations	-	**14,302**	-	-	-	**14,302**	**118%**
Mortgage-backed securities	**38,331**	**1,395,727**	-	-	-	**1,434,058**	**0%**
Agency CMBS	-	-	-	-	-	-	0%
Agency RMBS	38,331	1,395,727	-	-	-	1,434,058	93%
Non-agency CMBS	-	-	-	-	-	-	0%
Non-agency RMBS	-	-	-	-	-	-	7%
TOTAL	**401,456**	**1,410,029**	-	-	**62,879**	**1,874,364**	**94%**

— **SCOR Group**

As at December 31, 2023 *In EUR thousands*	AAA	AA	A	BBB	<BBB and non-rated	Total	Market to Book Value %
Assets-backed securities	**-**	**-**	**-**	**-**	**-**	**-**	**0%**
Collateralized loan obligations	**362,645**	**-**	**-**	**-**	**101,921**	**464,566**	**99%**
Collateralized debt obligations	**-**	**13,782**	**-**	**-**	**-**	**13,782**	**118%**
Mortgage-backed securities	**45,865**	**1,135,085**	**-**	**-**	**1,227**	**1,182,177**	**0%**
Agency CMBS	-	-	-	-	-	-	0%
Agency RMBS	45,865	1,135,085	-	-	-	1,180,950	94%
Non-agency CMBS	-	-	-	-	-	-	0%
Non-agency RMBS	-	-	-	-	1,227	1,227	54%
TOTAL	**408,510**	**1,148,866**	**-**	**-**	**103,148**	**1,660,525**	**95%**

A.3.2. SCOR SE

A.3.2.1. INVESTMENT INCOME AND EXPENSES

Investment income and expenses by asset class

— **SCOR SE**

French GAAP *In EUR thousands*	2024		
	Related companies	Other	Total
Revenues from securities	296,326	32,434	328,760
Revenues from other investments	89,707	316,819	406,526
Other revenues	-	32,904	32,904
Realized gains	(4,784)	114,864	110,080
TOTAL INVESTMENT INCOME	**381,249**	**497,021**	**878,270**
Management and financial costs	74,705	128,969	203,674
Other investment expenses	28,891	33,630	62,521
Realized losses	-	118,237	118,237
TOTAL INVESTMENT EXPENSES	**103,596**	**280,836**	**384,432**

Dividends received from subsidiaries amounted to EUR 290 million in 2024, mainly from SCOR Global Reinsurance Ireland (EUR 176 million), SCOR Global Life Americas Holding (EUR 48 million), SCOR Canada Reinsurance (EUR 19 million) and SCOR Reinsurance Asia Pacific (EUR 17 million).

Dividends received from mutual funds amount to EUR 31 million.

— SCOR SE

French GAAP *In EUR thousands*	2023		
	Related companies	Other	Total
Revenues from securities	247,067	25,446	272,513
Revenues from other investments	79,464	309,127	388,591
Other revenues	-	32,293	32,293
Realized gains	39,966	81,381	121,347
TOTAL INVESTMENT INCOME	**366,497**	**448,247**	**814,744**
Management and financial costs	70,073	143,449	213,522
Other investment expenses	9,000	34,813	43,813
Realized losses	-	118,419	118,419
TOTAL INVESTMENT EXPENSES	**79,073**	**296,681**	**375,754**

Dividends received from subsidiaries amounted to EUR 243 million in 2023, mainly from SCOR Global Reinsurance Ireland (EUR 187 million), SCOR Global Life Americas Holding (EUR 45 million), SCOR Investment Partners SE (EUR 7 million) and MRM (EUR 3 million).

Dividends received from mutual funds amount to EUR 24 million.

A.3.2.2. INVESTMENT GAINS AND LOSSES RECOGNIZED IN EQUITY

Not applicable to SCOR SE under French GAAP.

A.3.2.3. SECURITIZED INVESTMENTS

— SCOR SE

Market value *In EUR thousands*	2024						
	AAA	AA	A	BBB	<BBB and non-rated	Total	Market to Book Value %
Assets-backed securities	**-**	**-**	**-**	**-**	**-**	**-**	**0%**
Collateralized loan obligations	**219,323**	**-**	**-**	**-**	**-**	**219,323**	**100%**
Collateralized debt obligations	**-**	**-**	**-**	**-**	**-**	**-**	**0%**
Mortgage-backed securities	**24,401**	**-**	**-**	**-**	**-**	**24,401**	**0%**
Agency CMBS	-	-	-	-	-	-	0%
Agency RMBS	24,401	-	-	-	-	24,401	98%
Non-agency CMBS	-	-	-	-	-	-	0%
Non-agency RMBS	-	-	-	-	-	-	0%
TOTAL	**243,724**	**-**	**-**	**-**	**-**	**243,724**	**97%**

A.4. PERFORMANCE OF OTHER ACTIVITIES

Operating lease contracts

Payments for operating leases relate primarily to rental payments for offices and business premises of the Group. They include extension options as well as restrictions regarding subleases. The main lease contracts are for the US and Zurich offices. See Chapter D – Valuation for solvency purposes, Sections D.1.2 – Property, plant and equipment and D.3.5 – Other liabilities of this report for further information.

Finance lease contracts

No material finance lease contracts were utilized by SCOR over the reporting period.

Other activities

No material income and expenses were incurred by SCOR over the reporting period other than the income and expenses presented above in Sections A.2 – Underwriting performance and A.3 – Investment performance.

A.5. ANY OTHER INFORMATION

No material information is reported regarding SCOR's business and performance, other than presented above in Sections A.1 – Business, A.2 – Underwriting performance and A.3 – Investment performance.

System of governance

B.1. GENERAL INFORMATION ON THE SYSTEM OF GOVERNANCE

B.1.1. GENERAL GOVERNANCE PRINCIPLES

SCOR has an objective of adopting best practices with regards to governance because good governance contributes to meeting its strategic objectives and ensuring an appropriate management of risks. The governance of SCOR SE and the Group derives from the following objectives:

- compliance with applicable laws in the countries where it operates, and for SCOR SE, with the French Commercial Code, the French Monetary and Financial Code, the AMF's General Regulation and the French Insurance Code;
- pragmatism, simplicity and operating efficiency, allowing for timely and effective decision-making and cost effectiveness;
- clear allocation of roles and responsibilities, including clear reporting lines and accountability;
- checks and balances;
- fostering of cooperation, internal reporting and communication of information at all relevant levels of the Group;
- robust management and internal control leveraging on the consistent application of policies, guidelines, procedures and tools such as IT systems;
- mobilization of skills and expertise;
- balance between strong governance at Group level involving a global vision and global steering of the business and of risk management, and empowerment of local Boards and management teams, allowing for local specificities to be considered;
- multicentricity, with Group functions being carried out in other geographical locations than Paris to benefit fully from the competencies within various locations;
- efficient flow of information bottom-up and top-down.

B.1.2. LEGAL STRUCTURE AND FUNCTIONAL ORGANIZATION OF SCOR GROUP

B.1.2.1. LEGAL STRUCTURE OF THE GROUP

SCOR SE operates through a number of legal entities, branches and representative offices all around the world.

In addition to the objectives outlined above, the legal structure of the Group is guided by the following principles:

- support the strategic objectives (solvency and profitability) and operations of the Group;
- reduce the number of entities and simplify the organization;
- deliver cost effectiveness;
- optimize capital management by maximizing capital fungibility;
- achieve high financial flexibility;
- comply with local regulations and requirements;
- access local business and be close to clients' needs.

Among the legal entities of the Group, a number of key subsidiaries around the world have external Board members with a view to meeting high corporate governance standards.

B.1.2.2. FUNCTIONAL ORGANIZATION OF THE GROUP

SCOR SE operates all around the world through several legal entities, branches or representative offices. In order to ensure an appropriate consolidated vision and management of risks and business issues at Group level, and in line with the other objectives outlined in Section B.1.1 – General governance principles, SCOR SE has put in place a strong functional organization based on business units and Group functions, as well as on regional functions.

B.1.2.3. BUSINESS UNITS AND GROUP FUNCTIONS

The Group is built on three core businesses offering a wide range of innovative reinsurance solutions, SCOR P&C (Property and Casualty), SCOR L&H (Life and Health) and SCOR Investments:

- property and casualty reinsurance operating activities are managed by SCOR's P&C business unit, SCOR P&C. These activities include the two following main business areas:
  - — reinsurance: Treaty P&C and Global Lines teams provide proportional and non-proportional reinsurance in many forms across Property and Casualty lines of business in EMEA, Americas, and Asia-Pacific,

- specialty insurance: teams operate as a federated business composed of SCOR Business Solutions, SCOR Channel, MGA activities in North America, the London Market and Brazil (through Essor),

  and two business enablers:

  - P&C Solutions: acts as a global technical and expertise centre, facilitating business development as well as synergies between underwriting teams,
  - P&C Business Operations;
- Life reinsurance operating activities are managed by SCOR's Life and Health business unit of SCOR SE, SCOR L&H. These activities include the following product lines: Protection, Longevity and Financial Solutions;
- investments activities are managed by SCOR's dedicated business unit, SCOR Investments.

SCOR P&C, the Group's P&C business unit, operates worldwide through SCOR SE and its insurance and reinsurance subsidiaries and branches in the EMEA region, the Americas region and the Asia-Pacific region.

SCOR L&H, the Group's L&H business unit, operates worldwide through the insurance and reinsurance subsidiaries and branches of SCOR SE in the EMEA region in the Americas region and the Asia-Pacific region.

SCOR Investments, the business unit in charge of investments of the Group is responsible for defining, implementing and controlling the asset allocation of the Group's legal entities investment portfolios on a centralized basis. It is organized around two areas: Group functions and SCOR Investment Partners SE, an AMF-approved portfolio management company, which directly manages the assets of many SCOR Group subsidiaries as well as investment vehicles on behalf of the Group and third-party clients.

In addition to the three business units, Group functions provide services to the whole Group and are described in Section A 1.2.1 – Lines of business and geographical areas.

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

B.1.2.4. REGIONAL STRUCTURE

In some locations, SCOR operates with regional functions to service its networks of local subsidiaries, branches and representative offices in the region. These functions enable:

- managing pooled resources, including information technology, human resources and legal and compliance in the Group's main locations;
- Group functions to be carried out and managed in geographical locations other than Paris in order to benefit fully from the competencies offered by the different locations; and
- the Group to develop a global culture while keeping local specificities.

The regional functions 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 L&H business units.

Management reviews the operating results of the Non-Life and Life and Health operating segments individually to assess the operational performance of the business and to allocate resources. For further details on the operating segments, see Section 4.6 – Note 5 – Segment information of the 2024 Universal Registration Document of SCOR SE.

The 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 clients.

B.1.3. GOVERNANCE STRUCTURE AT GROUP AND LEGAL ENTITY LEVEL

B.1.3.1. GOVERNANCE OF THE GROUP

The parent company of the Group is SCOR SE. The governance bodies of SCOR SE play a key role in the governance of the Group. The governance of SCOR SE is presented in Section B.1.3.2 – Governance of SCOR SE.

To help ensure the consistency of the governance of the Group, the Audit Committee of the Board of SCOR SE receives annually a report on the activities of local audit committees.

Group Executive Committee

The Group Executive Committee is the highest Management Committee of the SCOR Group.

It is responsible for implementing the strategy defined by the Board of Directors, under the Chief Executive Officer's authority.

The Group Executive Committee is composed of executives of SCOR SE and its subsidiaries. It enables:

- the direct involvement of the most senior executives of the Group – in particular the persons effectively running SCOR SE and the Group – in all significant decisions concerning SCOR SE or the Group (as well as its main legal entity SCOR SE), prior to these decisions being taken. Pursuant to Article L. 322-3-2 of the French Insurance Code, insurance and reinsurance companies must apply the "Four Eyes Principle", which specifies that they must be effectively run by at least two separate persons. All persons effectively running SCOR SE and the Group belong to the Group Executive Committee. Since at least two persons effectively running SCOR SE and the Group are participating to the Group Executive Committee decisions, this ensures compliance with the four eyes principle. In addition, the Chief Executive Officer of SCOR SE(1), the Board of Directors designated Jean-Paul Conoscente, Chief Executive Officer of SCOR P&C and François de Varenne, Group CFO and Deputy CEO, as persons effectively running SCOR SE and the Group;
- the coordination of all major functional entities of the Group (business units, Group functions, regional functions and legal entities);
- the preparation of the meetings of the Board of Directors of SCOR SE, in particular with respect to strategic decisions, and the coordination of the implementation of its decisions;
- bottom-up reporting (from business units, Group functions and regions) to the most senior executives of the Group, including the CEO of SCOR SE, through regular reviews or *ad hoc* presentations of the operations, thereby facilitating the supervision of the Group's activities.

On December 31, 2024 the composition of the Group Executive Committee was as follows:

- the CEO of SCOR SE, who chairs it;
- SCOR SE CFO and Deputy CEO;
- the CEO of SCOR P&C;
- the CEO of SCOR L&H(2) and his deputy;
- the Group General Secretary and Group Chief ESG Officer;
- the CEO of SCOR Business Solutions;
- the Group COO; and
- the Group Chief Risk Officer (CRO).

In addition to the Group Executive Committee, specialized management committees have been put in place in order to review certain topics in more detail, prepare the work of the Group Executive Committee or perform a similar role on specific issues.

Key functions

Key function holders are designated at SCOR SE and Group level.

The French Insurance Code defines four key governance functions as part of a company's system of governance. These functions contribute to the implementation of an effective system of governance that provides for sound and prudent management.

These functions are the following:

- Risk Management;
- Compliance;
- Internal Audit;
- Actuarial.

The missions, tasks, roles and responsibilities related to these key functions are addressed in the related Group Policies, mainly:

- the Group Policy on Risk Management;
- the Group Compliance Policy;
- the Group Internal Audit Charter;
- the Group Reserving Policy.

The content of Section B.1.3.2 – Governance of SCOR SE below on SCOR SE's key function holders (roles and responsibilities, freedom from influence, access to the Board, designation, fit and proper and notification requirements, access to information and records, interactions with the other key functions) also apply to them as Group key function holders.

(1) The Chief Executive Officer is a person effectively running the company pursuant to art. R.322-168 of the French Insurance Code.
(2) On December 31, 2024, further to the departure of Frieder Knüpling during 2024, the position of CEO of the business unit SCOR L&H is hold, until further notice, by the CEO of SCOR SE, Thierry Léger.

B.1.3.2. GOVERNANCE OF SCOR SE

Legal form and fundamental rules of governance

SCOR SE is a European company (*société européenne*) headquartered in France and registered with the Paris Trade and Companies Register. It is the parent company of SCOR Group.

It is governed by the provisions of Council Regulation (EC) No. 2157/2001, dated October 8, 2001 on the Statute for a European Company (the "SE Regulation") as well as for all other matters partially covered or not covered by the SE Regulation by the provisions of French law relating to European companies as well as by the French corporate law provisions applicable to *sociétés anonymes*, where not contrary to the specific provisions applicable to European companies.

The bylaws of SCOR SE (available on www.scor.com) set forth its corporate purpose and the fundamental rules of its governance, under wich SCOR SE is administrated by a Board of Directors and its general management is ensured by a Chief Executive Officer.

SCOR SE's shares, the Group's holding company, are listed on the Euronext Paris stock market and on the SIX Swiss Exchange (formerly SWX Swiss Exchange) in Zurich since August 8, 2007.

SCOR shares are also traded off-market on the U.S. stock exchange through an American Depositary Receipt (ADR) program.

SCOR SE is subject to applicable French laws and regulations (including, but not limited to, the French Commercial Code, the French Monetary and Financial Code, the French Insurance Code and the AMF Regulation) and is supervised notably by the AMF, as market authority, and the *Autorité de contrôle prudentiel et de résolution* (ACPR), as supervisory authority.

In application of the July 3, 2008 Act implementing the European Union Directive 2006/46/CE of June 14, 2006 and in accordance with the provisions of Article L. 22-10-10 of the French Commercial Code SCOR SE refers to the AFEP-MEDEF corporate governance code for listed companies.

SCOR SE is licensed to carry out reinsurance activities in several countries. It operates through a number of subsidiaries, branches and representative offices. Pursuant to a decision of the *Comité des entreprises d'assurance* dated July 15, 2008, the Company holds a license to operate in Non-Life and Life reinsurance in France. The Company is also authorized to operate:

- within the European Union pursuant to the European passporting regulation;
- in other countries where the Company has obtained licenses to write reinsurance business or where operating in reinsurance is not subject to a license.

Board of Directors

Mission of the Board of Directors

In accordance with European law governing European companies, the applicable French law and regulations, the bylaws of SCOR SE and the internal charter of the Board of Directors, 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, considering the social and environmental aspects of its activity. As part of its mission, the Board of Directors regularly determines multi-year strategic orientations and environmental action plans, taking into account climate-related issues. The Board controls the management of the Company. With the exception of powers explicitly reserved to shareholders in Shareholders' Meetings and within the limits of the corporate purpose, the Board addresses all matters related to the Company's performance and takes decisions regarding business issues concerning the Company. It designates the CEO and the other persons effectively running the Company. It meets with the key function holders for SCOR SE at least annually. It ensures sound and prudent management of the Company. If applicable, it proposes any statutory change that it considers appropriate. It regularly reviews, in relation to the strategy it has defined, the opportunities and risks, such as financial, legal, operational, social and environmental risks, as well as the measures taken accordingly. It also determines gender diversity objectives for the Company's governing bodies. To this end, the Board of Directors receives all the information needed to carry out its tasks, notably from the executive officers. It is informed each quarter by management of the financial position, cash position and commitments of the Company. It approves the financial statements, proposes dividends, and decides about significant investments and other significant transactions and decides the financial policy. It is informed about market developments, the competitive environment and the most important issues at hand, including in the field of corporate social and environmental responsibility. It approves the Own Risk and Solvency Assessment ("ORSA") report and takes it into account when making decisions likely to have a significant impact on the Company. It ensures that the shareholders and investors receive a relevant balanced and instructive information about the strategy, development model, the consideration of sustainability issues that are of significance to the Company and its long-term outlook. It approves certain policies as well as the SFCR and RSR reports. The Board also carries out the verifications and controls deemed necessary.

Composition of the Board of Directors

SCOR SE's bylaws provide that the Board of Directors shall comprise no fewer than nine and no more than eighteen members. The number of directors may be modified by the shareholders at Shareholders' Meetings. The Board of Directors cannot by itself increase the number of its members.

Under French law, a director is an individual or a legal entity. If the director is a legal entity, an individual is appointed as its permanent representative. The Chairman of the Board must mandatory be an individual.

The term of office of the directors appointed or renewed, as set forth in SCOR SE's bylaws, shall not exceed three years. By way of exception, and in order to execute or maintain the staggering of director's terms, the Ordinary General Meeting may appoint one or more Board members with a term of office of one or two years.

Under SCOR SE's bylaws, directors may hold office until the age of 77. A director who reaches the age of 77 while in office has to retire at the expiry of his or her term of office, as determined at the Shareholders' Meeting. Directors are elected by the shareholders and serve until the expiry of their respective term, or until their resignation, death or removal, 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 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, 2024, the membership of the Board of Directors is as follows:

- 91.6% are independent directors (excluding the directors representing employees) (84.6% as at December 31, 2023). The Audit Committee, Risk Committee and Sustainability Committee are fully composed of independent directors (excluding the directors representing employees). The Nomination Committee and the Compensation Committee are composed of 100% of independent directors (excluding directors representing employees) and 91.6% in the Strategic Committee;
- 73.3% are directors with past experience in the insurance or reinsurance industry, (73.3% as at December 31, 2023). The other directors work in the industry, banking, financial and digital sector, legal advisory services and other services;
- 57% are non-French directors (53.5% as at December 31, 2023) with directors of American, English, German, Belgian, Chinese, Italian, Swiss and Turkish nationality; and
- 50% are women (excluding the directors representing employees) (46.1% as at December 31, 2023). The composition of the Board of Directors is therefore compliant with applicable law.

Directors' duties

Directors are required to comply with applicable law and SCOR SE's bylaws. Under French law, directors are liable for violations of French legal or regulatory requirements applicable to European Companies, violation of a company's bylaws or mismanagement (*faute de gestion*). Directors may be held liable for such actions both individually and jointly with other directors.

Each director has a loyalty obligation towards the Company. He or she shall not act in his or her own interest, against SCOR's interests, and must avoid any situation with risks of conflict of interests.

Pursuant to Article L. 225-20 of the French Commercial Code, the permanent representative of a legal 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 legal entity he or she represents.

Pursuant to the Board internal charter, each director undertakes not to seek or accept any function, benefit or situation from the Company or from the Group, directly or indirectly, that could jeopardize his or her independence of analysis, judgment or action, during the performance of his or her duties as director. He or she will also dismiss any direct or indirect pressure from other directors, specific groups of shareholders, creditors, suppliers or other third parties.

The Board of Directors of SCOR SE decided, in order to protect the Company's interests, to implement an internal control program to prevent risks of conflict of interest through:

- 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 existing conflicts of interests;
- its Board Internal Charter, according to which any director in a situation involving a risk of conflict of interest undertakes to resign from his or her position if the conflict situation is not solved;
- the adoption of a Code of Conduct communicated to all Company's employees. This Code establishes reinforced requirements as regarding the prevention of situations where there are risks of conflict of interests. It is supplemented by a policy defining the alert procedures ("whistleblowing") available to employees and which provides for the reporting of incidents to the Audit Committee;
- the systematic addition of an item to the agenda of each meeting of the Board of Directors on any potential conflict of interest of a director related to a topic on the agenda.

Functioning of the Board of Directors

The Board of Directors has an internal charter in order to enhance or specify the rules governing the Board. This internal charter is amended frequently by decisions of the Board of Directors to take account of legislative and regulatory developments and best practices in corporate governance. It is available on the website of the Company (www.scor.com).

The Board meets at least four times a year. It has set up seven Committees in order to examine specific topics, prepare the Board's proceedings and make recommendations to the Board. The Board may also create *ad hoc* Committees for the issuance of recommendations on major operations. Moreover, the non-executive directors' session is composed of all voting directors, with the exception of the Chief Executive Officer and the employee directors.

The Strategic Committee

The Strategic Committee's mission is to examine:

- the Group's business development strategy;
- any major organic growth and internal restructuring transaction;
- any significant transaction outside of the Group 's announced strategy; and
- any investment, acquisition, disposal, merger, capital increase or asset contribution in an amount exceeding fifty million euros (EUR 50 million) on a standalone basis; it being specified that, by way of exception, any transaction relating to invested assets of SCOR (excluding real estate and private equity investments) do not require the prior approval of the Board.

The Strategic Committee may call upon outside experts.

The Audit Committee

The Audit Committee has two main missions: accounting, financial and sustainability responsibilities on one hand and ethics, internal control and compliance responsibilities on the other hand.

Regarding accounting, financial and sustainability responsibilities, the Audit Committee's mission is to:

- monitor the process for preparing accounting, financial and sustainability information and, as necessary, make recommendations for ensuring its integrity. In this framework, the Audit Committee must, in particular:
  - — analyze the quarterly and annual financial statements published by the Company after each closing and examine certain items in greater detail before they are presented to the Board of Directors,
  - — follow, in consultation with the Sustainability Committee, the process used to determine and elaborate which sustainability information should be published in accordance with the regulations,
  - — ensure that accounting policies are appropriate and properly applied in the preparation of parent company and consolidated financial statements,
  - — examine changes to accounting policies and rules,
  - — verify the accounting treatment of any significant transactions conducted by the Company,
  - — examine the scope of consolidated companies and the reasons why certain companies might not be included therein,
  - — examine significant off-balance-sheet commitments;
- monitor the effectiveness of (i) the internal control and risk management systems (in particular those relating to the collection, preparation, treatment and control of accounting, financial and sustainability information) as well as, (ii) as necessary, the Internal Audit in relation with the procedures pertaining to the preparation and the treatment of accounting, financial and sustainability information, without prejudice to its independence. In this regard, the Audit Committee provides an opinion on the management report which, in accordance with the law, provides for the main characteristics of the internal control and risks management procedures set up by the Company related to the establishment and the treatment of financial and accounting information;
- monitor the audit of the parent company and consolidated financial statements and the certification of sustainability information by the Statutory Auditors, by taking into account, as necessary, the statements and conclusions of the controls performed by the *Haute Autorité de l'audit* (H2A). To this end, members of the Audit Committee must more specifically:
  - — inform themselves of and examine the auditing approach and the principal areas of risk and uncertainty in the parent company and consolidated statements (including the half-year statements) and sustainability information identified by the Statutory Auditors and, where applicable, the independent third-party body, as prescribed by law and discuss their conclusions with them, including when the Company's executives are not present,
  - — inform themselves of significant weaknesses in internal control identified by the Statutory Auditors and, where applicable, the independent third-party body, if any, and inform the Board of Directors of them,
  - — examine with the Statutory Auditors and, where applicable, the independent third-party body their conclusions on all transactions requiring special attention on their part (capital increases, control of forecasts, etc.), and
  - — inform themselves regularly of the results of the review of ordinary agreements entered into at arm's length conditions, and inform the Board of Directors in accordance with the law;
- ensure compliance with the conditions of independence of the Statutory Auditors and, where applicable, of the independent third-party body, in accordance with the regulations in force;
- lead in consultation with the Sustainability Committee on the audit of sustainability information, the process of selecting the Statutory Auditors and, where applicable, the independent third-party body, proposed to shareholders at their General Meeting and issue a recommendation in this regard in accordance with applicable laws and regulations, examine their auditing program, their recommendations, issue an opinion on the amount of the fees they request for the provision of account certification and sustainability information services, grant prior approval for the provision of services other than accounts certification and sustainability information certification to the benefit of the Company or a Group company and this, after having assessed the risks threatening the Statutory Auditor's and, where applicable, the independent third-party body, independence; it makes sure of the respect of the cap in fees for services other than accounts certification defined by applicable laws and regulations. In this regard, the Committee is provided with information on the fees to be paid by the Company and its Group to the Statutory Auditors and, where applicable, the independent third-party body and their respective networks;
- review before publication, all accounting and financial documents and as well as, in consultation with the Sustainability Committee, the sustainability information documents issued by the Company, in particular to ensure the consistency of the information presented to the market with that contained in the financial statements and the exhaustivity of the sustainability information documents; and

- interview the Group's financial and accounting managers on any subject within its remit.

Regarding ethics, internal control and compliance, the Committee's mission is to:

- ensure the quality of procedures intended to comply with financial market regulations;
- analyze regulated agreements;
- analyze the exhaustive list of reports produced by the general secretary following implementation of a warning procedure;
- give its opinion on the organisation of Internal Audit, examine its annual work program, receive Internal Audit reports and stay informed regarding the implementation of recommendations;
- examine the annual compliance plan and stay 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.

In the absence of the Chief Executive Officer, 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.

During the 2024 financial year, it met with the Statutory Auditors, the Group Chief Financial Officer and the Head of Internal Audit during the review of the financial statements, in the absence of the 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 may call upon outside experts.

The Risk Committee

The Risk Committee's mission is to:

- examine, notably based on the Own Risk and Solvency Assessment (ORSA), the major risks with which the Company is confronted, both on the assets and liabilities side, and for ensuring that tools for monitoring and controlling these risks are in place to the fullest extent possible;
- examine SCOR's risks and its Enterprise Risk Management (ERM) policy;
- study the Group's strategic risks (including emerging risks) as well as the risks relating to the Group's main technical and financial commitments (underwriting, reserving, market, concentration, counterparty, asset-liability management, liquidity and operational risks as well as risks relating to changes in prudential regulations).

The Risk Committee may call upon outside experts.

The Nomination Committee

Its missions are to:

- review on an annual basis the Board's needs in terms of skills, including in relation to the various areas of corporate social and environmental responsibility, and draw the consequences for the selection process of directors;
- make recommendations to the Board of Directors regarding the composition of the Board of Directors and the appointment of executive corporate officers, and, as part of the selection of one or more Deputy Chief Executive Officer(s), to monitor the implementation of a selection process to ensure the presence of at least one person of each gender among the candidates;
- make recommendations to the Board of Directors on the appointment and dismissal of persons effectively running the company within the meaning of Articles L. 322-3-2 and R. 322-168 of the French Insurance Code;
- make recommendations to senior management, prior to the decision-making, on the appointment and dismissal of members of the Company's Executive Committee;
- make, based on the proposals of the senior management, recommendations to the Board of Directors regarding the determination of gender diversity objectives on the governing bodies;
- ensure that executive corporate officers implement a policy of non-discrimination and diversity, in particular with regard to the balanced representation of women and men on management bodies. The Committee reports to the Board of Directors on that matter;
- examine proposals related to the composition, organization and operation of the Board of Directors and its Committees;
- devise a procedure for selecting future directors;
- determine whether or not it would be desirable to renew expiring terms of office;
- verify, on an annual basis, the situation of each director individually as to whether or not they qualify as an independent director and/or whether or not there is a potential conflict of interest, and report its findings to the Board of Directors;
- prepare a succession plan for corporate officers and the Group's principal executives so as to propose succession solutions to the Board of Directors in the event of an unexpected vacancy. The Chairman of the Board of Directors may be involved in the work of the Committee for the purpose of carrying out this assignment.

The Nomination Committee may call upon outside experts.

The Compensation Committee

Its missions are to:

- make proposals to the Board of Directors with a view to determining the compensation policy of corporate officers;
- propose to the Board of Directors all matters relating to the compensation and personal status of non-executive corporate officers;

- present to the Board of Directors any questions related to compensation and status of executive corporate officers, in particular compensation, pension plans, stock option and performance share allocation plans, as well as terms for their departure;
- set the rules for determining the variable portion of executive corporate officers' compensation and ensure the consistency of these rules with their annual performance evaluation and with the Group's medium-term strategy. The Committee monitors the annual application of these rules;
- be informed, prior to the decision-making, about any questions related to the compensation and personal status of the members of the Group Executive Committee and present to the Board of Directors the terms, amount and apportioning of stock option and performance share allocations to the members of the Group Executive Committee;
- examine the terms, amount and apportioning of stock option and performance share allocations for all Group employees;
- advise the Group senior management on the terms and conditions of compensation for the Group's principal executives;
- review all the compensation and benefits of the executives, of other Group's companies if applicable, including retirement and all other types of benefits;
- verify, on an annual basis, directors' expenses.

The Compensation Committee shall be informed of the overall human resources and salary policies of the Company and its subsidiaries.

The Committee ensures that no discount is associated with the granting of subscription or purchase options and in particular with stock options granted to executive corporate officers. The overall stock-option policy is discussed in the Committee, which shall make a proposal thereon to the Board of Directors, presented into the annual report and to the shareholders at their General Meeting if they have to vote on a resolution authorizing the granting of options. The Committee ensures that the timing and frequency of option grants is determined in advance in order to avoid opportunistic option grants during periods of exceptional declines of the share price. The Committee clearly distinguishes between executive corporate officers, senior executives and other beneficiaries.

The Compensation Committee may call upon outside experts.

The Crisis Management Committee

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

It is responsible for assisting and advising the Board of Directors and proposing to them 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.

Any member of the Committee must withdraw 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 Sustainability Committee

Its mission is to:

- examine the main sustainability issues faced by the Company;
- examine the sustainability strategy and actions plans, including commitments made by the Company in this regard, in particular on climate-related topics, to monitor their implementation, the results achieved and propose any actions in this respect;
- submit to the Board of Directors any proposals designed to take the corporate social, and environmental responsibility and sustainability issues faced by the Company into consideration when determining its business orientations;
- follow, in consultation with the Audit Committee, the processes implemented to determine and prepare the sustainability information to be published in accordance with regulations;
- steer, in consultation with the Audit Committee, and only regarding the certification of the sustainability information, the selection procedure of the Statutory Auditors and, where applicable, the independent third-party body, proposed for appointment by the General Meeting; to issue a recommendation to this effect in accordance with the applicable legal and regulatory provisions; to examine their intervention program, their recommendations, and to formulate an opinion on the amount of fees requested for sustainability information certification assignments;
- examine, in consultation with the Audit Committee, the sustainability related reports submitted to the Board of Directors in accordance with applicable laws and regulations, and ensure their exhaustivity; and
- study the extra-financial ratings obtained by the Company and to define, if necessary, objectives in this area.

The Sustainability Committee may call upon outside experts.

Non-executive directors' session

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

This session brings together the non-executive directors so that they can exchange ideas outside the context of Board of Directors' meetings. In this regard, the non-executive directors session assists the chairman of the Board of Directors and the vice-chairman, in their respective roles.

It may be called in case of a conflict of interest between the Board and the management team, a non-adherence to the corporate governance code, an inability of the corporate officer to carry out his duties as a result of an accident or his death, or a proven breach of the Code of Ethics on the part of the corporate officer.

Chairman of the Board of Directors

The roles of Chairman of the Board and Chief Executive Officer are separated.

Organization of the work of the Board of Directors

The Chairman of the Board of Directors organizes and manages the work of the Board of Directors in order to allow it to carry out all of its duties and reports to the General Meeting. He sets the timetable and agenda of Board meetings.

He may convene the Board at any time.

He ensures that the work of the Board of Directors is well organized, in a manner conducive to constructive discussion and decision-making. He directs the work of the Board of Directors and coordinates its work with that of the specialized Committees.

He ensures that the Board of Directors devotes an appropriate amount of time to issues relating to the future of the Company and particularly its strategy.

He may ask the CEO or any manager, and in particular, the heads of the control functions, for any information likely to assist the Board and its Committees in the carrying out of their duties.

He may hear the Statutory Auditors in order to prepare the work of the Board of Directors and of the Audit Committee.

Relations with the Company's other bodies and with parties outside of the Company

In relations with the Company's other bodies and with parties outside of the Company, the Chairman of the Board of Directors has alone the power to act on behalf of the Board of Directors and to express himself in its name, except in exceptional circumstances, and except where specific assignments or duties are entrusted by the Board of Directors to another director.

The Chairman of the Board of Directors makes sure to maintain a close and trusting relationship with the executive management. He provides them with his assistance and his advice. At the invitation of the CEO, he may also attend to certain meetings of the Executive Committee, in order to provide his insights and his experience on the strategic and operational issues. He organizes his activities to ensure his availability and put his experience at the Company's service. He contributes to promoting the values and the culture of the Company, both within the Group and externally.

At the request of the CEO, he can represent the Group in its high-level relationships, and particularly with major clients, public authorities and the institutions at national, European and international levels.

He ensures that the quality of relations with shareholders is maintained, in close coordination with the work of executive management in this area.

He may answer questions from shareholders, on behalf of the Board of Directors, on matters within the competence of the Board. He reports to the Board of Directors on this mission.

He ensures that principles of corporate governance are defined and implemented.

The Chairman of the Board of Directors is the custodian of the proper functioning of the Board of Directors of the Company.

As such:

- with the support of the Nomination Committee, with the approval of the Board of Directors and of the Annual General Shareholders' Meeting, where appropriate, he endeavors to build an efficient and balanced Board, and to manage replacement and succession plan processes related to the Board of Directors and nominations on which it will have to opine;
- he can attend all Committee meetings of the Board and can add any subject to the agenda of the latter which he considers to be relevant;
- he ensures that the directors have the documentation and information necessary to carry out their duties in a timely manner and in a clear and appropriate form.

Vice-Chairman

The Internal Regulation of the Board of SCOR SE, as amended on June 30, 2021, provides for the appointment of a Vice-Chairman, upon a proposal by the Nomination Committee. According to the internal regulations of the Board of Directors, such appointment is mandatory when the roles of Chairman of the Board of Directors and CEO are not separated. He assists the Chairman of the Board of Directors in his missions, in particular in organizing the Board and its Committees and ensuring they function properly, and in supervising corporate governance. He may add any subject he deems necessary to the agenda of the Board of Director's meetings.

He also advises the corporate officers who believe they may be in a conflict of interest position or obliged to disclose inside information relating to SCOR. He ensures that the new members of the Board of Directors take part in an orientation program and receive proper training, he leads the annual appraisal of the Board of Directors and its Committees.

The Vice-Chairman is called to replace the Chairman of the Board of Directors in case of temporary impediment or death. His missions are described in the Board's internal charter.

Chief Executive Officer

The Chief Executive Officer has executive authority to manage the business of SCOR SE and the Group, subject to the prior authorization of the Board of Directors or the shareholders 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 SE must be effectively run by at least two persons (cf. "Four Eyes Principle" mentioned in Section B. 1.3.1 – Governance of the Group/Group Executive Committee). The Chief Executive Officer has the authority to act on behalf of and in the name of SCOR SE and to represent SCOR SE in dealings with third parties, subject only to those powers expressly reserved by law to the Board of Directors (and its Chairman) or the shareholders in application to the laws and bylaws. The Chief Executive Officer determines, and is responsible for, the implementation of SCOR SE's goals, strategies and budgets, which are reviewed and monitored by the Board of Directors.

The Board of Directors has the power to appoint and remove, at any time and with or without cause, the Chief Executive Officer. Upon a proposal made by the Chief Executive Officer, the Board of Directors may also appoint one or more Deputy Chief Executive Officers (*directeurs généraux délégués*) to assist the Chief Executive Officer in managing the business.

The powers of the Chief Executive Officer of SCOR SE are limited. According to the Board's internal charter the prior Board approval is required for the following operations:

- any major organic growth or internal restructuring transaction;
- any significant transaction outside the Group's announced strategy; and
- any investment, acquisition, disposal, merger, capital increase or asset contribution in an amount exceeding fifty million euros (EUR 50 million) on a standalone basis; it being specified that, by way of exception, any transaction relating to invested assets of SCOR (excluding real estate and private equity investments) do not require the prior approval of the Board.

In addition, any project to sell, in order or more transactions, at least half of the assets of the Company as assessed over the last two financial years must be submitted to the General Meeting of Shareholders.

Furthermore, in addition to the Chief Executive Officer of SCOR SE, to other persons effectively running SCOR SE and the Group have been appointed. Since January 1, 2016, the effective management of the Company and the Group has been overseen by at least two persons, pursuant to the requirements of the French Insurance Code (*Code des assurances*) (see Section B.1.3.1 – Governance of the Group).

Absence or impediment of a person effectively running the Company

In the event of absence or impediment of a person effectively running SCOR SE for more than two months, due to death, critical illness or any other cause, resulting in the inability of that person to perform his/her duties, the Board of Directors shall be convened within one month to designate a temporary or a permanent replacement as person effectively running the Company so as to ensure the continuity of the effective management of the Company. The Nomination Committee of SCOR SE maintains a list of proposed immediate replacements for each person effectively running SCOR SE in order to facilitate swift decision-making in such event.

Key functions

The French Insurance Code stipulates that a company's governance system must include four key functions: actuarial, risk management, Internal Audit and compliance. They contribute to the implementation of an effective system of governance that guarantees sound and prudent management.

Key functions may be outsourced (if only partially) to other entities, in accordance with the rules laid out in the Group Outsourcing Policy. See Section B.7 – Outsourcing for further details.

Roles and responsibilities

For further information on roles and responsibilities of key functions, please refer to the sections below dedicated to this subject, in particular Section B.3 – Risk management system, Section B.4 – Internal Control System and compliance function, Section B.5 – Internal Audit and Section B.6 – Actuarial Function.

Freedom from influence

The key function holders carry out their duties in an objective, fair and independent manner. They shall be free from any influence that could impair the performance of their duties.

They operate under the ultimate responsibility of the Chief Executive Officer, through the different levels of management.

Each key function holder has a sufficiently high rank in the organization and is in a position to conduct his/her activities in an independent manner. The standing and authority of the key function holders in the main management governing bodies that are relevant with respect to their role allow them to execute their tasks with the level of independence required as set forth by the French Insurance Code. In addition, key function holders interact regularly with the Board members and with the persons effectively running the company.

Access to the Board

The key function holders meet, at least once a year, with the Board of Directors of SCOR SE, or one of its specialized Committees.

Besides, the Board of Directors of SCOR SE and its specialized Committees may contact the key function holders at their discretion, upon request from their respective Chairmen.

Moreover, the key function holders have a direct access to SCOR SE's Board of Directors in conformance with Article L. 322-3-2 of the French Insurance Code. This procedure involves the key function holder, the Chairman of the Board of Directors and if the matter requires it the Chairman of the relevant Board Committee, and ultimately the Board of Directors. This procedure was approved by SCOR SE's Board of Directors on November 3, 2015.

Designation, fit and proper requirements and notification requirement

SCOR SE's key function holders are designated by the CEO of SCOR SE. They are subject to specific Fit and Proper requirements which are set out in the Group Fit and Proper Policy (see Section B.2 – Fit and proper requirements). Upon designation, key function holders are notified to the ACPR.

Access to information and records

Key function holders are able to communicate on their own initiative with each employee and to obtain access to any relevant information to carry out their responsibilities. In the event Group key function holders face difficulties in accessing relevant information, they shall refer the issue to the CEO of SCOR SE for arbitration.

Interaction with other key function managers

The key function holders interact with one another, especially in order to exchange information relevant to each other's areas of competence.

For further information on these interactions, refer to the respective dedicated sections below, in particular Section B.3 – Risk management system including the Own Risk and Solvency Assessment (ORSA), Section B.4 – Internal Control System, Section B.5 – Internal Audit and Section B.6 – Actuarial Function.

Governance of the SCOR P&C business unit

The CEO of the P&C business unit is a person effectively running the Company.

Governance of the SCOR L&H business unit

The CEO of the L&H business unit is assisted by a deputy CEO.

Governance of the SCOR Investments

The manager of the SCOR Investments business unit is also a person effectively running the Company.

B.1.4. MATERIAL CHANGES IN THE SYSTEM OF GOVERNANCE

B.1.4.1. MATERIAL CHANGES AT GROUP AND SCOR SE LEVEL

During the year ending on December 31, 2024, Frieder Knüpling, Chief Executive Officer of SCOR Life and Health, one of the persons effectively running SCOR has left the Group. Since the departure of Frieder Knüpling from the Group, the position of CEO of the business unit SCOR L&H is hold, until further notice, by Thierry Léger.

On December 31, 2024, SCOR has three persons effectively running the Company: Thierry Léger, Chief Executive Officer of SCOR SE, Jean-Paul Conoscente, Chief Executive Officer of SCOR P&C, and François de Varenne, Group CFO and Deputy CEO of SCOR SE.

For information on changes to key functions designated since 2016, see the dedicated sections, in particular Section B.3 – Risk management system including the Own Risk and Solvency Assessment (ORSA), Section B.4 – Internal Control System, Section B.5 – Internal Audit and Section B.6 – Actuarial Function.

B.1.5. MATERIAL TRANSACTIONS WITH SHAREHOLDERS, PERSONS WHO EXERCISE SIGNIFICANT INFLUENCE OR MEMBERS OF THE AMSB (ADMINISTRATIVE MANAGEMENT SUPERVISORY BODY)

B.1.5.1. MATERIAL TRANSACTIONS AT GROUP LEVEL

The transactions below have been entered into by the entity SCOR SE as the ultimate parent of SCOR Group. They apply to SCOR as a group – *i.e.* involving other entities of the Group – and/or to SCOR SE.

Material transactions with shareholders

For the purpose of this section, SCOR SE takes into account shareholders who are submitted to the obligation to declare their shareholding to the Company pursuant to SCOR SE's bylaws, *i.e.* shareholders holding 2.5% or more of the share capital of SCOR SE.

On the basis of this criterion, SCOR SE has had no material transaction with shareholders during the reporting period.

Material transactions with persons who exercise a significant influence.

Related party transactions according to the IFRS accounting standard IAS 24

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.

No shareholder (except key management personnel) meets the criteria of a related party according to IAS 24 – Related Party Disclosures for the 2024, 2023 and 2022 financial years.

SCOR SE is the ultimate parent of the Group.

The Group has several business relationships with related parties. Transactions with such parties are made 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 other parties.

Transactions with associates for the financial year ended December 31, 2024 were realized on an arm's length basis and their volume is not material.

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 of Directors constitute key management personnel for the purposes of IAS 24.

Agreements and commitments related to the remuneration entitlements of SCOR's CEO

At its meeting of January 26, 2023, the Board of Directors decided to put in place a commitment to severance payments likely to be due upon termination of duties for the benefit of Thierry Léger in his capacity as Chief Executive Officer of SCOR SE.

This commitment ended at the end of the 2024 financial year.

See Section B.1.6.3 – Main components of the Compensation Policy by staff category – Performance criteria.

Material transactions with members of the AMSB

See Section B.1.6.3 – Main components of the Compensation Policy by staff category.

B.1.5.2. MATERIAL TRANSACTIONS AT SCOR SE LEVEL

All material transactions with shareholders reported at Group level are concluded by SCOR SE, as the ultimate parent of the Group. See Section B.1.5.1 – Material transactions at Group level for further information on such transactions.

B.1.6. COMPENSATION POLICY AND PRACTICES REGARDING THE MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT OR SUPERVISORY BODIES AND EMPLOYEES

B.1.6.1. COMPENSATION POLICY OF THE MEMBERS OF THE BOARD OF DIRECTORS

The individual compensation of the directors is allocated as follows, within the limit of the maximum annual envelope voted by the Shareholder's Meeting (EUR 2 million):

- a fixed compensation of EUR 7,000 per quarter (EUR 28,000 for a full year), this amount being reduced on a pro rata basis in the event of arrival during the quarter;
- a variable compensation based on participation and attendance at Board and Committee meetings, as follows:
  - EUR 3,000 per meeting of the Board of Directors, plus EUR 2,000 for non-French resident directors attending in person,
  - EUR 9,000 per meeting of the Board Committees for Chairs (principal or substitute) of the Audit Committee and Risk Committee,
  - EUR 6,000 per meeting of the Board Committees for Chairs (principal or substitute) of the other Committees, and
  - EUR 3,000 per meeting of the Board Committees for the members.

Non-executive directors' sessions and written consultations do not give rise to compensation. The same applies to sessions (of the Board or Committees) where directors are represented: they do not receive any compensation, and the directors who represent them do not receive double compensation for this purpose.

Furthermore, each individual director is allocated additional compensation which they are required to invest in SCOR shares. To do this, they instruct SCOR to purchase the maximum number of SCOR shares possible, for a price not exceeding the amount to which they are entitled (which is automatically reduced by the price of said shares, so that they do not receive any balance).

The amount in question is established based on the director's presence on the Board during the financial year – assuming that, barring any known event in advance, they will remain a director from the payment date to December 31. The annual base is EUR 10,000.

Executive members of the Board of Directors (CEO and directors representing employees) are not eligible for this compensation, nor are directors who have left the Board as of the payment date.

This mechanism contributes to compliance with the Board of Directors' Internal Charter, adopted in accordance with the recommendations of the AFEP-MEDEF corporate governance code, which provides that each director (excluding employee directors) to hold a sufficient number of SCOR shares, with the threshold set at EUR 10,000.

In 2024, the payment to eligible directors was made on October 22, 2024.

Directors (other than the CEO and employee directors) do not benefit from free share allocation plans or stock option plans, in respect of their directorship.

Similarly, no pension contributions are paid, and no pension commitments are made for the benefit of Board members in respect of their directorship.

Finally, the directors' compensation policy for the 2024 financial year includes an adjustment mechanism, under which, if the theoretical compensation of directors according to the calculation rule defined above were to exceed the amount of the envelope granted by the Shareholder's Meeting, the compensation of each director due for the quarter in which this excess is noted would be reduced pro rata to reach, without exceeding, the amount of the envelope, and no further compensation would be due until the end of the financial year.

It was not necessary to implement this mechanism in 2024.

B.1.6.2. GENERAL PRINCIPLES OF THE GROUP COMPENSATION POLICY

SCOR pursues a human capital policy that is in line with the Group's corporate values, strategic plan and risk appetite. SCOR is committed to:

- maintaining a compensation policy that is fully in line with its controlled risk appetite and discourages taking excessive risks;
- aligning management incentives with shareholder value objectives;
- having an innovative compensation policy which meets the long-term horizon that is part of SCOR's internal model;
- motivating and retaining its pool of talent and having a compensation policy aligned with human capital development;
- fully complying with the regulations and guidelines defined by regulators as regards the compensation policy.

In order to achieve such objectives, SCOR has established a very structured and transparent compensation policy, within an overall framework. It is reviewed and submitted to the Compensation Committee and then to the Board of Directors for approval at least once annually. It was last updated in March 2024.

The Compensation Committee's competencies focus on the compensation of the Chairman and on the compensation of the CEO. It is informed of the compensation of the Group Executive Committee and of Group Key Function Holders. In addition, it makes recommendations to the Board regarding the approval of SCOR's share award and option programs. This Committee is, as a rule, composed of a majority of independent directors.

SCOR has established a "Partners"(1) program. This program which is specific and selective includes information sharing, career development and compensation schemes. There are four main Partner levels: Associate Partners (AP), Global Partners (GP), Senior Global Partners (SGP), and Executive Global Partners (EGP). Partners represent around 25% of the global workforce. At December 31, 2024, the proportions of partners by level is as follows: EGPs: 1%, SGPs: 6%, GPs: 25%, APs: 68%.

From 2025, the Partnership will be replaced by a new system classifying employees according to their level of responsibility within the organization.

B.1.6.3. MAIN COMPONENTS OF THE COMPENSATION POLICY BY STAFF CATEGORY

Overall compensation components

Staff member category	Fixed compensation	Variable compensation in cash	Equity-based compensation	Pension plan
Chairman of the Board	√	NA	NA	NA
Chief Executive Officer(1)	√	√	Free shares, Stock options	√
Group Executive Committee members(2)	√	√	Free shares, Stock options	√
Partners	√	√	Free shares, Stock options(3)	√
Non-Partners	√	√	Free shares	√

(1) As a member of the Board of Directors, Chief Executive Officer does not receive any compensation in contrary of the other members of the Board of Directors.
(2) The Executive Committee includes the CEOs of SCOR P&C and SCOR L&H, who are the persons effectively running the Group and SCOR SE in addition to the CEO of SCOR SE and to the Group CFO and Deputy CEO. Executive Committee members do not receive compensation in respect of their directorships in companies in which SCOR holds more than 20% of the capital.
(3) Only Executive Global Partners and Senior Global Partners are awarded stock options.

Depending on the country, employees may also receive other benefits such as health coverage and profit sharing.

Fixed compensation

As a global Group with three Regional Functions located in the world's major financial centers, SCOR pays attractive base salaries in order to be a competitive player on the job market and attract talent. SCOR's compensation is benchmarked against local markets at least every two years.

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 present position and responsibilities of the employee.

SCOR reviews base salaries on a yearly basis to reward individual performance as well as when new responsibilities are taken on by the job holder. An inflation adjustment is not applied automatically as a general rule and is only granted in the few countries where it is legally required.

(1) The Partners are key executives, managers, experts, and high potentials formally identified across the Group. Partners are given specific responsibilities in terms of significant achievements, high impact project management and leadership. Therefore, they benefit from a specific and selective program in terms of information sharing, career development and compensation schemes.

Variable cash compensation

Partners

The Partners' cash bonuses are computed on the basis of a percentage of the reference salary. This total percentage ranges from 20% to 100% and increases with seniority in the partnership level. The percentage has two components. The main component (except for EGP's bonuses for whom the individual and collective components are split equally) is directly linked to the individual performance rating. The payout with respect to each component is subject to meeting certain requirements. The payout on the individual component can range from zero (insufficient performance) to 150% (exceeds expectations). The second component is collective and based on the economic value growth (EVG) achieved by SCOR in the previous financial year. The payout on the collective component can range from zero (EVG below 30% of the target) to 130% (EVG equal to or above 130% of the target).

The weighting of the individual and collective components is set to better reward the achievement of individual goals at Associate, Global and Senior Global Partner level. Partners can also benefit from an exceptional contribution bonus (ECB) ranging from 0% to 50% of the individual portion of the bonus awarded as a result of a strong contribution to the success of strategic projects or to key strategic achievements.

Other employees

For employees who are not Partners, the SCOR cash bonus rewards individual performance over the previous year. The bonus varies from 0% to 6% of the annual base salary depending on the rating received in the individual appraisal by the employee's direct superior. This scale is increased by a multiplier (2 or 3) in some locations in order to take into account specific local labor markets.

Non-Partners are also eligible for the exceptional contribution bonus, ranging from 0% to 6% of the annual reference salary (the multiplier of two or three mentioned above does not apply to the ECB).

Equity-based compensation

SCOR launched the free share and stock option program in 2004 as a means to encourage the retention of, and to strengthen the bond with, executives, managers and talented employees.

Shares and options can only be granted if the Annual General Meeting of Shareholders approves the resolutions to this effect presented by the Board of Directors.

By delegation of the Annual General Meeting of Shareholders, the Board of Directors determines how shares and stock options will be allocated to key personnel within SCOR.

Partners

The allocation of free shares and stock options to Partners is primarily designed to retain and create loyalty amongst key Group employees. An allocation will not necessarily occur every year and not every Partner is guaranteed an allocation.

The vesting of shares and options is subject to satisfying the condition of presence and performance conditions fully aligned with the objectives of the strategic plan. Moreover, beneficiaries must fully comply with the Group's Code of Conduct (clawback policy) and complete a training on CSR-related topics every year. For more information on the performance conditions of 2024 plans, see Section 2.2.3.4 – Employee profit sharing plans of the 2024 Universal Registration Document.

Other employees

Performance shares can be granted individually to certain employees who are not Partners.

Pension plans

While respecting national differences, SCOR offers attractive pension plans to its employees that also cover accident and disability in certain countries.

Although SCOR pension plans are not aligned globally, they are set up to meet local needs and legal requirements. They are calibrated in such a way as to allow for attractive total compensation packages.

Generally, SCOR uses defined contribution pension plans.

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 conditional notably upon a minimum five years of service with the Group, the payment of which is based on their average compensation over the last five years. This pension 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.

For Executive Committee members under French contracts and hired before June 30, 2008, the amount of the additional pension guaranteed by the Group varies from 5% to 50% (with a maximum growth of 5% per year) of the average compensation over the last five years, depending on seniority acquired in the Group at retirement, less any pension benefits acquired under other collective and mandatory pension schemes. Moreover, this amount may under no circumstances exceed 45% of the average compensation over the last five years.

B.1.6.4. COMPENSATION POLICY AND PRACTICES AT SCOR SE LEVEL

SCOR SE conforms strictly to Group Policies with possible local adaptation in accordance with local regulations at branch level.

B.2. FIT AND PROPER REQUIREMENTS

The Fit and Proper standards of the SCOR Group are embedded in the SCOR Group Fit and Proper Policy. These standards consist of Fit and Proper principles, and criteria to be used to assess whether a person could be considered as Fit and Proper. The policy also includes an assessment process to be complied with. These elements are further detailed below.

B.2.1. OBJECTIVES AND GENERAL PRINCIPLES

SCOR commits to high "Fit and Proper" standards.

Standards are adapted to the category of work performed by each individual.

A person is considered as Fit and Proper when he or she fulfils the following requirements at all times:

- his or her educational background, qualifications and professional experience are adequate to enable sound and prudent management (fitness); and
- he or she is of good repute and integrity (propriety). SCOR assumes that an individual is proper if there is no obvious evidence suggesting otherwise. Some criminal, civil or disciplinary sanctions are antagonistic with meeting propriety requirements, with no possible remediation. Such sanctions can occur both in an individual's private Life and professional activities.

Fit and Proper standards must be met at all times. Triggering events may require interim reassessments between annual evaluations.

B.2.2. SCOPE OF SCOR'S FIT AND PROPER PRINCIPLES

Standards are adapted to the work performed by each individual. Fit and Proper standards are defined hereinafter for the following categories:

- category A: Board members (hereafter directors) and Chief Executive Officers of legal entities subject to the Solvency II Directive or where the Board includes external Board members. This category also includes "persons effectively running the company" under the Solvency II Directive;
- category B: key function holders (Actuarial, Internal Audit, Risk Management and Compliance) under the Solvency II Directive;
- category C: employees in the European Insurance Distribution Directive (IDD) scope (employees of insurance and reinsurance undertakings who are located in the EU and directly involved in insurance or reinsurance distribution activities in relation to risks and commitments within the European Union, as well as persons within the management structure responsible for insurance or reinsurance distribution);
- category D: Board members or employees of SCOR entities operating in jurisdictions not subject to Solvency II where local fit and proper requirements apply to them;
- category E: other staff.

Fit and Proper standards apply to each individual for the tasks assigned to them.

Fitness standards for Board members are assessed collectively: in particular, the SCOR SE Board is deemed to be fit if, for each subject matter, at least one member is individually fit.

B.2.3. FITNESS CRITERIA

SCOR considers that fitness is an appropriate mix of:

- relevant educational background and qualifications; and
- relevant knowledge and professional experience.

B.2.3.1. EDUCATIONAL BACKGROUND AND QUALIFICATIONS

Although a high-quality educational background is desired, professional experience may in some cases compensate for education gained in fields irrelevant to SCOR's activities. However, specific requirements may apply for selected individuals (*e.g.* Chief Actuary).

SCOR expects individuals to hold the following qualifications:

Applicable to	Qualification requirements
Category A: directors, Chief Executive Officer and "persons effectively running the company"	**Master's degree or equivalent which relates at least to one of the following areas:** • strategy or business management; • finance; • risk management; • actuarial science; • engineering; • economy; • law. If an individual does not meet the above criteria, further consideration will be given to the individual's professional experience (see below).
Category B: key function holders	**Master's degree or equivalent** If the diploma is not related to his/her field of professional activity, further consideration will be given to his/her professional experience (see below). At Group level, the Chief Actuary, holder of the Actuarial Function, shall have appropriate formal actuarial qualifications and be a Fellow or Accredited Member of a recognized professional body (such as the Institute of Actuaries in France).
Category C: employees in the IDD scope	Qualification criteria are defined in the job profiles.
Category D: Board members or employees of SCOR entities operating in jurisdictions not subject to Solvency II where local fit and proper requirements apply to them	Qualification criteria are defined by the local regulations.
Category E: other staff	Qualification criteria are defined in the job profiles.

B.2.3.2. PROFESSIONAL EXPERIENCE

Professional experience in a field directly relevant to SCOR's activities or to the tasks assigned to the individuals is key.

SCOR's directors, CEOs and "other persons effectively running the company" are expected to have long-standing experience in their respective fields. When assessing the prior experience of an individual, consideration is given to such criteria: length of the former service, nature and complexity of the business where the position was held, former decision-making powers, responsibilities and number of subordinates.

Each individual must demonstrate:

Applicable to	Qualification requirements
Category A: directors, Chief Executive Officer and "persons effectively running the company"	**Board members:** • a recently acquired relevant experience (within the last five years); • at least one member must have relevant knowledge and professional experience in each of the following fields: — understanding of (re)insurance markets, — (re)insurance company strategy and business model, — financial markets, — regulatory framework, — financial analysis, — actuarial, — risk management, — governance, — accounting. **CEOs and "other persons effectively running the company":** • a recently acquired five or more-year long relevant experience (within the last five years): — in an insurance or reinsurance company, or — in a field directly relevant to his/her field of responsibility.
Category B: key function holders	• a recently acquired relevant experience (within the last five years); • the Actuarial key function holder shall have an appropriate actuarial experience with an insurance or reinsurance company; • the Risk Management key function holder shall have appropriate experience of risk management in the financial industry; • the Compliance key function holder and the Internal Audit key function holder shall have appropriate experience in their field of responsibility (Audit, Finance, Law & Compliance, Underwriting, Claims Handling, etc.).
Category C: employees in the IDD scope	• professional experience criteria are defined in job profiles; • minimum of 15 hours per year of continuous professional training and development.
Category D: Board members or employees of SCOR entities operating in jurisdictions not subject to Solvency II where local fit and proper requirements apply to them	• professional experience criteria are defined by the local regulations.
Category E: other staff	• professional experience criteria are defined in the job profiles, depending on the position.

B.2.4. PROPRIETY CRITERIA

B.2.4.1. PROPRIETY ASSUMPTION

An individual may be considered as of good repute and integrity if there is no obvious evidence to suggest otherwise.

SCOR ensures, using the tools described in Section B.2.5 – Fit and proper assessment process, that there is no evidence of offenses that can adversely affect the good repute and integrity of this person. If evidence is gained of past behaviors casting doubt on an individual's good repute and integrity, remediation actions shall be taken as appropriate.

SCOR also takes actions to prevent conflicts of interest.

Proper considerations are relevant for all employees of an undertaking. However, any assessment needs to take into account their level of responsibility within the undertaking and will differ proportionately, according to whether or not, for example, they are "persons effectively running the company" or have other key functions.

B.2.4.2. REMEDIATION

Some criminal, civil or disciplinary sanctions will preclude an individual from meeting propriety requirements (*e.g.* disciplinary penalties by supervisory authorities, non-petty criminal or civil penalties related to gross misconduct in the management of a company, commercial or professional activities, or related to his/her personal management such as money laundering, market manipulation, insider dealing and usury, any offences of dishonesty such as fraud or financial crime). Others may not.

If an individual is subject to pending legal proceedings that may eventually lead to such penalties, he must inform the company concerned.

Other circumstances than court decisions and ongoing judicial proceedings, which may cast doubt on the repute and integrity of the person, may also be considered (current investigations or enforcement actions, imposition of administrative sanctions for non-compliance with provisions governing banking, financial, securities or insurance activity, securities markets, securities or payment instruments).

The following factors are taken into account to waive an impropriety ban: the seriousness of, and circumstances surrounding the offence, the explanation presented by the individual, the relevance of the offence to the proposed role, the passage of time since the offence was committed and evidence of the individual's rehabilitation, the level of appeal (definitive vs. non-definitive convictions) and the person's subsequent conduct.

B.2.4.3. TIME AVAILABILITY

Time availability must also be ensured: individuals holding concurrently several responsibilities/roles must have appropriate time to dedicate to the functions under the scope of SCOR's Fit and Proper Policy.

B.2.5. FIT AND PROPER ASSESSMENT PROCESS

The assessment process shall allow SCOR to ensure that persons/bodies subject to Fit and Proper requirements fulfil the above criteria both before and after their appointment to the position under the scope of the Fit and Proper Policy.

The main stakeholders of the initial assessment process are listed below:

Applicant to	Assessor
Board/Chief Executive Officer/Other "persons effectively running the company"	• Board(1) Based on a proposal made by the Corporate Secretary with the support of Human Resources for applicants who are also SCOR employees
Key function holders	• Chief Executive Officer Based on a proposal made by Human Resources
Employees	• Direct Managers Based on a proposal made by Human Resources

(1) With prior analysis by the Nomination Committee when it exists.

According to the applicant level, the identified assessors are in charge of:

- collecting supporting documents about the applicant (*e.g.* CV), including the Fit and Proper assessment form;
- deciding if the applicant complies with the "Fit and Proper" requirements.

Each year, the Corporate Secretary/HR department/Direct Managers update their information with an annual fit and proper questionnaire collected from directors, CEOs, other "persons effectively running the company", key function holders and employees in the IDD scope.

Furthermore, when the Corporate Secretary/HR department receives notification of any changes affecting an individual's propriety, it updates the latest assessment.

Some specific situations trigger a re-assessment of the fitness and propriety of a person: reasons to believe that a person will impede the undertaking from pursuing the business in a way that is consistent with applicable legislation, reasons to believe that a person will increase the risk of financial crime, *e.g.* money laundering or financing of terrorism, reasons to believe that sound and prudent management of the business of the undertaking is at risk.

B.2.6. SCOR SE – INFORMATION ON FIT AND PROPER REQUIREMENTS

SCOR SE complies strictly with the Group's Fit and Proper Policy, as described in the section above, with possible local adaptation in accordance with local regulations at branch level.

B.3. RISK MANAGEMENT SYSTEM INCLUDING THE OWN RISK AND SOLVENCY ASSESSMENT (ORSA)

The risk management principles, mechanisms and processes, described hereafter, are defined at Group level and applied consistently across the Group, in line with the proportionality principle, without prejudice to further and/or more stringent requirements from applicable laws, regulations or policies.

SCOR's risk management system is composed of two interconnected parts:

- the risk appetite framework, including risk appetite, risk preferences and risk tolerances;
- the Enterprise Risk Management (ERM) framework composed of various risk management mechanisms which help to ensure that the risk profile is dynamically optimized while remaining aligned with the risk appetite framework.

B.3.1. 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 and reviewed whenever a new strategic plan is approved, and continuously thereafter, based on recommendations from the Group's Executive Committee and the Board of Directors' Risk Committee. 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 and maintains an upper mid-level risk profile under the Forward 2026 plan. It aims at striking an appropriate balance between risk, capital adequacy and return, while respecting SCOR's key stakeholders' expectations and consists of 5, complementary layers: strategic limit, risk preferences, risk tolerances, operational limits and limits per risk.

Strategic limit

Solvency Ratio in the target "optimal" range of 185%-220%, with a process of gradual escalation and management responses to steer the solvency of the Group back toward the range.

Risk preferences

Risk preferences are qualitative descriptions of the risks which SCOR is willing to accept. SCOR pursues an approach of thorough risk selection to optimize its risk profile and aims:

- to actively seek risk related to reinsurance and selected primary insurance;
- to selectively assume a low amount of cedent's asset related risks;
- to assume a moderate level of credit and market risk;
- to minimize its own operational and reputational risks;
- to select risks that are consistent with SCOR's ESG approach.

Risk tolerances

The risk tolerances define the limits set out in order to ensure that the Group's risk profile remains aligned with the risk appetite. 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:

- risk pools – for underwriting risks, mutually exclusive and collectively exhaustive aggregation of one or several lines of business with similar characteristics. The risk exposure is measured on full economic basis (pre-tax, net annual result as 1 in 200 years deviation from expected profit) with the Internal Model and is limited to a percentage of the Group's Eligible Own Funds, avoiding overconcentration and hence maximizing diversification benefits;
- footprints – a set of "what if" scenarios, designed to be both extreme and plausible and illustrate the economic impact of an event across the Group. No limit is set, the assessment and result of a footprint might trigger the adaptation of strategic or operational limits.

Operational limits

- underwriting – actionable limits with defined reporting and authorization thresholds on portfolio level;
- investments – the investment guidelines define limits for invested assets. These limits cover capital intensity, strategic asset allocation, minimum average ratings, and a minimum average duration of the aggregated invested assets portfolio. These limits are set out in the Group Policy on Invested Assets.

Limits per risk

Granular limits stipulated in underwriting and investment guidelines.

For further information on specific risk management strategies, processes and reporting on each risk category, see Chapter C – Risk profile.

B.3.2. ERM FRAMEWORK

The Chief Risk Officer (CRO) area relies on an ERM framework composed of various risk management mechanisms as described in the following sections. 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.

B.3.2.1. INTERNAL ENVIRONMENT

Dedicated departments from within the CRO area facilitate the definition and monitoring of the internal environment and the governance of risk management. A primary focus of the CRO area 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 investments.

A key component of the governance of risk management is the establishment of Group Policies and Guidelines.

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.

See Section B.1 – General information on the system of governance for further details on SCOR's organization and governance structure.

B.3.2.2. SETTING OF OBJECTIVES

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 approved by SCOR's SE Board of Directors and reviews 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 capital allocation based on the risks taken considering the effects of 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.

B.3.2.3. IDENTIFICATION AND ASSESSMENT OF RISKS

Different techniques and initiatives for identifying and assessing risks have been implemented to analyze risks from all angles and to deal with them in an exhaustive manner. These include:

- a risk information process: every quarter, the Group Risk Committee and the Board of Directors review the «Group Risk Dashboard» which describes and assesses the major risks to which the Group is exposed. This report assembles various risk assessments from different identification and assessment processes for all risk categories. The quarterly risk dashboard is complemented by regular or ad-hoc memoranda on individual risks or subjects;
- 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 pools" 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. Each underwriting risk pool is a mutually exclusive and collectively exhaustive aggregation of one or several lines of business with similar characteristics. The risk exposure is measured on a full economic basis (one in 200 years return period) with the Internal Model and is limited to a percentage of the Group's available capital,
  - — a "footprint scenario" system, designed to be both extreme and plausible and illustrate the economic impact of an event across the Group. No limit is set, the assessment and result of a footprint might trigger the adaptation of strategic or operational limits,
  - — operational limits on underwriting and investments,
  - — granular limits per risk stipulated in underwriting and investment guidelines;

- 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 the Group 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 SCOR SE's Board and those of the European legal entities regulated by the Solvency II Directive, the Group Executive Committee and senior management of these legal entities, with forward-looking information on the respective risk and capital positions of the Group and legal entities;
- 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 investments policies and guidelines.

Where relevant, the analyses from these processes are reported to the Group Risk Committee, the Board Risk Committee and the Board of Directors on a regular basis.

B.3.2.4. 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 Chapter C – Risk profile. These activities rely on the control mechanisms including adequate reporting mechanisms to the main governance bodies throughout the Group.

This section summarizes the principal activities and participants of risk control for the following important areas:

- key functions;
- activities related to (re)insurance;
- investments;
- 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.

Key functions

Four key governance functions, as defined by the French Insurance Code, play an important role in the company's system of governance. These functions contribute to the implementation of an effective system of governance that provides for sound and prudent management. Further information is presented below regarding the risk function:

- Risk Coverage ensures the identification, assessment and monitoring of all risks, reviews the strategic plan from a risk perspective and supports the development of the Risk Appetite Framework as well as actions to ensure exposures remain within their limits. Risk Coverage maintains and enhances business proximity by providing risk expertise and in-depth analyses of risk across the Group;
- Prudential & Regulatory Affairs 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 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 Center of Excellence and prepares the Group for the adoption of major new prudential regulations;
- Central Pricing sets in place an overarching governance framework for pricing methods, models and tools, defines consistent global pricing policy, parameters and assumptions, provides assurance through peer reviews for Pricing Risk Referrals on material transactions and selected deep dives in pricing approaches and parameter settings of critical lines of business;
- Risk Capital operates SCOR's internal model and provides a detailed quantitative analysis on the modeled 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. It ensures that regular external and internal risk reports are provided in line with defined governance;
- Risk Modeling ensures that the internal model is appropriate for SCOR's risk profile, proportionate and complete to the risks. It continuously improves and maintains the internal model by collecting change requests, proposing priorities, and implementing model changes. The team also provides analyses of change including sensitivity analyses and model documentation;
- the Group Chief Actuary and his team report to the Chief Risk Officer. See Section B.6 – Actuarial Function for further information on the role and responsibilities of the actuarial key function.

Activities related to reinsurance

The operating and control procedures concerning underwriting, pricing, administration of reinsurance contracts and claims management are validated by SCOR P&C and SCOR L&H 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 P&C and L&H business are managed, please see Section C.2 – Underwriting risks.

Investments

The Prudent Person Principle requires that the security, quality, liquidity and profitability of the portfolio as a whole be considered. This is enabled through the investment governance, strategy, operational framework and reporting and monitoring processes that SCOR implements.

Governance and principles

The Group has harmonized the principles governing the management of its assets based on three documents:

- "Group Policy on Invested Assets", which defines the Group's policy and governance in terms of asset management;
- "Group Sustainability Policy", which defines the main orientations of the Group's sustainability approach, primarily for invested assets;
- "Group Investment Guidelines", which specify the list of asset classes and financial instruments in which SCOR's portfolios can be invested, as well as the list of investment restrictions and concentration limits.

Together, these documents set the rules to be applied by all internal and external asset managers at Group level.

They are complemented by local investment guidelines, which specify the investment universe of invested assets as well as concentration limits at local entity level.

The Group Investment Committee meets at least once every quarter. Its role is to define the strategic and tactical asset allocation, in line with the Group's risk appetite and risk limits. 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 portfolio's positioning with local investment guidelines.

Investment strategy

As far as invested assets are concerned, SCOR's primary investment objective is to generate recurring financial income in accordance with the Group's risk appetite framework sustainability preferences, and 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 Group liquidity and solvency levels;
- protecting the capital;
- allowing the Group to operate on a day-to-day basis as well as over the long-term; and
- contributing to SCOR's *Raison d'Être*;

in compliance 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.

Operational framework

SCOR delegates to SCOR Investment Partners (SCOR IP) 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 legal entities and the Group Investment Guidelines. SCOR IP may sub-delegate part of its investment services.

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 the management of their invested assets to external asset managers through a strong selection process. When possible, SCOR IP will act as an investment advisor to these legal entities.

Reporting and risk monitoring

The Group Investment Office (GIO) is independently in charge of monitoring the compliance of the invested assets decisions with the Group and local Investment Guidelines, including the positioning of the portfolio vis a vis the SAA. Breaches are reported independently to Group and Local Investment Committees as well as to the Group Risk Committee. Major risk exposures are reported on a quarterly basis to the Group Risk Committee and the Group Investment Committee.

Regular meetings are held between the GIO and representatives of SCOR IP to review the portfolio positioning and the investment strategy and to decide on remediation actions to potential breaches.

Stress tests on the portfolios are performed at least on a quarterly basis by the GIO based on a set of potential scenarios on rates, credit, equity and inflation as well as on historical crisis parameters. Results are included in the Group Investment Committee documentation. Additionally, on an *ad hoc* basis, climate change scenarios are run by the Chief ESG Officer team to assess the resilience of the invested assets to physical and transition risks linked to climate change.

The GIO is also in charge of record keeping, Group accounting and reporting processes on invested assets.

Accounting management

The Solvency II reporting process is built upon the Group-wide IFRS reporting process and ensures quality and consistency of legal entity and Group solvency reporting. It therefore benefits from controls over the accounting and consolidation process, as presented in the 2024 Universal Registration Document, and their extension to solvency reporting.

B.3.2.5. INFORMATION AND COMMUNICATION

The 2024 Universal Registration Document is produced *via* a specific process that ensures the contribution of all relevant departments and the consistency of the information provided. A final review is performed by members of the Executive Committee.

Similarly, for the Solvency and Financial Condition Report and other Solvency II reporting, a specific process has been implemented to coordinate the contribution of all relevant departments and the consistency of the information provided. A final review is performed by senior management, members of the Executive Committee(s) and the Board(s).

B.3.2.6. MONITORING OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

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 exposure on a regular basis and has 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 B.3.2.3 – Identification and assessment of risks.

SCOR operates an Internal Control System Competence Center ("ICS-CC"). The core objective of the ICS-CC is to pool ICS expertise in order to foster a consistent ICS approach and application of ICS standards across the Group. For more information on the Internal Control System, see Section B.4.1 – Description of the Internal Control System.

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 for the scopes audited. Any findings lead to recommendations and management remediation actions, which are followed up by Group Internal Audit. When Group Internal Audit concludes that 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.

For more information, see Section B.5 – Internal Audit.

Furthermore, the Finance area manages the "internal management representation letters" process, which also incorporates certain points related to the internal control of accounting and financial reporting.

B.3.3. INTERNAL MODEL CONTRIBUTION TO THE ERM FRAMEWORK

Subject to regulatory approval, an internal model can be used to determine the SCR. SCOR has used its experience and knowledge to develop an internal model which reflects SCOR`s risk profile as a global reinsurer. For more details on the internal model and how it differs from the standard formula, see Section E.1.4.7 – Key differences between the standard formula and the internal model.

The top-level risk categories reported out of the internal model include P&C underwriting risk, L&H underwriting risk, market risk, credit risk and operational risk.

For further information on risks included in SCOR's internal model, see Chapter E – Capital Management.

SCOR is exposed to other risks not modeled within the internal model, including strategic, liquidity and emerging risks. These risks are not expected to have an immediate impact on the Solvency Ratio and are monitored and managed through specific processes.

B.3.3.1. ROLE OF THE INTERNAL MODEL IN THE RISK MANAGEMENT SYSTEM

SCOR's internal model is a key feature of SCOR`s risk management; see Sections E.1.4.1 – Overview of the internal model and E.1.4.3 – Uses of the internal model, for a description of the internal model and some of its uses.

B.3.3.2. INTERNAL MODEL GOVERNANCE

The internal model governance framework forms an important component of the risk governance at SCOR and seeks to ensure the appropriate management and supervision of the internal model and its outputs.

The governance framework includes in its scope the operational run of the model, model changes and independent validation as outlined in their own respective policies. The Internal Model Management Committee is responsible for ensuring that the internal model operates properly on a continuous basis. It approves internal model results and provides recommendations to the Group Executive Committee on model changes.

The development and use of SCOR's internal model are managed through the following three key policies:

- Group Internal Model Policy;
- Group Policy on Model Change;
- Group Internal Model Validation Policy.

The Group Internal Model Policy sets out the overarching principles and governance of the internal model. The Group Policy on Model Change sets out the principles and governance for managing the development of the model, and the Group Internal Model Validation Policy sets out the principles and governance for the independent validation of the use and development of the internal model.

There were no material changes in the internal model governance during the reporting period.

B.3.3.3. INTERNAL MODEL VALIDATION PRINCIPLES AND TOOLS

SCOR maintains a robust process for the validation of its internal model. This process applies to the Group and the European legal entities regulated by the Solvency II Directive, and where the Solvency Capital Requirement is calculated by means of the internal model. It is performed based on the principles stated in the validation policy and fully complies with Solvency II internal model validation standards.

General principles

The validation of the internal model aims to review the reasonableness and accuracy of the internal model, and the results thereof.

The main principles governing the validation process are:

- independence and expertise: the validation is performed by qualified experts who are independent from the design, implementation and run of the model;
- proportionality: the validation work on the various components of the model is proportionate to the materiality of their impact on the results.

Governance

The Internal Model Independent Validation governance follows the overall internal model governance described above in Section B.3.3.1 – Role of the internal model in the risk management system.

B.3.4. ORSA CONTRIBUTION TO THE RISK MANAGEMENT SYSTEM

SCOR's ORSA is a key mechanism of the ERM framework and is an integral part of the risk management system. It leverages the capital management and strategic planning processes.

The ORSA provides forward-looking information on the respective risk and capital positions, of the Group and legal entities, taking into account SCOR's strategy and risk appetite and includes:

- descriptions of the risk profiles and the main risks the Group and/or legal entities are exposed to;
- overviews of expected changes in the risk profiles over the ORSA time horizon; and
- prospective assessments of overall capital needs, based on the internal model, over the ORSA time horizon, taking into account SCOR's strategy and risk profile, including an analysis of any excess or shortfall in the Eligible Own Funds. For further information on capital management processes, see Section E.1.1 – Own funds.

SCOR performs the Group-wide ORSA for the Group and its legal entities subject to Solvency II. The ORSA is based on clearly defined principles and objectives, close cooperation between Group and legal entity teams and regular involvement of Group and legal entity senior management, as well as involvement of the Board of SCOR SE and the Boards of the relevant legal entities.

It is performed at least annually or more frequently when significant changes in the risk profile occur and the ORSA results are approved by the relevant Boards (see Section B.1.3 – Governance structure at Group and legal entity level).

B.3.5. SCOR SE – INFORMATION ON THE RISK MANAGEMENT SYSTEM

The risk management principles, mechanisms and processes, described above, are defined at Group level and applied consistently at SCOR SE level, in line with the proportionality principle, without prejudice to further and/or more stringent requirements from local applicable laws or regulations.

B.4. INTERNAL CONTROL SYSTEM

B.4.1. DESCRIPTION OF THE INTERNAL CONTROL SYSTEM

The Internal Control System (ICS) standards are embedded in the Group Policy on ICS. These standards consist of ICS principles and mechanisms to be applied to assess the effectiveness of the Internal Control System. The ICS is defined at Group level and applied consistently across the Group, in line with the proportionality principle, without prejudice of further and/or more stringent requirements from local applicable laws, regulations or policies.

The core objective of the Internal Control System Competence Center (ICS-CC) 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 work to coordinate the internal control formalization activities within the Group, its business units and entities, and support 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 ICS 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 set by their owners.

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. In addition, SCOR implements dedicated risk management mechanisms across the three business units in order to evaluate the appropriateness and effectiveness of controls and propose risk-management and mitigation measures.

In addition, and in accordance with its risk-based audit plan and through periodic assignments, Group Internal Audit (GIA) provides independent and objective assessments on the adequacy, effectiveness and efficiency of the ICS for the scopes audited. Any findings lead to recommendations and management remediation actions which are followed up by GIA.

B.4.2. COMPLIANCE FUNCTION

B.4.2.1. ORGANIZATION OF THE COMPLIANCE FUNCTION

It is SCOR's policy to ensure compliance with all applicable laws and regulations and the SCOR Group Code of Conduct wherever it conducts business. SCOR holds itself to high standards when carrying on its business and always strives to observe the spirit as well as the letter of the law by continuously seeking to improve the effectiveness of its compliance management framework.

Compliance activities are mostly performed by the compliance function, which is composed of the legal and compliance teams (Group General Secretariat including the Compliance team and the Legal Department, Business Unit Chief Legal Counsels, regional legal and compliance teams, and local compliance officers).

There are also other departments responsible for specific areas (*e.g.* Prudential and Regulatory Affairs, Human Resources, Finance, IT security), in line with the organizational structure of SCOR.

At Group level and for Solvency II-related legal entities, compliance function holders are responsible for the Compliance key function.

It is also the responsibility of all employees to abide by the laws and regulations relevant to their day-to-day activities and the SCOR policies and guidelines applicable to them.

B.4.2.2. POSITION AND INDEPENDENCE PRINCIPLES

At SCOR, the Compliance function both at Group and local level operates free of any influences that may compromise its ability to perform its duties in an objective, fair and independent manner.

At the Group level, the Group Compliance key function holder has direct access to the Chairman and to the Chief Executive Officer. The Group Compliance key function holder reports at least annually to the Audit Committee and the Board of Directors regarding material compliance breaches that may impact the Group's operations.

The Compliance function has free and unfettered access to any records or staff member, as necessary to carry out its responsibilities.

B.4.2.3. COMPLIANCE FRAMEWORK

SCOR follows a risk-based approach to compliance in accordance with the SCOR Group Policy on Risk Management. This involves identifying areas of high risk within SCOR and prioritizing dedicated efforts and resources around these risks according to severity and probability, and establishing ongoing procedures aimed at Prevention, Detection and Response.

Prevention

Preventing compliance breaches includes:

- monitoring compliance-related regulatory developments, assessing their impact on SCOR and disseminating this information to the relevant governing bodies and employees;
- identifying, assessing and monitoring compliance risks;
- issuing compliance-related policies and guidelines;
- providing training to employees;
- providing advice to employees regarding specific compliance matters;
- implementing and maintaining compliance tools;
- maintaining a Code of Conduct awareness and confirmation process;
- introducing controls as part of SCOR's Internal Control System (ICS);
- providing reports on compliance matters.

Detection

Compliance breaches may be detected by any of the following:

- employee awareness: all employees are responsible for ensuring compliance with applicable laws, regulations and policies in their daily duties at all times as well as for escalating any actual or suspected compliance breach;
- reporting concerns process: the SCOR Group has established a process to allow employees and third parties to make good faith reports of suspected or actual misconduct on certain practices or actions that are believed to be inappropriate, unethical or illegal, as set out in more detail in the SCOR Group Policy on Reporting Concerns. SCOR is committed to investigate such allegations in a confidential and comprehensive manner and ensures that any person at the origin or otherwise concerned with the investigation will not be retaliated against;
- controls as part of ICS procedures;
- cross-reviews, whereby an operational team operating in a different region from the entity subject to the review performs, checks and reviews compliance-related topics;
- audits conducted by Group Internal Audit;
- audits by external auditors (*e.g.* accounting and tax);
- operational loss events;
- complaints or litigation initiated by third parties against SCOR.

Response

In response to compliance breaches, SCOR aims to take appropriate corrective actions to mitigate the consequences of the breach, and to prevent further reoccurrences of similar breaches in the future.

Employees who are found in breach of, or fail to comply with, applicable laws or regulations or the principles of this policy may be subject to disciplinary action in compliance with the laws applicable in the country of employment and/or may be subject to criminal/regulatory proceedings.

In addition, the Group Remuneration Policy includes a reference to compliance with the Code of Conduct as a performance condition to be satisfied.

B.4.3. SCOR SE – INFORMATION ON THE ICS AND THE COMPLIANCE FUNCTION

B.4.3.1. INTERNAL CONTROL SYSTEM

SCOR SE applies the ICS principles as defined at Group level and leverages processes implemented across the Group. Where deemed appropriate, SCOR SE has adapted the processes defined at Group or business unit level or implemented own local processes in order to reflect specific local requirements.

B.4.3.2. COMPLIANCE FUNCTION

The Compliance function and framework, as defined and implemented at Group level, similarly apply to SCOR SE, both as a legal entity and as the parent company of the SCOR Group.

B.5. INTERNAL AUDIT

B.5.1. INTERNAL AUDIT ORGANIZATION AT GROUP LEVEL

B.5.1.1. GENERAL PRINCIPLES

All functions and operations carried out by SCOR are included in the Group Internal Audit's audit universe. Group Internal Audit has no direct operational responsibility or authority over any of the activities it can review. Accordingly, Group Internal Audit does not develop or install systems or procedures, prepare records, take the place of management who owns and makes decisions to manage its respective risks, or engage in any other activity which it can review.

Group Internal Audit assists the Board of Directors in providing independent, objective assurance and consulting services designed to assess the adequacy, effectiveness and efficiency of SCOR governance, policies and guidelines, risk management and Internal Control Systems, as well as the 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), to ensure the effective use of resources and identify opportunities for process improvement.

Vis-a-vis SCOR subsidiaries and legal entities, Group Internal Audit is the outsourced provider of the Internal Audit function of legal entities in the scope of the Group Internal Audit Charter, to the extent it is compliant with local laws and regulations. If local obligations related to Internal Audit matters are not covered by the Group Internal Audit Charter, the Head of Group Internal Audit and legal entities' representatives must act in a timely manner for implementing complements or adjustments as deemed adequate by the appropriate departments and described in an Internal Audit Charter Addendum.

B.5.1.2. ORGANIZATION WITHIN THE GROUP

Group Internal Audit is composed of Regional and specialized Internal Audit Units, managed by Deputy Heads who report directly to the Head of Group Internal Audit. There is no reporting line to the regional or other management.

Planning, Auditing and Monitoring: regional/legal entities' Internal Audit Plans are integrated in the Group Internal Audit Plan. The Head of Group Internal Audit leads the Internal Audit Department activities globally in order to avoid silo effects and ensure that (i) the same audit framework and methodologies are applied Group-wide for each audit engagement and recommendations monitoring, (ii) the auditors' assignments are based on skills in line with the audit objectives, benefiting from Group Internal Audit's resources and comply with rotating principles.

Reporting: the Head of Group Internal Audit can delegate to Regional Deputies the duties related to the Internal Audit reporting to pre-defined affiliates' Audit Committees and Supervisory Bodies. The Head of Group Internal Audit ensures that the reported information is aligned and consistent across the Group.

Exceptions: in specific cases where the general principles above are not applied, the case must be submitted for approval to the relevant Audit Committee, Group CEO and the Chairman of the Audit Committee of the Board of SCOR SE and other bodies as deemed necessary.

The Head of Group Internal Audit or a delegate (Deputy Head) is invited to, attends and reports during the regular Audit Committees meetings on the Internal Audit activities and performance and meets privately with the Chairperson of the relevant Audit Committee (at least annually). For entities having no specific Audit Committee, the Head of Group Internal Audit is invited to, attends and reports during the Board meeting. The Head of Group Internal Audit issues an annual report when requested by the Audit Committee or required by laws or regulations.

B.5.1.3. INDEPENDENCE PRINCIPLES

Within SCOR, the Head of Group Internal Audit reports directly to the Group CEO, to provide the necessary independence, and allow it the greatest possible freedom of investigation, while at the same time ensuring the effective and timely implementation of its recommendations and management actions. The Head of Group Internal Audit also reports functionally to the Chairman of the Audit Committee of the Board of SCOR SE, who approves decisions regarding his/her appointment and removal and makes appropriate enquiries to ensure that audits are performed within an appropriate scope with adequate resources and may steer Group Internal Audit's activities in a specific direction.

The Head of Group Internal Audit submits a written report to the Board Audit Committee at least annually on the organizational independence of the Group Internal Audit function. If independence or objectivity is impaired in fact or appearance, the details of the impairment must be disclosed to appropriate parties. The nature of the disclosure should depend upon the impairment. This principle is applied in the same manner for SCOR Group entities.

Group Internal Audit must and does have unrestricted access to all information, people, relevant systems and data regarding audit assignments and consulting projects, including easy access to and open communication with the audited department and management.

B.5.2. SCOR SE – INFORMATION ON THE INTERNAL AUDIT FUNCTION

The principles and organization as defined and implemented at Group level apply similarly to SCOR SE's Internal Audit function. Similarly, the scope of Internal Audit engagements issued during the reporting period and audit plan defined at SCOR SE level are the same as the ones issued and defined at Group level.

B.6. ACTUARIAL FUNCTION

B.6.1. IMPLEMENTATION OF THE ACTUARIAL FUNCTION

An Actuarial key function has been defined for the Group and all legal entities subject to the Solvency II Directive. These key functions are conducted under the responsibility of a key function holder.

The role of the Actuarial key function is to:

- coordinate the calculation of technical provisions;
- ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- assess the sufficiency and quality of the data used in the calculation of technical provisions;
- compare best estimates against experience;
- inform the Administrative, Management and Supervisory Body (AMSB) of the reliability and adequacy of technical provisions;
- oversee the calculation of technical provisions in case of insufficient data of appropriate quality inducing the use of appropriate approximations, including case-by-case approaches, in the calculation of best estimates;
- express an opinion on the overall underwriting policy;
- express an opinion on the adequacy of reinsurance arrangements;
- contribute to the effective implementation of the risk-management system, in particular with respect to the risk modeling underlying the calculation of the capital requirements, and to the Own Risk and Solvency Assessment; and
- produce an annual written Actuarial Function report submitted to the management, the Board and/or related Committees on actuarial matters of the Group and the corresponding legal entities. The report includes a description of tasks undertaken by the Actuarial key function, an opinion on the technical provisions, overall underwriting policy and the adequacy of reinsurance arrangements, a description of any deficiency and recommendations on how such deficiencies can be remedied.

This role is undertaken by the Actuarial Function Holder (AFH) supported by members of the reserving teams, with the involvement of other teams within SCOR (Underwriting teams, Retrocession teams, Risk Modeling teams, Capital Management Department).

The Actuarial key function holder for the Group is in charge of coordinating the implementation of Solvency II standards related to the Actuarial key function throughout SCOR.

The cooperation with the three other key functions (Risk Management, Internal Audit and Compliance key functions) is ensured *via* quarterly interactions with the teams performing the tasks in the scope of these functions.

B.6.2. SCOR SE – INFORMATION ON THE ACTUARIAL FUNCTION

SCOR SE's Actuarial key function is organized along the lines of the Actuarial key function of the Group.

B.7. OUTSOURCING

B.7.1. OUTSOURCING PRINCIPLES AND ORGANIZATION

SCOR has put in place a SCOR Group Policy on Outsourcing which sets forth the principles, framework and rules to be followed by SCOR employees considering the outsourcing of critical or important functions by any SCOR entity to another entity, within or outside the SCOR Group.

The SCOR Group Outsourcing Policy is supplemented by the SCOR Group Guidelines on Outsourcing (the "Guidelines"). The Guidelines provide an easy step by step process when considering outsourcing as covered by such Policy and Guidelines.

When outsourcing a critical or important function, a SCOR entity shall use appropriate and proportionate systems, resources and procedures in line with the risks involved in order to select a specific service provider. In particular, prior to entering into any such outsourcing relationship, a SCOR entity shall conduct a due diligence that is adequate and commensurate with the risks involved.

A SCOR entity shall monitor and review the quality of the service provided and shall maintain internally the competence and ability to assess whether the service provider delivers the service according to the outsourcing agreement.

Pursuant to Solvency II requirements, specific rules apply to the outsourcing of critical or important functions by SCOR EU entities. A SCOR EU entity is an insurance or reinsurance undertaking incorporated in and supervised by a regulator with jurisdiction in a country located in the European Union. As of the date of this report, SCOR SE, SCOR Global Reinsurance Ireland DAC, SCOR Ireland DAC and SCOR Europe SE fall into the definition of SCOR EU entities.

A critical or important function is defined in the Group Policy as a function essential to the operation of the relevant SCOR entity, *i.e.* a function the interruption of which would be considered as likely to have a significant impact on:

- the activity of such an entity;
- the entity's ability to effectively manage risks; or
- the entity's regulatory authorization,

in view of the following:

- the cost of the outsourced activity;
- the financial and operational impact as well as the impact on the reputation of the SCOR entity as to the inability of the service provider to fulfill its obligations on time;
- the difficulty of finding another service provider or resuming live activity;
- the ability of the SCOR entity to meet regulatory requirements in case of problems with the service provider; and
- the potential losses for insured parties, policyholders or recipients under contracts or reinsured businesses in case of default by the service provider.

The outsourcing of a critical or important function by a SCOR entity that is a SCOR EU entity shall be subject to the following process:

- a cost/risk/benefit analysis of the possible outsourcing will be conducted taking into account the specificities of the critical or important function or activity considered and the business case associated with such possible outsourcing will be reviewed by the appropriate governing body of the relevant SCOR entity;
- the outsourcing of a critical or important function will be supervised by a process owner for the entire duration of the outsourcing;
- the process owner will carry out adequate financial, technical, compliance and regulatory due diligences including a review of the service provider's internal control framework and a check of any potential conflict of interest in accordance with the guidelines;
- a specific review of existing or potential sub-outsourcing relationships will be carried out;
- a review of the adequacy of the service provider contingency plan will be conducted;
- the outsourcing agreement shall include specific provisions as per the Solvency II Directive and as per the specific regulatory additional requirements, if any, applying to the Critical or Important Function or Activity considered (*e.g.* cloud outsourcing), including provisions allowing the SCOR EU Entity to adequately control and monitor the quality of the Critical or Important Functions or Activities outsourced;
- a SCOR EU Entity contemplating the outsourcing of a Critical or Important Function or Activity shall notify its supervisory regulatory authority prior to entering into this outsourcing relationship, in accordance with relevant regulations;

being specified that specific additional steps/requirements may also apply, as the case may be, to arrangements involving the outsourcing of a critical and important function to a cloud service provider. The qualification of outstanding arrangements as an outsourcing of critical or important functions is reassessed periodically by the SCOR EU entities considered.

B.7.2. MAIN ACTIVITIES OUTSOURCED TO EXTERNAL SERVICE PROVIDERS

As of the date of this report, critical or important functions outsourced by SCOR EU entities to external service providers include the following:

- certain IT systems and services are outsourced by SCOR GIE Informatique in the name and on the behalf of SCOR Entities (which pools and manages the IT needs of SCOR entities worldwide) to large IT companies which have developed an expertise that SCOR would not be able to develop internally at a reasonable cost. Each outsourced relationship is closely monitored by the SCOR IT Department, with a specific focus on service quality, IT security and business continuity in France and various other jurisdictions;

- SCOR Europe SE has outsourced underwriting and claims handling of certain construction risks to specialized agencies in Norway, of certain transactional risks to a specialized agency in Germany/Ireland, and of certain trade credit risks to a specialized agency in France. These outsourcing are due to the specific nature of these lines of business requiring large, dedicated teams and scale, which exceeds the SCOR resources available to develop these lines of business. A SCOR manager and a SCOR underwriter specialized in the review of these risks closely monitor these outsourced relationships through attendance of regular technical meetings, frequent reporting and audits;
- the asset management function relating to specific jurisdictions, especially in Asia-Pacific and North America, is outsourced to large expert asset managers when regulatory hurdles or lack of scale would prevent SCOR Investment Partners SE, SCOR's wholly owned asset manager, to provide adequate asset management services to relevant local operational unit. Among the external expert asset managers are well known and reputable asset managers located in Singapore, Canada, China and Hong Kong.

These outsourcing relationships are documented through adequate outsourcing agreements and closely monitored by the designated person of the relevant SCOR EU entity in charge of monitoring.

B.7.3. MAIN INTRAGROUP OUTSOURCING ARRANGEMENTS

In some locations, SCOR operates with regional functions to service its network of local subsidiaries, branches and representative offices in the region. These functions enable:

- managing pooled resources, including information technology, human resources and legal/compliance in the Group's main locations;
- Group functions to be carried out and managed in geographical locations other than Paris in order to benefit fully from the competencies offered by the different locations; and
- the Group to develop a global culture while keeping local specificities.

As a result, parts of certain critical or important functions may be outsourced to the SCOR staff responsible for carrying out tasks in support of the execution of the critical or important function, in the regions in which the relevant SCOR EU entity operates.

These outsourcing relationships are documented through adequate outsourcing agreements and closely monitored by (i) the key function holder of the relevant SCOR EU entity for the specific key function, or (ii) the duly designated person of the relevant SCOR EU entity in charge of monitoring.

The structuring and validation of the internal model, when relevant, is outsourced by certain SCOR EU entity to the Group Financial Modeling & Risk Analysis team of SCOR Switzerland Services AG and to the Group Actuarial Modeling team of SCOR SE respectively. Other SCOR EU entities may provide services in support of the execution of this function, when necessary. These outsourcing relationships are documented through adequate outsourcing agreements and are monitored by the risk management key function holder of the relevant SCOR EU entity.

The compliance function is partly or fully outsourced, as the case may be, by certain SCOR EU entities to the relevant legal and compliance teams based in the jurisdictions and regions where they operate, notably the local legal and compliance teams. These outsourcing relationships are documented through adequate outsourcing agreements and are monitored by the compliance key function holder of the relevant SCOR EU entity.

The Internal Audit function of each SCOR EU entity (other than SCOR SE) is outsourced to the Group Internal Audit team hosted by SCOR SE. In the execution of its mission, the Group Internal Audit team of SCOR SE also relies, when necessary, on the support of the Internal Audit teams employed in SCOR Services ASIA Pacific Pte Ltd, SCOR Reinsurance Company and SCOR Switzerland Services AG. These outsourcing relationships are documented through adequate outsourcing agreements and are monitored by the Internal Audit key function holder of the relevant SCOR EU entity.

The Actuarial Function is partly outsourced by certain SCOR EU entities to the Group Financial Modeling & Risk Analysis team of SCOR Switzerland Services AG and/or to the Life Economic Valuation team of SCOR SE. Other SCOR entities such as SCOR Services ASIA Pacific Pte Ltd., SCOR Reinsurance Asia Pacific, SCOR Global Life Americas Reinsurance Company or SCOR Global Life Australia, may also provide services in support of the execution of this key function, when necessary. These outsourcing relationships are documented through adequate outsourcing agreements and are monitored by the actuarial key function holder of the relevant SCOR EU entity.

Certain underwriting and claims activities are outsourced by SCOR Europe SE to SCOR SE. Claims handling activities are outsourced by SCOR Global Reinsurance Ireland DAC and SCOR Ireland DAC to some extent and when relevant to various SCOR entities (notably to SCOR Global Life Americas and SCOR Services Asia Pacific Pte Ltd). These outsourcing relationships are documented through adequate outsourcing agreements and are monitored by the designated person of the relevant SCOR EU entity.

The asset management activities are partly outsourced by SCOR SE to SCOR Investment Partners SE. Each other SCOR EU entity outsources its asset management activities to SCOR SE. These outsourcing relationships are documented through adequate outsourcing agreements and are closely monitored by the designated person of the relevant SCOR EU entity.

Certain accounting and finance activities are outsourced by SCOR Europe, SCOR Global Reinsurance Ireland DAC and SCOR Ireland DAC to the relevant accounting teams based in the jurisdictions and regions where they operate. These outsourcing relationships are documented through adequate outsourcing agreements and are monitored by the designated person of the relevant SCOR EU entity.

IT is outsourced by each SCOR EU entity (except for SCOR SE) to SCOR SE. In the execution of its mission, the SCOR IT department hosted by SCOR SE relies on its staff employed in various SCOR entities. These outsourcing relationships are documented through adequate outsourcing agreements and are closely monitored by the designated person of the relevant SCOR EU entity.

B.7.4. SCOR SE – INFORMATION ON OUTSOURCING

SCOR SE's outsourcing principles and organization are defined along the same lines as those of the Group. See Section B.7.1 – Outsourcing principles and organization for further information.

The main activities outsourced to external service providers at SCOR SE's level relate to certain IT systems and services, as well as asset management activity relating to Canada, Japan, Malaysia and China. See Section B.7.2 – Main activities outsourced to external service providers for further information.

Within the Group, SCOR SE outsources its key functions to some extent. See Section B.7.3 – Main intragroup outsourcing arrangements for further information.

B.8. OTHER MATERIAL INFORMATION REGARDING THE SYSTEM OF GOVERNANCE

No other material information is reported regarding SCOR's system of governance, other than that presented in Sections B.1 – General information on the system of governance to B.7 – Outsourcing.

Risk profile

C.1. INTRODUCTION

C.1.1. GENERAL INTRODUCTION

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, SCOR faces risks other than those described below: additional risks and uncertainties not currently known to SCOR, or that are currently deemed to be immaterial, may also have a material adverse impact on SCOR's business, financial condition, results of operations or cash flows. This section outlines management's current view of SCOR's main risks and main risk management mechanisms currently in place at the level of the Group and its parent company, SCOR SE. 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, solvency ratio and potentially, on its share price.

The Group has identified the following categories of risks, also applicable to legal entities:

- underwriting risks;
- market risks;
- credit risks;
- operational risks;
- strategic risks (see Section C.7.1 – Strategic risks).

These risks, further described in this chapter, are managed through a variety of mechanisms in SCOR's ERM framework.

SCOR's ERM framework is further described in:

- Section B.1 – General information on the system of governance for a description of the role of the administrative and management bodies involved in the risk management system and related control functions;
- Section B.3 – Risk management system including the ORSA for a wider description of the Group risk management system as well as the role of the main stakeholders involved in risk management and relevant procedures and control activities.

SCOR is also exposed to liquidity shock risks that arise from short liquidity needs. While SCOR considers this risk to be a subcategory under strategic risks, for the purpose of this report, liquidity risks and the management thereof are described in a dedicated section, see Section C.5 – Liquidity risks.

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 business due either to a change in interpretation of the contracts leading to extensions of covers beyond policyholders' expectations (*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-than expected fluctuations in macroeconomic indicators such as interest rates and price levels, 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.

Environmental, social and governance (ESG) trends may also give rise to sustainability risks that could negatively impact SCOR's business and operations. In particular, major environmental and social issues such as global climate change and environmental degradation have the potential to create new risks or exacerbate existing risks within the risk categories identified above. Risks that arise from ESG trends are also referred to as "sustainability risks". For more information on SCOR's exposure to sustainability risks, please see Section C.1.7.5 – Sustainability risks.

Despite the implementation of risk management mechanisms across the Group to mitigate significant impacts, it cannot be guaranteed that these mechanisms will achieve their intended purpose. Many of SCOR's risk management methods rely on historical market behaviors, statistical models based on past data, or expert judgment. Consequently, these methods may not fully anticipate future exposures, which could be substantially greater than estimated, especially in unstable or volatile markets and environments. Additionally, other risk management methods involve analyzing information about markets, clients, natural catastrophes, and other relevant matters that are 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 that SCOR's risk exposure may exceed defined risk tolerance limits due to incorrect estimation of these risk exposures. If the risks disclosed in this section were to occur, they could potentially have a significant effect on SCOR's present and future business, cash flows, Eligible Own Funds and solvency position.

As mentioned in Section B.3.3 – Internal model contribution to the ERM framework, the risk categories reported in the internal model include P&C underwriting and reserving risk for the Group and P&C related legal entities, L&H underwriting and reserving risk for the Group and L&H related legal entities, Market risks including interest rate risks and currency risks, credit risks, and operational risks.

For further information on risks included in SCOR's internal model, at both SCOR Group and SCOR SE level, see Chapter E – Capital management.

SCOR is exposed to other risks not modelled within the internal model including strategic, liquidity and emerging risks. These risks are not expected to have an immediate impact on the Solvency Ratio over a one-year time horizon and are monitored and managed through specific processes.

For quantitative information on all risk categories, including changes over the reporting period, see Section E.1.2.1 – SCR by components.

C.1.2. SENSITIVITY ANALYSIS

SCOR maintains a resilient solvency position. SCOR monitors its Solvency Ratio sensitivity to the economic assumptions which could have the most significant impact on the Solvency Ratio over the coming year.

Where appropriate, SCOR also monitors some of these sensitivities at the underlying legal entity level.

The Group's estimated Solvency Ratio sensitivities to market risks are as follows:

Sensitivities – Impact on Solvency Ratio	Impact in % points
+50 bps Euro Interest rate	4
-50 bps Euro Interest rate	(7)
+50 bps Corp Credit spread	(2)
+50 bps Govt Credit spread	(1)
-25% Equity returns(1)	(0)
+10% in USD	1
-10% in USD	(1)

(1) Sensitivities for a -25% stress for equities valued mark to market/with observable market inputs.

The sensitivities are expressed in percentage points of the Solvency Ratio. The methodology used to calculate the economic sensitivity is based on stressing the underlying economic variable and re-computing the value of the Solvency Ratio under this stress scenario.

Sensitivity to underwriting risks is evaluated through a variety of mechanisms explained in Section B.3.2.3 – Identification and assessment of risks. The most significant exposure for SCOR Group on these measures are P&C long-tail, mortality, P&C short-tail, and morbidity.

C.1.2.1. SENSITIVITY ANALYSIS AT SCOR SE LEVEL

The results for SCOR SE are the same as those for the Group when considered on a look-through basis. Sensitivities to various risks, including market risks, are monitored and analyzed on a regular basis as described above.

C.2. UNDERWRITING RISKS

As a reinsurance group, SCOR underwrites and manages various P&C and L&H (re)insurance risks. SCOR accepts these risks based on their estimated risk-adjusted profitability and maintains reserves on its balance sheet to cover the 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. Deviations from these estimations or the occurrences of infrequent but severe events can negatively impact SCOR's financial results and stability.

The frequency of claims, their severity, the actual payments made, the development of long-tail claims (whether litigated or not), and long-term mortality trends as well as external factors (such as those listed below), are all beyond the Group's control.

Additionally, SCOR is dependent on the quality of underwriting by its ceding companies for reinsurance treaties, and on the quality of said companies' claims management as well as the data provided by them. Faced with these uncertainties, SCOR seeks to ensure that sufficient reserves are in place to cover its liabilities. Other external factors such as professional practices, legal, jurisdictional, regulatory, social, political, economic, financial and environmental conditions create uncertainties and may adversely affect SCOR's business due to either interpretations of contracts leading to unintended coverage extensions (*e.g.* through inapplicability or overriding of treaty clauses) or by increasing the frequency and/or severity of claims beyond what was anticipated at the time of the underwriting.

SCOR's underwriting risk exposure is mitigated by diversification across a large portfolio of reinsurance contracts as well as careful business selection, implementation of underwriting guidelines, centralized underwriting management, use of retrocession and other risk transfer arrangements and proactive claims handling as well as underwriting, claims and administration audits at ceding companies.

For further details on retrocession and other risk mitigation techniques within SCOR, see Section C.2.4 – Retrocession and other risk mitigation techniques.

Consistent with the Group's strategy of selective market and business unit development, SCOR seeks to maintain a portfolio of business risks that is strategically diversified geographically, by line and class of business and over time (short and long-tail). The Group's insurance risk exposure is mitigated by diversification across a large portfolio of reinsurance contracts. The volatility of risks is reduced by careful business selection, implementation of underwriting guidelines, the use of retrocession and other risk transfer arrangements and proactive claims handling as well as underwriting, claims and administration audits at ceding companies.

SCOR underwrites reinsurance covers in P&C and L&H and occasionally in direct P&C and L&H insurance.

SCOR writes direct insurance, primarily on a business-to-business basis to cover large corporate risks through the Specialty Insurance domain of SCOR's P&C business unit, including through the participation in Lloyd's syndicates including the Channel Syndicate, for which SCOR is the sole capital provider, as well as through some participations in Business Ventures and Partnerships.

C.2.1. P&C BUSINESS

P&C risks refer to risks related to pricing and reserving assumptions of property and casualty (re)insurance. P&C risks include the following subcategories:

- man-made risks;
- natural catastrophe risks;
- claims development risks;
- contractual and behavioral risks;
- P&C production cost risks.

Of these, SCOR considers man-made, Nat Cat risks and claims development risks to be the most significant. The following subsections provides more information on each of the subcategories.

For quantitative information on P&C underwriting risks, see Section C.1 – Introduction and Section E.1.2 – Solvency Capital Requirement.

C.2.1.1. CLAIMS DEVELOPMENT RISKS

SCOR's P&C business, in particular long-tail lines of business, such as 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 the risk of material reserve deterioration (or long-tail reserve deterioration). This is due to the time required for claims materialization and settlement.

Long-tail reserve deterioration occurs when the frequency and severity of P&C claims are higher than assumed in the initial calculation of the Best Estimate Liabilities (BEL). For casualty business, the frequency and severity of claims and the related amounts of indemnities paid can be affected by several factors. One of the most significant factors is claims inflation, mainly influenced by general economic inflation and the changing regulatory and legal environment, as well as in societal behaviors, including developments in legislation and litigation (often referred to as "social inflation"), such as the recent revival statutes enacted by certain US states. Such legislative changes allowing previously time-barred claims to be brought up again in legal suits, or changes extending the statute of limitations retroactively, can materially impact the frequency and severity of claims on long-tail business lines.

For further information on risks related to technical provisions, please see Section C.2.3 – Risks related to technical provisions.

C.2.1.2. MAN-MADE RISKS

SCOR's property and casualty business covers various lines of business which are exposed to insured losses that arise from accidental and intentional human actions and decisions. These risks encompass a wide range of potential events, including personal and industrial accidents, corporate malpractices, terrorism, cyber attacks, and other human-induced incidents that can lead to financial losses. Man-made events can lead to a combination of property and casualty losses and impact all lines of businesses, depending on the type of events, except for pure natural catastrophe covers.

Man-made risks cover both the general risk of inadequate pricing as well as the risk of rare but catastrophic losses. Man-made catastrophes can impact both short-tail and long-tail lines of businesses.

SCOR's property business is exposed to multiple insured losses arising from single or multiple man-made events. The short-tail lines of business mostly exposed to man-made catastrophes are property (excluding natural catastrophes), engineering, marine, credit and surety, and aviation and space.

Man-made catastrophes refer to negligent or deliberate human actions, *e.g*. large explosions and/or fires at major industrial sites or acts of terrorism. These events can have significant impacts on businesses, property and lives: acts of terrorism can often target large cities and key landmarks such as international airports and governmental facilities.

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 runs until the end of 2027.

Long-tail lines of business, such as 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 can also be subject to large loss events, which can vary 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 cyber-related events, which may also simultaneously lead to material losses on property or other lines of business.

Casualty catastrophes are likely to emerge gradually and the full extent of the losses is often not known for a significant length of time. This leads to loss estimates being uncertain, especially in the early stages of loss emergence.

C.2.1.3. NATURAL CATASTROPHE RISKS

SCOR's property business is exposed to multiple insured losses arising from single or multiple natural events. Natural catastrophes, such as but not limited to hurricanes, typhoons, windstorms, floods, hail, severe winter storms and earthquakes can generate material insured losses in property, engineering, agriculture and possibly other lines of business.

The most material natural catastrophes to which SCOR is exposed include hurricanes in North America, windstorms in Europe, and earthquakes in North America and Japan.

C.2.1.4. OTHER RISKS

Contractual and behavioral risks

Contractual and behavioral risks cover the risks related to insurance policy and reinsurance terms and conditions, including annuity options, and behavior of policyholders and counterparties. These risks arise from ambiguities, inconsistencies, or gaps in contract language that can lead to disputes, misunderstandings, and potential financial losses. The subcategory also includes risks stemming from contractual terms and conditions that give cedants, for assumed contracts, or retrocessionaires, for ceded contracts, rights and options, such as recapture rights. Recapture rights allow cedants to terminate or modify reinsurance agreements under certain conditions. These contract features can lead to unexpected changes in the reinsurance portfolio, affecting the company's ability to predict and manage risks effectively.

P&C Production cost risks

P&C Production cost risks covers the risk that expenses and other costs related to assuming and managing P&C business are higher than assumed, thereby negatively impacting the profitability of SCOR. This includes various expenses and operational expenditures necessary to manage insurance policies effectively, the cost of the capital required to write the business as well as taxes. Expenses are exposed to inflation, which poses a risk that the actual incurred expenses may exceed the amounts assumed during pricing or reserving.

Risks concentrations

The accumulation of risks, such as by regions, by lines of business or by exposure to individual events, may produce Risks concentrations. Material concentration of risk in the P&C business portfolio particularly relates to accumulation of exposures to natural catastrophes. In terms of individual events, the largest concentrations of exposure are to North Atlantic Hurricane and European Windstorm.

SCOR generates its P&C business through both brokers and direct relationships with insurance company clients. The risk for SCOR is mainly the concentration of premiums written through a limited number of brokers or clients. A significant reduction in the business generated through these brokers or clients could potentially reduce premium volume and net income.

C.2.1.5. MANAGEMENT OF UNDERWRITING RISKS RELATED TO THE P&C BUSINESS

SCOR's CRO area and the P&C business unit are organized to enable them to assess and control P&C underwriting risks at each level of its business:

- most of the business underwritten is periodically renewed at agreed dates, which allows for portfolio management actions to be implemented where needed. Business is renewed based on annual underwriting plans, which are approved by senior management;
- P&C underwriters manage client relationships and offer reinsurance support after a careful review and assessment of the clients' exposures and management procedures. They are responsible for writing treaty or facultative business in their respective territories within the limits of their individually delegated underwriting authority and the scope of underwriting guidelines;
- underwriting and pricing guidelines specify the underwriting capacities delegated to each underwriter in each entity for each line of business, as well as the underwriting principles and pricing parameters to be applied. These guidelines are subject to a regular review and approval process. SCOR's underwriting guidelines are more restrictive regarding certain areas that are subject to increased uncertainty, for instance on claims activity or in the legal environment:
  - 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 and (iv) points of attention in the contract wordings, including recommended clauses for some aspects,
  - pricing guidelines and parameters apply to all treaties priced within the P&C business unit. 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. The guidelines aim to provide consistency and continuity across the organization while taking into account differences in the underlying risks. Parameters are revised at least once a year. Contracts that meet certain thresholds are subject to mandatory peer reviews that have to be performed and documented before pricing is completed;
- the P&C underwriting teams are supported by a central Chief Underwriting Officer department. This department 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 the monitoring and referral of non-standard business and for authorizing exceptions to the underwriting guidelines within its authority. This centralized underwriting management process allows for consistent application of underwriting guidelines throughout the Group;
- certain business opportunities as well as new business initiatives (new market entries or introduction of new offerings) are subject to special referral procedures to ensure that decisions are taken at the appropriate management level. SCOR maintains clearly-defined referral processes escalating the decision on a business acceptance to the different management levels depending on the impact of the opportunity on SCOR's risk bearing capabilities. The different referral levels include global functions of the P&C business unit, the CRO area as well as the Executive Committee or the Group Underwriting Committee and the Board;
- Pricing & Modeling teams are responsible for the pricing of the reinsurance and insurance business at individual contract level and the insurance business. Guidelines, methods and tools are set and maintained centrally and are used by the local pricing teams 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 actuaries work closely with underwriters and modelers by market or line of business. Pricing referral procedures are in place, triggering pricing reviews by different levels of Pricing & Modeling management as well as the CRO area depending on the size of the deal;

- accumulations across all lines of business are monitored by a dedicated team. Gross exposures to earthquake and storm risks are measured using proprietary vendor 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 as well as its overall aggregate annual PML per peril, allowing for potential multiple events, providing information required to determine the appropriate level of retrocession and other alternative risk transfer solutions (*e.g.* catastrophe bonds);
- in relation to climate change, SCOR regularly reviews its risk assessment through model calibration to reflect recent loss trends and the latest verified scientific research. This process includes a framework to assess the potential impacts of climate change over the long term. The governance of risk pricing is managed by the research & development and pricing & modelling teams, with any calibration validated by the Accumulation Committee. Numerous studies on the impact of climate change have been conducted, and their findings have been incorporated into the model calibrations. However, the specific nature of the (re)insurance market, with yearly contract renewals, prevents SCOR from pricing long-term physical risks associated with climate uncertainties. Despite this, stress-tests have been performed on the property portfolio based on forward-looking climate scenarios for presentation to regulatory bodies;
- in terms of managing climate transition risks, SCOR has already made certain underwriting commitments that are a strong step 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 of these guidelines within their business unit. 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 relating to the terrorism risks to which Reinsurance and Specialty Insurance are exposed;
- in order to mitigate its gross risk exposure, the Group retrocedes a portion of the risks it underwrites. See Section C.2.4 – Retrocession and other risk mitigation techniques for further information on how these instruments are managed;
- claims handling is performed by dedicated claims teams, which review, process and monitor reported claims. This team 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 oversees day-to-day activity and takes up the direct management of large, litigious, serial and latent claims as well as monitoring of claims handling delegated to third parties. In addition, periodic audits are conducted on specific claims and lines of business, and claims processing and procedures by ceding companies and/or third parties are examined with the aim of evaluating their claims adjustment process, valuation of outstanding claims reserves and overall performance. When needed, recommendations are given to underwriters and local management;
- risks specific to the administration of contracts are subject to checks performed at the subsidiary and branch level through the "Internal Control System" framework. The application of this framework is regularly controlled by Group Internal Audit. SCOR's Group Information System includes multiple automatic checks and additional tools;
- 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 C.2.3.2 – Management of risks related to technical provisions;
- a review of insurance service results is performed on a quarterly basis;
- risk-related topics of the P&C business unit are discussed at dedicated quarterly meetings at several levels of the Group (P&C Risk and Capital Committee and Group/Board Risk Committees). A quarterly Group Underwriting Committee is in place for certain underwriting related topics and risks;
- in-force Portfolio Reviews are conducted to provide independent technical assessments on the underwriting, pricing & modeling, reserving, technical accounting and claims handling of particular markets, lines of business or portfolios, depending on the defined scope. The process to select the portfolios and areas in scope of the reviews is guided by a risk-based approach.

C.2.2. L&H BUSINESS

L&H risks refer to risks related to pricing and reserving assumptions of Life and Health (re)insurance. L&H risks include the following subcategories:

- mortality risks;
- longevity risks;
- morbidity risks;
- contractual & behavioral risks;
- L&H Production cost risks.

Of these, SCOR considers mortality, morbidity and policyholder behavior risks to be the most significant. The following subsections provides more information on each of the subcategories.

For quantitative information on Life underwriting risks, see Section C.1 – Introduction and Section E.1.2 – Solvency Capital Requirement.

C.2.2.1. MORTALITY

This risk covers 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 estimations of expected claim levels 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.

In L&H reinsurance, a severe pandemic is among the most acute risks to SCOR's results and solvency. Since the beginning of 20th century, multiple major pandemics have occurred, each resulting in millions of deaths. The occurrence of a similar event could cause large losses to SCOR due to an increase in mortality far beyond the usual volatility. A lethal strain of influenza or any other infectious disease could lead to a material increase in mortality rates and also have negative morbidity effects, thus significantly impacting SCOR's results in its mortality and morbidity lines of business.

SCOR's most material L&H risk exposure is from the reinsurance of long-term mortality in the US, where SCOR has the largest portion of its mortality portfolio.

C.2.2.2. LONGEVITY

Longevity risk covers the risk of a negative deviation from expected results in reinsured portfolios, due to the insured or annuitant living longer than assumed in the pricing or reserves. This risk could have an impact on longevity swaps which are the most usual reinsurance structures, as well as on annuity, long-term care covers and on other longevity protection products.

C.2.2.3. MORBIDITY RISKS

Insurance products covering risks such as critical illness, short-term and long-term disability, medical expenses and long-term care, which all contain morbidity risk, are subject to the risk of negative health trends and the consequences of improved medical diagnosis capabilities which increase the number of claims due to conditions that otherwise may have remained undetected.

Future medical progress may improve treatments, resulting in higher claims, since certain diseases would have otherwise shortened the Life expectancy of the insured. Products providing cover for medical expenses are in particular also subject to the risk of higher-than-expected incidence and inflation of medical costs.

C.2.2.4. OTHER RISKS

Contractual and behavioral risks

The risk covers risks related to insurance policy and reinsurance terms and conditions, including non-biometric options, and behavior of policyholders and counterparties.

In particular, SCOR's L&H 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 on the product design and the expected reinsurance results pattern, higher or lower policyholder lapses than assumed in the pricing or reserving may reduce the expected future income of the L&H business unit.

Adverse selection refers to the issue of asymmetrical 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 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;
- choose and exercise a policy option which increases the policyholder's expected benefit.

This could lead to a portfolio composition which differs from that assumed during pricing and could result in lower than expected profits for both the primary insurer and the reinsurer.

This risk also covers various other features embedded in Life and Health (re)insurance contracts not related to biometric and policyholder behavior risks. These can cover rights and options given to cedants, such recapture rights giving the cedant an option or obligation to recapture the ceded business in the event of certain triggers or conditions being met, as well as policyholder guarantees related to non-biometric events or conditions, such as premium waivers in the event of a policyholder becoming unemployed.

L&H Production cost risks

L&H Production cost risks cover the risks that expenses and other costs related to assuming and managing L&H business are higher than assumed, thereby negatively impacting the profitability of SCOR. This includes various expenses and operational expenditures necessary to manage insurance policies effectively, the cost of the capital required to write the business as well as taxes. Expenses are exposed to inflation, which poses a risk that the actual incurred expenses may exceed the amounts assumed during pricing or reserving.

Risks concentrations

Accepting large amounts of risks may produce risks concentrations, such as exposure to certain regions or events. The largest concentration of risk in the L&H business are in relation to long-term mortality deterioration, longevity and mortality shock events (*e.g.* pandemics).

C.2.2.5. MANAGEMENT OF UNDERWRITING RISKS RELATED TO THE L&H BUSINESS

SCOR's CRO area, along with the L&H business unit, has implemented mechanisms to mitigate certain risks specific to the Life business:

- claims deterioration risks are mitigated through reviewability options (*e.g*. yearly renewable terms) for parts of the mortality and health business, and through premium adjustment clauses for some products or in reinsurance treaties;
- lapse risks are mitigated through appropriate reinsurance treaty clauses, use of lapse disincentives in underlying insurance policies 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 L&H business unit is organized so that the assessment and control of its risks can be performed at each level of its business.

- generally, the L&H 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 L&H business within the Group is under the worldwide responsibility of SCOR's L&H business unit. Clients are served by SCOR's dedicated reinsurance specialists, Life underwriters and actuaries who are knowledgeable about the specific features of the markets in which they operate, particularly the local lines of business and policy conditions, as well as the technical specifics such as mortality tables, morbidity incidence rates and persistency rates. During the underwriting process, as L&H business is in large part developed through proportional reinsurance, consideration is typically given to the insurance product features, the quality of the ceding company's medical and financial underwriting standards, the target clientele of the ceding company, as well as to past experience to the extent that credible data is available;
- the L&H business is underwritten following internal underwriting and pricing guidelines. Mandates for underwriting Life reinsurance business are assigned to teams on a mutually exclusive basis and individual business acceptance authorities are centrally managed and regularly reviewed;
- in order to ensure that the L&H 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 L&H 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 event. These guidelines outline contract types and terms and conditions of acceptance. Furthermore, they set out the level of retention of SCOR's L&H business unit for the different risks and types of cover. Revisions and updates follow a formalized approval process;
- certain business opportunities as well as new business initiatives (new market entries or introduction of new offerings) are subject to special referral procedures to ensure that decisions are taken at the appropriate management level. SCOR maintains clearly-defined referral processes escalating the decision on a business acceptance to the different management levels depending on the impact of the opportunity on SCOR's risk bearing capabilities. The different referral levels include global functions of the L&H business unit, the CRO area as well as Executive Committee or the Group Underwriting Committee and the Board;

- accumulations of risk exposed to catastrophes and other major events in the L&H 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 L&H reinsurance business. One program protects assumed per event excess of loss acceptances; another per event retrocession protects the net retained lines in respect of proportional and per-risk acceptances. For pandemic events SCOR uses the RMS model for infectious diseases in order to assess the potential exposure to such risks;
- maximum underwriting capacities are established to limit SCOR's L&H business unit's exposure from various types of treaties underwritten, whether proportional or non-proportional, covering individual or Group policies. These capacities are reviewed each year, considering 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 L&H regular risk reporting. For further information on how these instruments are managed, see Section C.2.4 – Retrocession and other risk mitigation techniques;
- claims handling is performed by local claims teams that handle and monitor claims. Claims exceeding a predefined threshold are reviewed by the L&H 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 the L&H business unit's technical provisions is monitored based on specific procedures. For further information on how risks related to technical provisions are managed, see Section C.2.3 – Risks related to technical provisions;
- 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 insurance service results is performed on a quarterly basis;
- risk-related topics of the L&H business unit are discussed at dedicated quarterly meetings at several levels of the Company (L&H Risk Committee and Group/Board Risk Committees). A quarterly Group Underwriting Committee is in place for certain underwriting related topics and risks;
- cross reviews are conducted to provide independent technical assessments on the underwriting, pricing and claims handling of particular markets, lines of business or portfolios, depending on the defined scope. The process to select the portfolios and areas in scope of the reviews is guided by a risk-based approach.

C.2.3. RISKS RELATED TO TECHNICAL PROVISIONS

C.2.3.1. SCOR'S RISKS RELATED TO TECHNICAL PROVISIONS

SCOR's technical provisions are established based on the information it receives from its cedent insurance companies, including their own assessments, 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 technical provisions 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, trends in mortality and morbidity, and changes in general economic conditions.

Incorrect and/or incomplete information could have an adverse effect on the Group. The Group is therefore 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 technical provisions are compounded by the significant periods of time that often elapse between the occurrence of an insured loss and the reporting of the loss to the primary insurer and ultimately to SCOR.

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, is another factor of uncertainty. SCOR regularly revises its estimated potential loss exposure on such lines of business as credible experience emerges. The long-tail nature of these lines of business can lead to infrequent but material impacts on the financial statements from these revisions.

C.2.3.2. MANAGEMENT OF TECHNICAL PROVISION RISKS

With regards to technical provisions risk, SCOR seeks high confidence in their adequacy based on the implementation of generally accepted actuarial methodologies, fit for purpose tools and robust processes, controls and reconciliation validated by extensive risk management actions, in particular on assumptions, expert judgment, model, data quality and results. This also includes independent internal and external reviews.

External consulting firms can be mandated to review certain aspects of the reserve calculation and thereby support internal analysis and validation.

The Group Actuarial Function Holder is in charge of providing an independent opinion on the adequacy of the technical provisions, as well as the independent validation and testing of actuarial tools, workflows, assumptions and processes linked to technical provisions. The Group Actuarial Function Holder issues recommendations to the Board of Directors with proposed remediation plans.

All these processes and controls tend to minimize the risk of inadequate technical provisions.

Solvency II Technical Provisions

The Solvency II technical provisions are composed of Best Estimate Liabilities (BEL) and the Risk Margin. The Group Actuarial Function coordinates the calculation of technical provisions across the Group. It relies upon the existing processes and controls as provided in the Actuarial Function Report (AFR). The AFR provides evidence that the duties of the Actuarial Function are being fulfilled, which are specifically to:

- coordinate the calculation of the technical provisions;
- ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- assess the sufficiency and quality of the data used in the calculation of technical provisions;
- compare best estimates against experience;
- oversee the calculation of technical provisions in the cases set out in Article 82 of the Solvency II Directive;
- inform the administrative, management or supervisory body of the reliability and adequacy of the calculation of technical provisions.

For further information on how technical provisions are valued, see Chapter D – Valuation for solvency purposes, Section D.2 – Technical provisions.

The contribution of the actuarial function to the management of the risk on technical provisions includes additional specific controls:

- for P&C business, externally audited IFRS reserves are the starting point for calculating the Solvency II technical provisions (before discounting). Thereafter, the adjustments made to move from IFRS reserves to the Solvency II technical provisions are reviewed internally and across functions according to the area of expertise of the appropriate stakeholders;
- for L&H business, the BEL is computed centrally based on projected Best Estimate cash flows. Consistency checks on projected cash flows are carried out, as well as analyses on changes in the BEL compared to previous periods;
- the risk margin is calculated in SCOR's internal model, which is subject to an independent validation (for further information on the internal model related governance, see Section B.3.3 – Internal model contribution to the ERM framework). The methodology used is aligned with Solvency II requirements and reviewed by the Group Actuarial Function Holder.

For further information on how the Actuarial Function contributes to the effective implementation of the risk management system, see Section B.6 – Actuarial function.

C.2.4. 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, while the retrocessionaire is liable to the Group to the extent of the cover limits purchased.

The level of retrocession is set each year to ensure that SCOR's adopted risk profile complies with the Group risk appetite framework and to help the Group achieve its return on capital and solvency objectives.

SCOR aims to diversify its retrocession and risk mitigation instruments, as well as that of its counterparties in order to take advantage of all different sources of capacities on the market.

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 (third party capital, 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.

Retrocession procedures are centralized within a central Finance department, which establishes and implements the external retrocession plans for the P&C and L&H businesses. The department is responsible for ensuring the plan is properly applied, monitoring the solvency of retrocessionaires as well as related counterparty risk and, when necessary, recovering overdue balances.

The availability and efficiency of SCOR's retrocession and risk mitigation program is regularly monitored at Group level in order to ensure that the Group's overall exposure remains within predefined risk tolerances.

For further information on how credit risk related to retrocessionaires is managed, see Section C.4.1.2 – Credit risk related to retroceded liabilities.

In addition to externally placed retrocession, SCOR uses intragroup reinsurance/retrocession mainly in order to:

- manage legal entities' net risk profiles, required solvency capital and volatility of results;
- preserve its ability to offer SCOR's clients access to the Group underwriting capacity in each legal entity;
- organize an internal pooling of risks to transfer to the external retrocession covers.

C.2.5. CONTINGENT CAPITAL FACILITY

SCOR has put in place a contingent capital facility, designed as tools of last-resort, to partially replenish the Group's capital base in the occurrence of very remote, pre-defined events. The current contingent capital guaranteed equity line provides the Group with EUR 300 million coverage and provides protection against natural catastrophes and extreme mortality events.

C.2.6. SPECIAL PURPOSE VEHICLES

The Group sponsors a number of special purpose and alternative risk transfer vehicles designed to reduce SCOR's exposure to natural catastrophe events.

For further information, see Section C.2.4 – Retrocession and other risk mitigation techniques.

C.2.7. UNDERWRITING RISKS AT SCOR SE LEVEL

SCOR SE's underwriting risks are the same as those of the Group. They arise primarily through its interest in other SCOR Group entities, as well as through its direct exposure (direct P&C insurance, reinsurance business underwritten). It relies on the organization defined within the Group. See Sections C.2.1 – P&C business, C.2.2 – L&H business, C.2.3 – Risks related to technical provisions and C.2.4 – Retrocession and other risk mitigation techniques for further details.

Special purpose vehicles

SCOR SE transfers part of its risk exposures to special purpose and alternative risk transfer vehicles. For further information, see Section C.2.4 – Retrocession and other risk mitigation techniques.

C.3. MARKET RISKS

C.3.1. OVERVIEW OF MARKET RISKS

Market risk is the risk that the fair value of future cash flows of a financial instrument fluctuates because of changes in market prices or macroeconomic variables. This risk includes:

- interest rate risks;
- currency risks;
- equity risks;
- real estate risks;
- credit spread risks; and
- inflation risks.

For further information on credit risk, see Section C.4 – Credit risks.

Market risks can be influenced by various overarching factors, including political, macroeconomic, monetary, societal and environmental trends. Refer to Section C.7.1.5 Sustainability Risks for more information on risks related to climate change.

For further information on how macroeconomic changes (such as changes in the general price level from its current trend) may impact SCOR's assets, see Section C.7.1.2 – External environment risks.

For quantitative information on market risk on invested assets, see Section C.1 – Introduction and Section E.1.2 – Solvency Capital Requirement. The presentation of SCOR's assets giving rise to market and credit risks is provided in Section D.1 – Assets. For quantitative information on interest rate risks on liabilities and currency risks, see Section C.1 – Introduction.

C.3.1.1. INTEREST RATE RISKS

Interest rate risk is the risk that the fair value of future cash flows or a financial instrument or (re)insurance contract 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.

Interest rates are very sensitive to several external factors, including monetary and budgetary policies, the national and international economic and political environment, and the risk aversion of economic actors.

An increase in interest rates usually leads to a fall in the market value of fixed income securities that SCOR holds.

On the other hand, 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). 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.

Interest rates can experience significant volatility as well as non-parallel changes in yield curves, which may result in simultaneous increases and decreases among different interest rate maturities. Given the current uncertainty regarding the future level of inflation, economic growth and the resulting central bank actions, interest rates volatility is likely to remain high in 2025.

SCOR's underwriting business is also exposed to interest rate risk.

The value of (re)insurance contracts, the risk margin and deposits with cedents are also subject to discounting. The discounting impact from a change in interest rates on assets and liabilities will offset to some extent depending on the duration mismatch between assets and liabilities.

As such, changes in interest rates can affect the Eligible Own Funds, the Solvency Capital Requirement and the Solvency Ratio of the Group. For information on the sensitivity of the Group's Solvency Ratio to interest rate movements, see Section C.1.2 – Sensitivity analysis.

C.3.1.2. CURRENCY RISKS

Currency risk is the risk of loss arising due to adverse changes in or volatility of foreign exchange rates. This could 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).

SCOR's main non-French legal entities are located in Ireland, North America, the UK and Asia. The Eligible Own Funds relating to these entities are denominated mainly in Euros, US dollars, British pounds and Canadian dollars.

SCOR has issued debt instruments in currencies other than the Euro, currently US dollars. These debt instruments are either hedged naturally (assets kept in the same currency as the liability) or with derivatives to mitigate the risk of exchange rate movements. Some events, such as catastrophes, can have an impact on the asset-liability matching in a given currency, which can generate a temporary unmatched position which is not covered by currency contracts or hedges.

C.3.1.3. EQUITY RISKS

Equity prices are likely to be affected by risks which affect the market as a whole (uncertainty regarding 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.

C.3.1.4. 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.

C.3.1.5. CREDIT SPREAD RISKS

Credit spread risk on invested assets is the risk of incurring a financial loss as a result of a change in market assessment of the counterparty risk of the financial instruments or counterparties.

Credit spread variations could have a direct impact on the market value of fixed-income securities and loans.

C.3.1.6. INFLATION RISKS

SCOR's assets and liabilities can be exposed to both direct and indirect impacts from changes in the level or expectations of economic inflation (goods and services).

The Group's P&C and L&H businesses are exposed to the risk of a significant increase in the rate of inflation. The main risk for P&C business relates to claims inflation being higher than estimated in the initial pricing or reserving, with a secondary risk relating to higher operating expenses than expected. For more information on these risks, see the subsections on claims development risks for the former and production cost risks for the latter in Section C.2.1 – P&C business. The main risk for L&H business relates to needing to increase the future expense assumptions included in the L&H reserves, see the subsection on L&H production cost risks in Section C.2.2 – L&H business.

SCOR's assets are also exposed to the risk of increased inflation or raised inflationary expectations, which would be 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 increases in the cost of claims would lead to a similar decrease in shareholders' equity.

A prolonged or significant decrease in the price level of goods and services, also referred to as deflation, usually associated with an economic slowdown, could also impact the Group in several ways. For example, the value of SCOR's invested assets would be impacted if deflation is associated with a fluctuation in interest rates and corporate credit spreads. Another scenario could be that a fall in prices, leading to a decrease in premiums for a given amount of risk, combined with a decrease in organic growth due to the economic slowdown, would result in a drop in the volume of newly acquired premiums.

C.3.2. MANAGEMENT OF MARKET RISKS

C.3.2.1. OVERVIEW OF RISK MANAGEMENT OF ASSETS

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 risk tolerance limits and considers the economic and market environment and the asset-liability matching 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 Board or Executive Management at Group or local level.

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 and footprint scenarios on the invested assets portfolio. These scenarios cover changes in interest rates, inflation, equities, credit spreads and the real estate market. Analysis of portfolio sensitivity to major risks is an important management tool which is performed when making portfolio reallocation or hedging decisions.

In currency and geographic terms, SCOR is mainly exposed to the USD denominated assets with a strong focus on fixed income. In terms of business sector, the Group is particularly exposed to Financial Services. For more information regarding the principles applied to invest the assets in a prudent manner, see Section B.3.2.4 – Main control activities – Asset Management.

C.3.2.2. MANAGEMENT OF INTEREST RATE RISKS

Interest rate risk is managed from a holistic point of view. The Group monitors the interest rate sensitivity in the Economic Balance Sheet (EBS). Stress tests and regular monitoring enable the exposures to be compared with risk tolerance limits set by the Group or by local entities.

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 of invested assets to changes in interest rates is analyzed on a weekly basis.

In addition, SCOR has entered into interest rate swaps to cover its exposure to financial debt with variable interest rates.

C.3.2.3. MANAGEMENT OF CURRENCY RISKS

A variation in interest rates or exchange rates will impact the Eligible Own Funds. Such economic variations would also affect the SCR. The resulting impact on the solvency ratio from a variation in interest or exchange rate would depend on the relative variation of both the EOF and the SCR. SCOR regularly publishes economic sensitivities of its solvency ratio.

C.3.2.4. MANAGEMENT OF EQUITY RISKS

At Group level, the equity exposure is set and reviewed at least quarterly by the Group Investment Committee. SCOR's exposure to listed equities is below 1% of the invested assets as of end of December 2024.

C.3.2.5. MANAGEMENT OF REAL ESTATE RISKS

SCOR has adopted an active strategy in the selection of its core buildings and takes environmental quality into account during the decision-making process.

C.3.2.6. MANAGEMENT OF CREDIT SPREAD RISKS

SCOR applies strict limits in terms of 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.

C.3.3. MARKET RISKS AT SCOR SE LEVEL

SCOR SE's market risks are the same as those of the Group, as described in Section C.3.1 – Overview of market risks. They arise primarily through its participation in other SCOR Group entities, as well as through its own investment portfolio. It relies on the risk management mechanisms defined by the Group, as detailed in Section C.3.2 – Management of market risks.

C.4. CREDIT RISKS

For quantitative information on credit risk, see Section C.1 – Introduction and Section E.1.2 – Solvency Capital Requirement. The presentation of SCOR's assets giving rise to market and credit risks is provided in Section D.1 – Assets.

C.4.1. OVERVIEW OF CREDIT RISKS

Credit risks are risks related to borrowers and counterparties failing to fulfil their contractual obligations.

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 SCOR's counterparties.

SCOR is mainly exposed to the following credit risks or the accumulation of such risks in a single counterparty, the same sector of activity or the same country: from bond and loan portfolios, retroceded liabilities 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 is also exposed to credit risk on its Credit and Surety portfolio in the form of underwriting losses which may accumulate under severe adverse economic conditions.

Credit risk is actively monitored and managed. The processes for managing the respective credit risks and the methods used to measure these risks are further described below. For further information on risks concentrations, see Section C.7.2 – Significant risks concentrations at the level of the Group.

C.4.1.1. CREDIT RISKS RELATED TO BOND AND LOAN PORTFOLIOS

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 also applies to loan transactions in which the Group invests. A deterioration in the solvency position of a borrower may lead to a partial or total loss of the coupons and the nominal invested by SCOR.

The financial situation of companies to which SCOR is exposed through its invested asset portfolio could be affected by physical and transition risks from global climate change. Physical risks relate to exposures to climate-related extreme events (acute) or to global trends due to climate change (chronic). Transition risks mainly concern carbon-intensive industry sectors or companies working with carbon-intensive industries that may have stranded assets if new regulations are not anticipated.

C.4.1.2. CREDIT RISKS RELATED TO RETROCEDED LIABILITIES

SCOR transfers a portion of its risk 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 if 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).

C.4.1.3. CREDIT RISKS RELATED TO DEPOSITS WITH CEDENTS

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 in principle discharge the Group of its liability towards the cedent in cases where it is unable 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. In principle, it is therefore possible that the Group will remain liable for claims due under the reinsurance treaty without being able to offset all or part of the corresponding deposits.

C.4.1.4. CREDIT RISKS RELATED TO FUTURE CASH FLOWS OF LIFE REINSURANCE TREATIES

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 future positive 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;
- 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.

C.4.1.5. CREDIT RISKS RELATED TO CASH DEPOSITS AT BANKS

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.

C.4.1.6. 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, which offers the 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, in the cases of joint liability of the members, all or part of the liabilities of the defaulting member may need to be assumed.

SCOR is also exposed to credit risk on its Credit and Surety portfolio in the form of underwriting losses which may materialize under severe adverse economic conditions.

C.4.2. MANAGEMENT OF CREDIT RISKS

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 so that appropriate action can be taken.

SCOR uses different approaches to assess climate-related risks and other sustainability risks in investment activities, including quantitative models and simulations, scenarios and stress-testing, and portfolio screening. SCOR excludes certain activities or issuers from its investment universe in line with its Sustainability policy. The list of exclusions is communicated to all investment managers. New investments in excluded activities or issuers are prohibited and the remaining positions are actively managed in order to accelerate their liquidation.

Management of credit risks related to retroceded liabilities

SCOR selects retrocessionaires carefully, considering their financial strength, and regularly monitors the Group's exposure to retrocessionaires by taking into account all relevant accounting balances (estimated and actual claims, premiums, reserves, deposits and pledges). SCOR typically requires unrated retrocessionaires to pledge assets or provide other forms of collateral (cash deposits or letters of credit) to the value of their maximum potential contract liability, even if the retrocessionaire's actual liability to SCOR in the balance sheet is lower.

Management of credit risks 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.

Management of credit risks related to future cash flows from L&H 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.

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 C.3 – Market risks.

Management of other credit risks

In the event of joint liability of the members in pools in 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.

C.4.3. CREDIT RISKS AT SCOR SE LEVEL

SCOR SE's credit risks are the same as those for the Group. They arise primarily through its interests in other SCOR Group entities, as well as through its direct exposures (P&C direct insurance, reinsurance business directly underwritten or own investment portfolio). It relies on the organization defined within the Group, detailed in Sections C.4.1 – Overview of credit risks and C.4.2 – Management of credit risks, in order to be able to assess and control its risks.

C.5. LIQUIDITY RISKS

C.5.1. OVERVIEW OF 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.

C.5.1.1. LIQUIDITY NEEDS

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, which would have a negative impact on its business. 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 key risks (*e.g.* catastrophe risk) are calibrated using the Group's internal model, on top of 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, etc.), which would result in a deterioration of the Group's liquidity level. Collateral is also needed in jurisdictions where cedents cannot take credit from retrocession from non-domiciled reinsurers.

C.5.1.2. SOURCES OF LIQUIDITY

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.

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. A catastrophic event that impacts financial markets and leads to large (re)insurance losses for SCOR could result in material liquidity risks.

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, including 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 clients or lenders could develop a negative perception of SCOR's long-or short-term financial prospects if the Group were to incur 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 damage 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.

C.5.2. MANAGEMENT OF LIQUIDITY RISKS

SCOR's liquidity position is closely monitored from two points of view: timing and transferability.

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 (re)insurance business areas to take into account both short-term and long-term liquidity risk; 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 medium and 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 are included in the 2024 Universal Registration Document, Section 3.6 – Liquidity risks. Quantitative information on liquid assets of SCOR Group is provided in the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 7 – Insurance business investments.

C.5.3. EXPECTED PROFITS INCLUDED IN FUTURE PREMIUMS

SCOR Group's expected profit included in future premiums (EPIFP) as at year-end 2024 amounts to EUR 6,878 million. EPIFP results are produced by SCOR for the purposes of QRT reporting. They are not used for internal processes regarding capital management, the details of which are provided in Chapter E – Capital management.

EPIFP is now reported gross of retrocession in consistency with the SCOR SE's EPIFP figures due to reporting changes proposed by EIOPA and adopted in the Commission Implementing Regulation (EU) 2023/895 of April 4, 2023.

C.5.4. LIQUIDITY RISKS AT SCOR SE LEVEL

C.5.4.1. LIQUIDITY RISKS AND RISK MANAGEMENT MECHANISMS

SCOR SE's liquidity risks are the same as those for the Group, as described in Section C.5.1 – Overview of liquidity risks. It relies on the organization defined within the Group, as described in Section C.5.2 – Management of liquidity risks, in order to be able to assess and control its risks.

C.5.4.2. EXPECTED PROFITS INCLUDED IN FUTURE PREMIUMS

SCOR SE's EPIFP as at year-end 2024 amounts to EUR 4,067 million. EPIFP results are produced by SCOR for the purposes of QRT reporting. They are not used for internal processes regarding capital management, the details of which are provided in Chapter E – Capital management.

EPIFP is now reported gross of retrocession due to reporting changes proposed by EIOPA and adopted in the Commission Implementing Regulation (EU) 2023/895 of April 4, 2023.

C.6. OPERATIONAL RISKS

C.6.1. OVERVIEW OF OPERATIONAL RISKS

For quantitative information on operational risk, see Section C.1 – Introduction and Chapter E – Section 1.2 – Solvency Capital Requirement.

Operational risks are inherent to all businesses, including SCOR's. SCOR's operational risks mainly come from risks related to systems, staff, processes, the legal/regulatory environment, risks related to external fraud and cyber attack.

C.6.1.1. RISKS RELATED TO STAFF

Risks related to staff can arise as follows:

- incidents (incl. erroneous capturing of data) due to mistakes or non-compliance with instructions, guidelines or policies; these could also be caused by additional strain on staff resulting from heavy backlog of tasks and multiple project involvements;
- malicious or fraudulent acts from internal staff mandated by SCOR with authorized access to SCOR's offices or systems, or taking advantage of SCOR's assets for personal gain, *e.g.* through the misappropriation of assets, intentional mismarking of positions or bribery;
- intentional damage to assets (including data) required by SCOR to perform its operations by internal or external staff, which could lead to significant remediation costs (including those related to rebuilding databases or systems);
- the failure to attract or retain sufficient workforce resources to conduct SCOR's operations;
- 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.

C.6.1.2. RISKS RELATED TO SYSTEMS

Risks related to systems or facilities can arise as follows:

- a malfunction, a major breakdown, outages, or disruptions in SCOR's IT systems, thefts or data breaches and erroneous data processing. SCOR would be exposed in case this occurs within SCOR's own environment, in a third party providing services or data to SCOR, or in any system or facility which SCOR is providing to a third party;
- 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.

C.6.1.3. RISKS RELATED TO PROCESSES AND THIRD PARTIES

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 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 further details on the main current regulatory developments which may have an impact on SCOR, please see Section C.7.1.3. – Risks related to legal and regulatory developments.

C.6.1.4. RISKS RELATED TO EXTERNAL EVENTS

SCOR may be exposed to an unfavorable business environment such as evolving or additional regulatory constraints potentially hindering its business model.

Legal and regulatory risks in SCOR's operating environment

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 sanction 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 sanction 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 the French anti-corruption law 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 European Union General Data Protection Regulation (GDPR), the Brazilian General Data Protection Law (LGPD), the Chinese Personal Information Protection Law (PIPL), and the California Privacy Rights Act (CPRA). In terms of operational resilience, SCOR must adhere to the requirements of the European Digital Operational Resilience Act (DORA) which comes into force at the beginning of 2025.

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, account reinstatements or business restrictions, and reputational damage.

Other risks related to external events

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 fraud may be committed using various means including cyber attacks and usually target cash, valuable assets, including financial assets, 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.

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 violation of SCOR's regulatory or contractual obligations.

Any of the above could inflict significant damage to SCOR's systems or data, create 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 those who commit external fraud, resulting in a financial loss.

C.6.2. MANAGEMENT OF OPERATIONAL RISKS

The process owners are responsible for managing operational risks within the processes. To meet high quality standards, the Group relies on 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 these 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.

Experienced staff members collect relevant information and analyses on operational risks, on a qualitative and quantitative basis. The Group has also implemented regular risk reporting mechanisms in order to provide an overview of operational risks across the Group.

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.

For risks which may develop rapidly, such as cyber risk, or 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 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).

C.6.3. OPERATIONAL RISKS AT SCOR SE LEVEL

SCOR SE's operational risks are the same as those for the Group, as described in Section C.6.1 – Overview of operational risks. It relies on the organization defined within the Group, as detailed in Section C.6.2 – Management of operational risks.

C.7. OTHER MATERIAL RISKS

C.7.1. STRATEGIC RISKS

Strategic risks refer to risks related to strategic decisions and the strategic positioning of the Company. Strategic risks can arise as a result of either the strategy itself (such as the accumulation of or development of risks in lines of business or less known markets), from external risks (such as changes in laws and regulations), or from internal risks (such as certain causes of operational risk). Therefore, many of the risks discussed throughout Chapter C – Risk profile, in addition to emerging risks could also impact the success of the strategy.

The main strategic risks to which SCOR is exposed are described below.

C.7.1.1. BUSINESS STRATEGY RISKS

Business strategy risk refers to the risks related to the Company's strategic positioning. Business strategy risks directly impact the Company's ability to achieve its long-term goals and maintain its competitive edge. Strategic missteps can lead to financial losses, reduced market share, and damage to the Company's reputation. Given the dynamic nature of the reinsurance industry, it is important for SCOR to continuously adapt its strategy to changing market conditions and emerging trends.

SCOR's strategic plan, Forward 2026, focusses on accelerating economic value creation with contribution of all businesses over the next three years and on enhancing the platform to be future ready, through four value-creation levers: capital allocation and performance, risk partnerships, asset and liability management (ALM), and technology and data.

The plan has two equally weighted targets over the duration of the plan:

- financial target: economic value growth rate of 9% per annum, at constant interest and foreign exchange rates;
- solvency target: solvency ratio in the optimal 185% to 220% range.

SCOR has set assumptions for the period 2025-2026 based on the IFRS 17 framework on various performance and growth indicators. However, there is a risk that these assumptions prove inadequate due to unexpected changes in the external or internal environment, an inadequate implementation of the strategy or the realization of the risks disclosed in Chapter C. Consequently, SCOR may not meet the financial and solvency targets set out in the strategic plan, potentially adversely affecting SCOR's business, revenue, net income, cash flows, financial position, and share price.

Management of business strategy risks

To manage business strategy risk, SCOR employs a comprehensive risk management framework that includes regular monitoring and assessment of strategic initiatives. The Company leverages its risk appetite framework, which defines the quantity and types of risks SCOR is willing to accept and sets risk tolerance limits. Additionally, SCOR's approach to risk and solvency management ensures that strategic decisions are aligned with the Company's risk appetite and long-term objectives. The implementation of the strategic plan is closely monitored, with adjustments made as necessary in response to changing market conditions and emerging risks.

C.7.1.2. EXTERNAL ENVIRONMENT RISKS

External environment risk refers to the risks related to the external environment that may influence the Company's strategy and its ability to achieve its objectives. This includes macroeconomic risks, geopolitical risks, legal and regulatory developments and the competitive environment.

SCOR's extensive global presence and diversified business mean that external environment risks are broad and encompass various factors that can impact the Company's operations and strategic decisions. Macroeconomic conditions such as inflation, interest rates, and economic growth directly affect the financial markets and the reinsurance industry. Geopolitical risks, including political instability and international conflicts, can disrupt business operations and impact market stability. Legal and regulatory developments can introduce new compliance requirements and impact the Company's ability to operate efficiently. Additionally, the competitive environment within the reinsurance industry is highly dynamic and necessitates that SCOR continuously adapt to maintain its market position and profitability.

Macroeconomic risks

Macroeconomic risks refer to the uncertainties and potential adverse effects stemming from broad economic factors such as inflation, interest rates, economic growth, and financial market conditions. These risks can impact the Company's financial performance, investment portfolio, and overall business operations.

Macroeconomic risks remain elevated at the start of 2025. The disinflation process observed over 2024 appears to be stagnating and the convergence of inflation towards 2% has considerably slowed. While business activity remains more elevated than expected in the US, the situation is more concerning in Europe and particularly in China. The main uncertainties relate to the implementation of the economic program and trade policy by the newly elected US administration. At the same time, current geopolitical tensions and public debts continue to contribute to the current high level of uncertainty.

Economic cycle and financial crisis

The Group's results could be significantly affected by the economic and financial situation in Europe and other countries around the world. In the event of extreme prolonged market events, such as global credit crises, SCOR could incur significant losses given its large investment portfolio.

The Group's premiums could decline in an unfavorable macroeconomic environment and its profit margins could erode. An economic downturn could adversely affect the demand for SCOR's and its clients' products. 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. The level of interest rates also plays a significant role in the total amount of reinsurance capital and hence capacity and prices; low interest rates lead to an inflow of alternative capital into the industry, contributing to a softening of the reinsurance market.

The Group may also experience an increase in the incidence of claims, for example on its credit and surety portfolio, or be impacted by increased policy surrenders from ceding companies' policyholders (see paragraph on lapse risk in Section C.2.2.4 – Other risks – Policyholder behavior), which could have an impact on the current and future profitability of its business.

Inflation

In addition to the indirect impacts of inflation or raised inflation expectations on interest rates and the economic environment mentioned above, SCOR is also exposed to more direct impacts from inflation on its assets and liabilities. See Section C.3.6 – Inflation risks for more information on the risks related to inflation.

Geopolitical risks

Geopolitical risks could impact SCOR's activities and results both directly and indirectly, in the short and medium term, while longer-term trends may impact SCOR's strategy and the (re)insurance industry. Direct impacts might arise from conflicts, sanctions, or trade restrictions, leading to direct losses and restrictions in business operations and assets or further indirect negative impacts on economic conditions.

Longer-term trends like increased nationalism and the reversal of globalization could negatively impact the (re)insurance industry as a whole, and SCOR's strategy more specifically, as a result of an increased risk of conflict, higher trade and capital barriers, and a higher base level of inflation from reshoring of production and supply chains.

More local risks related to social and political instability are also relevant, particularly in emerging markets where these risks are prevalent, and where both business units operate. These risks could lead to significantly reduced business growth in these target markets.

Despite a stabilization of the geopolitical environment to end 2024, driven by the impact of the newly elected US government and by the evolution of the situation in the Middle east, geopolitical instabilities and uncertainties remain elevated. The main uncertainties relate to the evolution of the relationships between US and China, as well as the evolution of the conflict in Ukraine and the way a potential peace agreement would be negotiated.

Legal and Regulatory Developments

Adverse changes in laws or regulations or an adverse outcome of any legal proceedings could negatively impact SCOR. SCOR is subject to comprehensive and detailed regulations and to supervision by the respective competent authorities in every country in which it operates. Some of these authorities are considering or may in the future consider tighter requirements and higher capital requirements, intended to further strengthen the protection of policyholders and/or financial stability, which could affect local solvency ratio and have a material adverse impact on the Group, including a restricted underwriting capacity and a higher cost of doing business. Supervisory authorities have broad administrative powers over many aspects of the reinsurance industry, and SCOR cannot predict the timing or form of any future regulatory initiatives. While the material uncertainties listed below relate to known legal and regulatory developments that generally follow a predictable timeline, the risk remains that some material changes may be proposed and enacted into law in a short and unpredictable timeframe.

Known regulatory uncertainties include those stemming from protectionist trends and the ongoing Solvency II review.

The ongoing Solvency II review will introduce additional requirements for (re)insurance undertakings, such as additional internal model reporting to the supervisors and liquidity risk management planning, when applicable in 2027. The Insurance Recovery and Resolution Directive (IRRD), expected to be applicable in 2027, may lead to additional requirements and supervisory powers on recovery and resolution as well as industry funding of resolution financing mechanisms. The regulatory impetus on systemic regulation emerging from the International Association of Insurance Supervisors (IAIS) holistic framework and the Solvency II review may lead to additional liquidity risk management requirements, including scenario testing. Restrictions and additional reporting on internal model capital requirements may also emerge from the Solvency II review.

Restrictions on dividends may be re-imposed in future crisis situations, bearing in mind that in 2020, EIOPA and the ACPR called for regulated entities to suspend dividend distributions.

Increased regulatory scrutiny on reinsurance treatment in prudential capital may reduce ceding Company demand for certain types of reinsurance or impact the terms on which it can be written.

As part of the IAIS common framework for Internationally Active Insurance Groups (IAIGs), the "ComFrame", the IAIS has adopted the Insurance Capital Standard (ICS) in December 2024, which jurisdictions must implement within their local regulatory frameworks, such as Solvency II for SCOR. The IAIS will coordinate a baseline self-assessment by members in 2026 and initiate detailed jurisdictional assessments starting in 2027. These assessments might involve data collections, influence frameworks, and create additional constraints. The ICS implementation might also pose competition-related risks.

Changes in tax legislation and regulations, or in their interpretation, could have a negative impact on SCOR's performance, including its financial results and business model.

Future legal or regulatory developments related to environmental, social or governance (ESG) issues, particularly climate change or biodiversity loss may impact SCOR's strategy. Tighter regulatory controls and/or government legislation introduced to significantly curb carbon emissions may in turn place restrictions on the business that SCOR can underwrite (*e.g.* carbon intensive industries such as coal first and foremost, 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 initiated by various administrative and regulatory authorities, as well as to regulations concerning certain practices adopted in the insurance sector.

Litigation risks

SCOR is involved in court, arbitration and other formal or informal dispute resolution proceedings in its normal course of business. Particularly, large and material contractual agreements may expose SCOR to the risk of financial impacts in the event of non-performance of the contracts and related potential disputes. Based on its current assessment, SCOR considers that these proceedings should not pose a material risk to the Group. Separately, the arbitration proceedings initiated on November 10, 2022 by SCOR (via its Irish entities) against Covéa Coopérations regarding the retrocession agreements concluded pursuant to the settlement agreement of June 10, 2021 between SCOR and Covéa are ongoing and, at Covéa's request SCOR SE is a party to this arbitration.

For further information on risks related to current legislation and regulations and their impact on SCOR's operations, see Section C.6.1.4 – Risks related to external events – Legal and regulatory risks in SCOR's operating environment.

Competitive environment

The reinsurance sector is highly competitive. 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.

Consequently, SCOR is exposed to the risk of losing its competitive advantage, particularly when available reinsurance capacity *via* traditional reinsurers or capital markets exceeds the demand from ceding companies. Competitors, particularly (re)insurers with higher ratings than SCOR or competitors in alternative capital markets, may be better positioned to secure new contracts and gain market share at SCOR's expense. Competitors may also integrate innovative solutions into their operations, which can influence future reinsurance trends and potentially erode SCOR's competitive advantage.

The Group's reputation is sensitive to developments within the reinsurance sector. It can be impacted by adverse events concerning competitors or its own business activities, such as financial difficulties following a major market event. Reputational losses could further weaken SCOR's competitive position.

Consolidated insurance 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 underwrite less business.

External growth activities within the reinsurance sector could bolster competitors' positions by allowing them to offer greater capacity or broader product offerings, thus gaining market share at SCOR's expense.

Cyclicality of the business

The P&C insurance and reinsurance sectors are cyclical. A softening of the reinsurance market typically leads to reduced P&C reinsurance premium volumes due to increased competition. This could potentially lead to a loss of profitability for SCOR.

Distinct trends and premium rate cycles affect various geographic markets and lines of business differently and independently. Insurance market cycles may also diverge from reinsurance market cycles. Maintaining a diversified portfolio that includes both reinsurance and insurance activities can help mitigate the effects of these cycles.

Management of external environment risks

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 legal and regulatory developments, SCOR has extensive experience in managing risks related to continuous changes in laws and regulations. SCOR 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, for example through associations and forums.

In particular, developments in existing or emerging prudential regulations (such as Solvency II, ComFrame and 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, more specifically, by the Legal Department.

C.7.1.3. LIQUIDITY AND FUNDING RISKS

Liquidity and funding risks refer to the risks related to the Company's financial resources and corporate structure, including liquidity, solvency, capital, and own creditworthiness. This includes the risks related to the fungibility and transferability of the Company's existing liquidity and capital resources, the risks of impairment or shocks to these resources from external events or the realization of other risks described in Chapter C and the risks related to the availability of new or additional liquidity and capital resources when they are needed.

Liquidity risk

Liquidity risks and the management thereof are described in Section C.5 – Liquidity risks.

Risks related to capital

SCOR's regulated 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 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 entity concerned and could have a material adverse impact on SCOR.

Disruptions, uncertainty or volatility in the capital and credit markets could also limit the Group's access to the capital required to operate its business, primarily its insurance operations. Such market conditions may limit SCOR's ability to:

- refinance maturing debt in a timely manner;
- access the capital needed to expand the Group's 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 expected, or bear an unattractive cost of capital which could decrease its profitability and significantly reduce its financial flexibility.

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, which enhances 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, all while taking advantage of the benefits of diversification;
- integrated supervision of regulatory constraints at Group level and an optimal capital allocation.

SCOR efficiently manages its capital allocation and fungibility between subsidiaries within legal and regulatory constraints. SCOR is continuously leveraging, in its day-to-day business, various tools that are integral to the reinsurance business (such as intragroup reinsurance, intragroup financing, portfolio transfer, capital transfer or collateral posting).

Downgrade risk

The Group's reinsurance activities are affected by the way its existing and prospective clients perceive its financial strength, particularly through its ratings, as ceding companies choose to reinsure their risks with companies that have a satisfactory financial position. For further details on the current rating of the Group, see the 2024 Universal Registration Document, Section 1.2.4 – Ratings information. Due to parental support, the rating of SCOR's main subsidiaries, including SCOR SE, SGRI and SCOR UK is aligned with that of the Group. Therefore, the downgrade risk of SCOR's main subsidiaries is equivalent to the downgrade risk of SCOR Group. The impact of a downgrade on SCOR's subsidiaries is also quite similar.

Impact on SCOR's reinsurance business

Some of the credit models or reinsurance guidelines of SCOR's ceding companies face regulatory capital requirements or depend on their reinsurers' credit rating. If SCOR's rating deteriorates, ceding companies could be forced to increase their capital requirement in respect of their counterparty risk on SCOR. This could result SCOR losing its competitive advantage.

Many of SCOR's reinsurance treaties, notably in the United States and in Asia and 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 ceding companies if the rating of the Company and/or its subsidiaries is downgraded. Early termination may also occur when the Company's net financial position 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 ceding company 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 or if other conditions regarding its financial position are not met, impacting the Group's liquidity level. In the case of a LOC being drawn by a ceding company, the bank has the right to request a cash payment from this collateral, up to the amount drawn by the ceding company.

If a large number of LOCs were 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.

For more details on liquidity risks, see Section C.5 – Liquidity risks.

Management of downgrade risk

SCOR is currently rated by Standard & Poor's at "A+/Stable", by Fitch at "A+/Stable", by Moody's at "A1/Stable" and by AM Best at "A/Stable". 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 of the 2024 Universal Registration Document.

SCOR monitors its ratings assigned by the top four rating agencies *via* a dedicated team supervised by the Group Chief Financial Officer.

This team analyzes rating agencies' methodologies and reports published on SCOR and its main competitors in the reinsurance market 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. The team also monitors the capital adequacy level as measured by the capital models developed by rating agencies.

Risks related to the valuation of SCOR's deferred tax assets

The recognition of deferred tax assets, *i.e.* the likelihood of recognizing sufficient future profits 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 a number of events, such as actual operating earnings being lower than projections, losses continuing over a longer period than originally anticipated, changes in tax legislation, regulatory requirements or accounting methods could lead to the derecognition of some of the deferred tax assets for accounting and/or regulatory purposes.

Management of valuation risks related to SCOR's deferred tax assets

Valuation risks related to SCOR's deferred tax assets are managed through robust processes and controls throughout the Group.

For further information on how valuation risks are managed, see Section C.6 – Operational risks, Section B.4.1 – Description of the internal control system, and Section D.1 – Assets.

C.7.1.4. REPUTATION RISKS

Reputation risks are risks related to the Company's reputation, including its franchise and brands. Negative perceptions of the Company's reputation by stakeholder can impact the Company's market position, customer trust, and overall brand value. Reputation risks are generally not primary causes but rather a consequence of the realization of other risks described in Chapter C.

For SCOR, reputation risks affect its ability to attract and retain clients, partners, and investors. A strong reputation provides a competitive advantage and is integral to the long-term success of the Company. Negative events, such as operational failures, regulatory breaches, or adverse media coverage, can damage the Company's reputation and erode stakeholder confidence, diminish market position, and adversely impact the Company's ability to achieve its financial objectives.

Management of reputation risks

To manage reputation risks, SCOR employs a comprehensive risk management framework that includes regular monitoring and assessment of potential reputation threats. The Company has established brand guidelines to ensure consistent and positive representation of the SCOR brand. SCOR also engages in proactive communication strategies to address any negative perceptions and reinforce its commitment to ethical practices and high standards of service.

C.7.1.5. SUSTAINABILITY RISKS

Sustainability risks refer to risks related to environmental, social, or governance (ESG) events or conditions that, if they occur, could cause an actual or potential negative impact on the Company's value. These risks encompass a wide range of factors, including climate change, social responsibility, and governance practices. Climate change, in particular, could pose long-term risks to SCOR's activities and financial performance absent any adaptation in business strategy, while social and governance factors could impact the Company's attractiveness, ethical standing and regulatory compliance.

SCOR has identified the following relevant ESG trends and matters:

- environment – climate change;
- environment – biodiversity and ecosystems loss;
- social – working conditions of own workforce;
- social – equal treatment in own workforce;
- governance – own business conduct.

SCOR has completed a materiality assessment on its impacts on and risks and opportunities arising from these sustainability matters before mitigation actions in line with the new European Sustainability Reporting Standards (ESRS). None of the material risks identified in this assessment are expected to have a material negative impact on SCOR's financial position or cash flow, nor on its financial performance over the next reporting period.

The rest of this section describes the risks related to the main sustainability matter, climate change.

Climate Change as major sustainability risk

The most material effect of sustainability-related topics is linked to climate change. It is a major risk for societies as it raises the question of availability and affordability of property insurance against climate related extreme events. It is also a strategic concern for the reinsurance industry in its role of shock absorber, especially for those, as SCOR, operating in the P&C segment, offering protection against natural catastrophes. Risks related to climate change include climate physical and transition risks.

Climate change physical risks relate to the change in frequency and severity of extreme events resulting from increased average temperature. It is a trend that evolves at medium/long term horizons, even if impacts are already visible in today's climate-related events. There are a lot of uncertainties on how climate change will impact climate patterns in the future.

Climate change transition risks relate to the potential adverse consequences of changes in policies, regulation, or behaviors to limit GHG emissions in the atmosphere and transition to a low carbon economy.

Climate change risks related to P&C business

SCOR's P&C business is exposed to transition risks, as a result of decreasing revenues stemming from (re)insurance of companies operating in high emitting sectors, following SCOR's commitment to Net Zero or due to a shift in its clients' and insureds' business models.

SCOR's P&C underwriting business, particularly its property lines of business, is exposed to natural catastrophe risks, comprising the general underwriting risk related to natural catastrophes, including to climate events such as hurricanes, severe convective storms or floods. On the other hand, climate change physical risks, which comprise the potential risk of changes in the frequency and severity of climate events due to climate change, are not considered material for the P&C underwriting business. This is due to these trends evolving at medium to long-term horizon whereas the features of the reinsurance market, with one year contract and repricing at renewal, allow for reinsurers to annually adjust their prices and capacities.

For more information on SCOR's approach to natural catastrophe risks and its management, please refer to Section C.2.1 – P&C business.

Climate change risks related to investments

SCOR's investment activities are exposed to transition risk – mainly in the form of stranded assets – and physical risk, both of which may impact the value of its investment portfolio.

SCOR uses the results of the climate stress tests applied to its fixed income, equities and real estate asset classes to assess the materiality of potential financial risks, be them physical risks or transition risks. The various scenarios translate climate change assumptions into macro-economic variables, enabling to stress test portfolios with existing tools. The magnitude of the results feed the process and can be complemented with internal assessment of physical risk on real assets, using SCOR's internal capabilities.

Management of sustainability risks

SCOR has established an integrated governance system to consider sustainability issues in relation to SCOR's business activities, investments, and operations. This system is structured around five core pillars:

- a general reference framework consisting of the SCOR's *Raison d'Être* and adherence to global initiatives supported by United Nations 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, overseen by the Board of Directors and assisted by the preparatory work of its specialized Committees;
- 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 and including the monitoring of trends and associated emerging and operational risks;
- a framework of performance conditions indexed to sustainability criteria, applied in a manner appropriate to the responsibilities exercised within the Company.

From a climate transition risk perspective as well as to address negative impacts from GHG emissions, SCOR has developed its *Theory of Change* by which the Group aims at reducing GHG emissions stemming mainly from its underwriting and investment activities. This has led to sectoral exclusions of companies or activities linked mainly to fossil energies, complemented with objectives to select best-in-class clients and investees. This means reallocating business capacities and investments to clients and investees engaged in their own transition to a low carbon economy. This also contributes to protecting the investment portfolio against the risk of decrease of asset valuation linked to investees' assets becoming stranded due to the transition to a low carbon economy.

C.7.1.6. DIVERSIFICATION AND CONCENTRATION RISKS

Diversification and concentration risks refer to the risks related to the composition of the risk profile, considering both the dependency and diversification across risks as well as the accumulation and concentration within risks. The risk includes uncertainties from estimated dependencies and diversification benefits as well as the risk of known or unknown accumulations and concentration of risks.

For SCOR, diversification and concentration risks directly impact the Company's ability to manage its overall risk exposure effectively. Diversification helps to spread risks across different areas, reducing the impact of any single risk and reducing overall results volatility. Conversely, concentration risks arise when there is an accumulation of the same or highly similar risks, which can lead to significant losses if those individual risks materialize.

For more information on the main concentration risks of the Group, please refer to Section C.7.2 – Significant risks concentrations at the level of the Group.

C.7.2. SIGNIFICANT RISKS CONCENTRATIONS AT THE LEVEL OF THE GROUP

Risks concentrations mainly impact three categories of risk, individually or collectively:

- underwriting risks, in particular through catastrophes and other accumulation risks across lines of business or within certain geographical areas. For further information on SCOR's exposure to catastrophes and how these risks are managed, see Section C.2.1 – P&C business and C.2.2 – Life business;
- market risks, in particular in case of major events impacting specific types of assets to which SCOR is exposed. For further information on market risks and how they are managed, see Section C.3 – Market risks;
- credit risks, in case of major events impacting certain types of counterparties or certain individual counterparties to which SCOR is exposed. For further information on credit risks and how they are managed, see Section C.4 – Credit risks.

For further information on the accumulation of risks within SCOR and how these risks are managed, see Section B.3.2.3 – Identification and assessment of risks.

C.7.2.1. OVERVIEW OF CURRENT RISKS CONCENTRATIONS AT GROUP LEVEL

SCOR aims to preserve a high level of diversification throughout its activities, while controlling exposure concentrations to a single counterparty, type of asset, geographical area or industry sector. The US government is the most significant counterparty SCOR is exposed to through its investments in government or government assimilated bonds. The exposure to the US government is less than 10% of total assets and is highly liquid.

Risks concentrations are monitored to ensure they remain in line with risk tolerances, *i.e.* below the limits set out in order to ensure that the Group's risk profile remains aligned with the Group's risk appetite framework. The definition of the risk appetite framework aims to strike an appropriate balance between risk, capital adequacy and return, while respecting SCOR's key stakeholders' expectations. For further information on the risk appetite framework and risk tolerances, see Section B.3.1 – Risk appetite framework. Losses arising from such risks concentrations may also significantly increase SCOR's liquidity needs. SCOR assesses liquidity risks arising from a deviation from its liquidity needs over the short-, medium-or long-term. For further information on these risks and how they are managed, see Section C.5 – Liquidity risks.

C.7.3. OTHER MATERIAL RISKS AT SCOR SE LEVEL

SCOR SE's strategic risks are the same as those for the Group. It relies upon the organization defined within the Group, detailed above, in order to be able to assess and control its risks. See Section C.7.1 – Strategic risks for further details.

On an economic basis, SCOR SE is exposed to the same types of risks exposure and concentrations as the Group.

C.8. ANY OTHER INFORMATION

No other material information is reported regarding SCOR's risks profile other than that presented above in Sections C.1 – Introduction to C.7 – Other material risks.

Valuation for solvency purposes

Solvency II requires SCOR to produce an economic balance sheet (EBS) representing a market view of its assets and liabilities as at the reporting date. The Solvency II regulations require the EBS to include assets valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction and liabilities valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction. In addition, liabilities are not adjusted to take account of the credit standing of the reporting entity.

The details of the valuation principles applied in the EBS, including the differences between the valuation principles and those applied in the financial statements, are outlined in this chapter.

In the EBS both assets and liabilities relating to in-force business are recognized at market-consistent values which constitute the valuation for solvency purposes. SCOR's EBS as at December 31, 2024 has been prepared based on the assumption that the Group and all solo entities will continue as a going concern, in line with the preparation of the consolidated and legal entities' financial statements. SCOR Group prepares consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). SCOR SE prepares its financial statements under French GAAP.

The preparation of the EBS requires management to make certain judgments, assumptions and estimates. These affect the reported amounts of assets and liabilities and the additional disclosures. Management reviews these estimates and assumptions periodically, based on past experience and other factors. The actual outcome and results could differ substantially from estimates and assumptions made. The most material financial statement captions for which the Group and EEA regulated entities use estimates and assumptions are reinsurance reserves, receivables and liabilities relating to reinsurance operations, the fair value and impairment of financial instruments, intangible assets, retirement and other defined benefit plans and deferred taxes.

The consolidated economic balance sheet of SCOR Group is prepared using the same principles applied to its consolidated financial statements (as described in Section D.1.3 – Participations). All material intragroup balances and transactions including the result of intercompany transactions are eliminated.

The EBS for the Group and SCOR SE are presented in Quantitative Reporting Templates S.02.01 (see Appendices A and B). The relevant extracts of the EBS are included at the beginning of each section, together with a clear reference to the relevant sections within this chapter explaining the valuation bases and methods used for Solvency II purposes.

The principles for the valuation for solvency purposes of assets, technical provisions and other liabilities as presented in this chapter have been applied consistently by SCOR Group and its subsidiaries, including third-country undertakings. The specific information related to SCOR SE is included in the relevant sub-sections (D.1.10, D.2.3, D.3.6 and D.4.2), as well as in Appendix B, and should be read in conjunction with the Group-wide information.

D.1. ASSETS

The table below presents the assets of SCOR Group as per EBS together with references to the relevant sections within this chapter explaining the valuation bases and methods used for Solvency II purposes.

— SCOR Group

Assets as at December 31, 2024 *In EUR thousands*	EBS Solvency II	Section
Goodwill	**-**	**D.1.1**
Deferred acquisition costs	**-**	**D.1.5**
Intangible assets	**239,242**	**D.1.1**
Deferred tax assets	**603,443**	**D.1.6**
Pension benefit surplus	**-**	**D.1.7**
Property, plant and equipment held for own use	**775,303**	**D.1.2**
Investments	**22,060,317**	
Property (other than for own use)	761,544	D.1.2
Participations and related undertakings	1,599	D.1.3
Equities	513,296	D.1.4
Bonds	19,239,707	D.1.4
Collective Investments Undertakings	1,121,851	D.1.4
Derivatives	200,810	D.1.4
Deposits other than cash equivalents	216,643	D.1.4
Other investments	4,867	D.1.4
Assets held for index-linked and unit-linked contracts	**-**	**D.1.4**
Loans and mortgages	**2,780,483**	**D.1.9**
Loans on policies	19,019	
Loans and mortgages to individuals	-	
Other loans and mortgages	2,761,464	
Reinsurance recoverables	**1,353,186**	**D.1.5**
Non-Life and Health similar to Non-Life	1,720,661	
Non-Life excluding Health	1,725,849	
Health similar to Non-Life	(5,188)	
Life and Health similar to Life, excluding Health and index-linked and unit-linked	(367,475)	
Health similar to Life	58,951	
Life excluding Health and index-linked and unit-linked	(426,426)	
Life index-linked and unit-linked	-	
Deposits to cedents	**8,743,107**	**D.1.5**
Insurance and intermediaries receivables	**2,519,881**	**D.1.5**
Reinsurance receivables	**1,265,101**	**D.1.5**
Receivables (trade, not insurance)	**591,628**	**D.1.9**
Own shares	**52,075**	**D.1.8**
Cash and cash equivalents	**2,404,099**	**D.1.4**
Any other assets, not elsewhere shown	**34,172**	**D.1.9**
TOTAL ASSETS	**43,422,037**	

D.1.1. GOODWILL AND OTHER INTANGIBLE ASSETS

— **SCOR Group**

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Goodwill	-	811,850	(811,850)
Intangible assets	239,242	314,329	(75,087)
TOTAL INTANGIBLE ASSETS	**239,242**	**1,126,179**	**(886,937)**

Valuation for solvency purposes

Intangible assets in the EBS represent only those intangible assets that can be sold separately and where a value for the same or similar assets can be derived from quoted market prices in active markets.

In its EBS, SCOR recognizes the following intangible assets at their market value.

Lloyd's Syndicate participations (EUR 225 million)

The syndicate rights entitle SCOR to underwrite business through various Lloyd's syndicates in the next year of account. These rights are traded through a regular auction process organized by the Society of Lloyd's.

Through the auction process, existing syndicate members are able to realize any value attaching to the disposal of all or part of their right to participate on a traded syndicate for subsequent years of account. The auction also enables participants to gain access to syndicates where capacity is available.

Information on transactions made is provided after each auction and includes the volume of capacity matched, the relevant tender premium for each syndicate and the average weighted price achieved for all capacity transferred in that auction.

The market value of the syndicate participations has been established based on the results from latest trades. For actively traded syndicates' capacities, the last traded average price was used. For other cases an annual average of traded prices was used with an additional discount in order to take into account potential forced sale conditions, the illiquidity of the market and, when applicable, the uncertainty of participation beyond the contractual end date.

US insurance licenses (EUR 15 million)

These assets represent the value of insurance licenses and surplus lines authorizations held by SCOR, through its US subsidiaries, to write insurance business in various states.

The market value of the licenses follows an external valuation, which was based on similar transactions. It was performed with the assumption that a sale of an insurance company is structured as a "clean shell" transaction, meaning that no existing underwriting risk is transferred.

Comparison with the valuation in the financial statements

IFRS allows for the recognition of a variety of other intangible assets. SCOR's consolidated balance sheet includes: goodwill and other intangible assets.

For further details on IFRS balances and valuation methods applied to goodwill and intangible assets, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 6 – Goodwill and Note 8.1 – Other intangible assets.

Under IFRS, goodwill represents the future economic benefits arising from assets acquired in a business combination that are not individually identified and separately recognized. It is measured at cost less any accumulated impairment. Goodwill has a nil value in the EBS, as required by Article 12 of the Delegated Act.

Other intangible assets retained under IFRS consist of customer-related intangible assets arising from Non-Life business combinations, US insurance licenses, purchased software and acquired Lloyd's syndicate participations.

For IFRS, other intangible assets are carried at cost less any accumulated amortization and impairment losses. The difference between the EBS and IFRS value is driven by: (a) no recognition of intangibles that cannot be sold separately (decrease of EUR 296 million) and (b) revaluation of the retained intangibles (syndicate participations) to market value (increase of EUR 221 million).

D.1.2. PROPERTY, PLANT AND EQUIPMENT

— **SCOR Group**

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Own use property	775,303	649,080	126,223
Investment property	761,544	692,139	69,405
TOTAL PROPERTY	**1,536,847**	**1,341,219**	**195,628**

Valuation for solvency purposes

Property, plant and equipment (referred to as property) is distinguished in the EBS between property held for own use by SCOR and property other than for own use (investment property).

Property held for own use primarily relates to buildings used by SCOR as offices, office furniture and equipment, and building fixtures and fittings. It also includes property for own use under construction. The properties held by the Group and considered as investment property consist of office and retail buildings.

Leases are recognized on the balance sheet as a "right-of-use asset" for lease contracts and as lease liability reflecting the present value of future lease payments. Right-of-use assets are included in the balance sheet line item "Own use property". Lease liabilities are included on the EBS item "Financial Liabilities". Depreciation of the right-of-use assets and interest expense on the lease liability in accordance with the effective interest rate method are recognized in the income statement. For certain short-term leases and leases of low-value assets, SCOR uses the exemptions and continues to recognize the lease payments for those contracts as an expense on a straight-line basis. The main leases consist of leased office space used by the Group, car leases and office equipment. For further details on leases, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 8 – Miscellaneous assets.

All property is valued at market using appropriate techniques. 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 supervisor (ACPR 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 conditions.

The valuation methods applied include a market comparison (current prices in an active market for similar properties or recent prices of similar properties on less active markets, with appropriate adjustments) and income capitalization (discounted cash flow projections based on reliable estimates). The cash flows are supported by the terms of any existing lease and other contracts and, when possible, by external evidence such as current market rents for similar properties in the same location and condition and use discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

Comparison with the valuation in the financial statements

Properties held by SCOR are carried in the consolidated financial statements at cost, net of accumulated depreciation and impairment losses. The difference between the EBS and IFRS value is driven by the revaluation of property held at cost to market value (increase of EUR 196 million), consistent with the amounts disclosed in the notes to the consolidated financial statements.

For further details on IFRS balances and valuation methods applied to property, plant and equipment, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 8.2 – Right of use assets, Note 8.3 – Property, plant and equipment and related commitments and Note 7.4 – Real estate investments. These notes also provide further information on the operating and finance lease arrangements of the Group.

D.1.3. PARTICIPATIONS

Consolidated EBS and comparison with the valuation in the financial statements

For IFRS, all material entities, over which SCOR has control are fully consolidated. The Group's investments in associates are recorded 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. Business Ventures, where there is joint control, are accounted for using the equity method. Investment funds and real estate entities are fully consolidated or recorded using the equity method. The non-controlling interest in fully consolidated investment funds is presented in "Other liabilities". All material intragroup balances and transactions including the results of intercompany transactions are eliminated.

The consolidated economic balance sheet of SCOR Group is prepared using the same principles as for IFRS as there are no material financial sector institutions, other than (re) insurance companies which would require a change in the consolidation method applied. SCOR Investment Partners (SIP) is an investment management firm with no material assets and liabilities. All investments of SCOR Group held in investment funds managed by SIP or in wholly-owned real estate companies are fully consolidated or recorded using the equity method in the EBS and IFRS consolidated financial statements to reflect the underlying investments of the reinsurance undertakings within SCOR Group.

The participations value in the EBS represents SCOR's share in related companies. The value of these unconsolidated related undertakings is the same under the Solvency II consolidated EBS and the consolidated financial statements, representing the Company's share in the related undertaking valued using the equity method for both IFRS and Solvency II.

For further details on IFRS balances and valuation methods applied to investments in associates, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 3 – Scope of consolidation and Note 21 – Related party transactions.

D.1.4. CASH AND INVESTMENTS, OTHER THAN PROPERTY AND PARTICIPATIONS

— SCOR Group

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Equities	513,296	152,695	360,601
Bonds	19,239,707	21,995,354	(2,755,647)
Collective investments undertakings	1,121,851	1,121,171	680
Derivatives	200,810	200,810	-
Deposits other than cash equivalents	216,643	119,564	97,079
Other investments	4,867	-	4,867
Cash	2,404,099	2,389,458	14,641
TOTAL INVESTMENTS AND CASH	**23,701,273**	**25,979,052**	**(2,277,779)**

Valuation for solvency purposes

Investments in the EBS include financial assets such as equities, bonds (corporate bonds, government bonds, structured notes, collateralized securities), collective investment undertakings, derivatives, deposits, other investments (hedge funds, insurance linked securities and SPVs) and cash. SCOR does not hold any assets in index-linked or unit-linked funds.

The economic value of financial assets 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. Quotations are considered as active market prices if the quoted prices or rates represent actual and regularly occurring transactions that are available from a stock exchange, dealer or broker.

Financial assets valued using quoted prices comprise listed equities, government, covered and agency bonds, corporate bonds, as well as short term investments. For collective investment funds and derivative financial instruments, fair value is determined by reference to either published bid values, or values based on models prepared by internal and external experts using observable market inputs.

If quoted prices in active markets for identical assets or liabilities are not available, the following valuation methods may be used:

- quoted market prices in active markets for similar assets, with adjustments to reflect specific factors (including the condition or location of the asset or volume or level of activity in the markets within which the inputs are observed);
- other models based on market inputs; and
- models using inputs which are not based on observable market data.

As SCOR is responsible for determining the economic value of its investments, regular analysis is performed to check whether prices received from third parties are reasonable estimates of market value. The 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 extraordinary valuation changes noted.

The Group may conclude that 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.

Equities

For unlisted equity instruments, the economic value is determined according to commonly used valuation techniques.

Bonds (government, corporate, structured notes, collateralized securities)

Structured products other than securities issued by government agencies for which the market is considered active, hybrid and tier 1 and tier 2 corporate debt, private placements, inflation-indexed government-assimilated bonds, and specific alternative investments are valued based on models prepared by internal and external experts using observable market inputs.

Collective investment undertakings

For some collective investment funds (unlisted), the economic value is determined by reference to values based on models prepared by internal and external experts using observable market inputs. The economic 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.

Derivatives (assets and liabilities)

All derivative instruments are carried as assets when the economic values are positive and as liabilities when the economic values are negative.

The Group uses the following derivative instruments to reduce its exposure to various risks: swaps based on interest rates, mortality indices and real estate indices, foreign currency forward purchase and sale contracts, caps and floors, and puts and calls on insurance linked securities (ILS).

For some derivative financial instruments primarily relating to the Atlas catastrophe bonds, the economic value is determined based on models prepared by internal and external experts using observable market inputs.

Catastrophe bonds

Catastrophe bonds are valued using a cumulated expected loss model that is based on a combination of market inputs to the extent that trades in these instruments are active, and catastrophe modeling tools developed by third-party service provider (AIR/RMS).

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 and cross-currency swaps

SCOR has entered into interest rates swaps to cover its exposure to financial liabilities with variable interest rates relating to real estate investments. Additionally, in order to hedge the foreign exchange risk associated with certain debts issued in USD, SCOR entered into cross-currency swaps which exchange the principals and the coupons on the notes from USD to EUR. The economic value of the swaps is obtained from the banking counterparty and is based on market inputs. As part of the usual accounts analysis processes, these third-party valuations are checked for reasonableness against internal models.

Forward currency contracts

SCOR purchases and sells forward currency contracts to reduce its overall exposure to foreign exchange balances held in currencies other than the functional currencies of its subsidiaries. The contracts are recorded at their fair value from valuations provided by banking counterparties using market inputs.

Call option on SCOR shares granted by Covéa

In 2021, in connection with the settlement agreement, Covéa granted a call option to SCOR on the shares it holds, at an exercise price of EUR 28 per share and for a period of five years. The exercise price is subject to amendment under certain conditions. The call option is transferable to any third party designated by SCOR, to allow SCOR to manage the transition in the best interests of its shareholders. The option is recognized as a derivative instrument at fair value as determined by an external valuation.

The carrying amount of the option as at December 31, 2024 amounts to EUR 10 million (EUR 19 million as at December 31, 2023).

Cash and cash equivalents

SCOR applies the same definition of cash for both IFRS and Solvency II reporting purposes, which means that cash includes cash, net bank balances and short-term deposits or investments which have a maturity of less than three months at the reporting date. Accordingly, deposits include amounts due from credit institutions that have a maturity date of more than three months. The carrying value of deposits approximates their market value.

Comparison with the valuation in the financial statements

The valuation method applied to financial assets in the Solvency II EBS does not differ from IFRS. The reclassifications between investment categories result from the difference between the Solvency II definitions and those used in the consolidated financial statements. The reclassification does not result in any valuation changes. The total difference included in the table below is net of the loans and mortgages category due to presentation changes – see Section D.1.9 – Other assets, including loans receivables and trade receivables.

For further details on IFRS balances, classification and valuation methods applied to investments, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 7.1 – Accounting principles for valuation of financial assets, Note 7.9 – Derivative instruments and Note 10.1 – Cash and cash equivalents.

D.1.5. INSURANCE TECHNICAL ASSETS

— **SCOR Group**

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Reinsurance recoverables	1,353,186	6,824,487	(5,471,301)
Non-Life	1,720,661	5,010,932	(3,290,271)
Life	(367,475)	1,813,555	(2,181,030)
Deposits to cedents	8,743,107	-	8,743,107
Insurance and intermediaries receivables	2,519,881	-	2,519,881
Reinsurance receivables	1,265,101	-	1,265,101
TOTAL INSURANCE TECHNICAL ASSETS	**13,881,275**	**6,824,487**	**7,056,788**

Valuation for solvency purposes

Insurance technical assets are balances that relate to reinsurance and direct insurance contracts.

In the EBS, assumed and ceded technical provisions are recognized in line with Solvency II methodology (see Section D.2 – Technical provisions). The calculation of the Solvency II best estimate liabilities and risk margin take into account all cash flow projections related to existing insurance and reinsurance contracts, including premiums, benefits and expenses payments. With the implementation of IFRS 17, the category of reinsurance recoverables now encompasses both reinsurance contracts held and insurance contracts issued, along with associated receivables balances and related funds held. Consequently, during the transition to the EBS, certain balances undergo reclassification.

DAC

DAC which represents the deferral of costs directly associated with the acquisition of new contracts (mainly commission) is not recognized in the EBS. Reimbursements of initial incurred acquisition costs are included in future premiums and thus included in the calculation of technical provisions.

Reinsurance recoverables

Reinsurance recoverables (ceded technical provisions) reflect the estimated amounts which are recoverable under reinsurance contracts (retrocession) in respect of the outstanding claims reported under reinsurance liabilities assumed.

Reinsurance recoverables in the EBS are calculated using essentially the same methodology, systems and processes as the best estimate liabilities (see Section D.2 – Technical provisions). Assumptions are set based on the type of business retroceded and the valuation takes into consideration the recoverability of the balance, where appropriate.

Deposits to cedents

These balances represent deposits made at the request of ceding companies as collateral for SCOR's reinsurance commitments. SCOR measures its deposits to cedents (or funds held) at fair value by discounting the future cash flows of the funds where IFRS does not already represents market values. In order to achieve a full economic valuation of the contracts, all cash flows in respect of the contracts are considered, including the cash flows in respect of assets deposited with the cedent. The calculation of these cash flows is based on the characteristics of the underlying contracts, in particular the reimbursement of interest thereon.

Insurance, intermediaries' and reinsurance receivables

Insurance and intermediaries' receivable balances included separately in the EBS represent amounts linked to insurance business that are due (and overdue) from policyholders, intermediaries and other insurers, but that are not included in the projected cash flows used for the calculation of technical provisions.

Under IFRS, Insurance and intermediaries receivable balances are included as part of insurance contracts issued, in accordance with IFRS 17 – Insurance contracts.

Reinsurance receivables are amounts linked to reinsurance (retrocession) due (and overdue) from reinsurers which are not included in reinsurance recoverables. The receivables include amounts due from reinsurers relating to settled claims. Receivables are carried at cost (with allowance for recoverability) as it is a good approximation of their market value.

Under IFRS, Reinsurance receivables balances are included as part of reinsurance contracts held, in accordance with IFRS 17 – Insurance contracts.

Comparison with the valuation in the financial statements

As explained above, technical cash flows are considered within the Solvency II best estimate liabilities. As a result, insurance receivables that are included in the projected cash flows used for the calculation of technical provisions are not recognized separately in the EBS. Adjustments to the value of deposits to cedents are calculated consistently with the adjustments to best estimate liabilities. Insurance and intermediaries' receivables include a reclassification of assumed outstanding claims estimates from IFRS Life contract liabilities, as these are not included in Solvency II Technical Provisions. Reinsurance recoverables and receivables includes a reclassification of outstanding claims from IFRS Life contract liabilities as these are not included in Solvency II technical provisions. For the remaining insurance technical assets, the valuation method applied in the Solvency II EBS does not differ from IFRS. However, under IFRS these insurance technical assets are considered part of insurance contracts issued or reinsurance contracts held.

For further details on IFRS balances and valuation methods applied to insurance technical assets, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 9 – Assets for insurance acquisition cash flows and Note 14 – Net contract liabilities.

D.1.6. DEFERRED TAX ASSETS

— SCOR Group

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Deferred tax assets	603,443	1,139,667	(536,224)
Deferred tax liabilities	(882,679)	(486,162)	(396,517)
NET DEFERRED TAX (LIABILITIES)/ASSETS	**(279,236)**	**653,505**	**(932,741)**

Valuation for solvency purposes

Deferred taxes in the EBS 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 in the EBS.

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 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 of probable future profits used to recover deferred taxes on asset. SCOR uses a discounted cash flow model comprised of an earnings model, which considers forecast earnings, and other financial ratios of legal entities based on Board-approved business plans, which incorporate key drivers of the underwriting results. On the French tax perimeter, for this purpose income projections are based on latest available operating plan (financial baseline) and in addition include a set of management actions to increase profits or reduce expenses. The "financial baseline" is the standard plan over the next years. Further, management actions consist of initiatives related to business actions, restructuring of business transactions and transformation & simplifications. Business plans include assessments of gross and net premium expectations, expected loss ratios and expected general expenses 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. Further, on the French tax perimeter considering the actual result the decision was made to take a prudent approach and recognize a tax risk provision.

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.

As at December 31, 2024, the operating tax losses available for carryforward expire as follows:

— **SCOR Group**

As at December 31, 2024 *In EUR thousands*	Available tax losses carried forward	Tax losses carried forward for which no DTA is recognized	Deferred tax assets recognized
2025	76	(76)	-
2026	1,740	(1,740)	-
2027	3,236	(2,369)	230
2028	194	(194)	-
Thereafter	408,274	(310,617)	20,528
Indefinite	4,313,754	(1,231,213)	705,653
TOTAL	**4,727,274**	**(1,546,209)**	**726,411**

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.

Deferred tax assets not recognized in relation to tax losses carried forward (EUR (1,546) million) amount to EUR 231 million. Operating losses which have not been recognized as deferred tax assets relate primarily to the French Tax Group.

The impact of Solvency II adjustments to bring IFRS figures to EBS market value is an overall increase in net assets, therefore all deferred tax impacts arising from the recording of economic adjustments are reflected in the deferred tax liability. Deferred taxes retained on the EBS are recorded in accordance with IAS 12 – Income Taxes.

Comparison with the valuation in the financial statements

Measurement of deferred taxes for the Solvency II EBS is generally consistent with IFRS, the difference being the fact that the deferred tax asset or liability is established based on the difference between the values ascribed to assets and liabilities recognized in the EBS and their values recognized for tax purposes (instead of the differences between the asset or liability carrying amount in the IFRS balance sheet and its tax base).

For the purpose of the EBS, the appropriate deferred tax effect of all adjustments between the IFRS balance sheet and the EBS is recognized using the applicable local tax rates. Deferred tax balances are adjusted for the impacts of the differences between the IFRS and Solvency II valuation bases – the main difference being driven by revaluation of technical provisions, but also for other differences like property at amortized cost restated to fair value.

For further details on IFRS balances and the valuation method applied to deferred taxes, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 16 – Income taxes.

D.1.7. PENSION BENEFIT SURPLUS

Valuation for solvency purposes and comparison with the valuation in the financial statements

On December 31, 2024, SCOR did not recognize any pension benefit surplus related to employee pension schemes. See Section D.3.1 – Pension benefit obligations.

D.1.8. OWN SHARES

Valuation for solvency purposes and comparison with the valuation in the financial statements

Own shares (EUR 52 million) held by SCOR have been acquired in the context of anticipated awards to employees and officers as part of a share allotment plan, and to a lesser extent, as part of a liquidity contract with an external financial intermediary that ensures the liquidity of trades in SCOR shares on the market.

In the consolidated financial statements, own (treasury) shares are valued at cost and presented as a deduction from shareholders' equity. In the EBS, own shares have been reclassified from shareholders' equity to assets. In the Solvency II EBS, own shares are stated at market value.

For further details on IFRS balances and the valuation method applied to own shares, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 11 – Information on share capital, capital management, regulatory framework and consolidated reserves.

D.1.9. OTHER ASSETS, INCLUDING LOANS RECEIVABLES AND TRADE RECEIVABLES

— SCOR Group

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Loans and mortgages	2,780,483	6,045	2,774,438
Loans on policies	19,019	-	19,019
Loans and mortgages to individuals	-	-	-
Other loans and mortgages	2,761,464	6,045	2,755,419
Receivables (trade, not insurance)	591,628	523,866	67,762
Any other assets	34,172	36,190	(2,018)
TOTAL OTHER ASSETS	**3,406,283**	**566,101**	**2,840,182**

Valuation for solvency purposes

This section covers all other assets recognized in the EBS, including loans and mortgages, trade receivables and any other assets. Most of these assets are carried at amortized cost using the effective interest rate method, as it is a good approximation of their market value.

Loans and mortgages in the EBS represent loans on policies and other loans and mortgages.

Trade receivables include amounts receivable from employees, various business partners and the sovereign states (*e.g.* current tax) that are not insurance or reinsurance related.

Any other assets consist primarily of accruals.

Comparison with the valuation in the financial statements

The difference in the table above is presentational and reflects a reclassification from the investment categories – see Section D.1.4 – Cash and investments, other than property and participations. Other assets are carried at a value that is not materially different from market value and hence there is no valuation difference between the consolidated financial statements and the EBS.

D.1.10. SCOR SE – ADDITIONAL INFORMATION ON THE VALUATION OF ASSETS

The table below presents the assets of SCOR SE as per the EBS together with references to the relevant section within this chapter explaining the valuation bases and methods used for Solvency II purposes.

The valuation principles applied by SCOR SE in its EBS are the same as those applied by SCOR Group and explained in Sections D.1.1 – Goodwill and other intangible assets to D.1.9 – Other assets, including loans receivables and trade receivables above. Any additional information on assets specific to SCOR SE is included in the relevant sub-sections below.

— SCOR SE

Assets as at December 31, 2024 *In EUR thousands*	EBS Solvency II	Sections	
Goodwill	**-**	**D.1.1**	**D.1.10.1**
Deferred acquisition costs	**-**	**D.1.5**	**D.1.10.5**
Intangible assets	**161,523**	**D.1.1**	**D.1.10.1**
Deferred tax assets	**148,901**	**D.1.6**	**D.1.10.6**
Pension benefit surplus	**-**	**D.1.7**	
Property, plant and equipment held for own use	**155,997**	**D.1.2**	**D.1.10.2**
Investments	**17,195,871**		
Property (other than for own use)	-	D.1.2	D.1.10.2
Participations and related undertakings	9,324,545	D.1.3	D.1.10.3
Equities	53,057	D.1.4	D.1.10.4
Bonds	4,553,699	D.1.4	D.1.10.4
Collective Investments Undertakings	2,978,774	D.1.4	D.1.10.4
Derivatives	172,287	D.1.4	D.1.10.4
Deposits other than cash equivalents	113,501	D.1.4	D.1.10.4
Other investments	8	D.1.4	D.1.10.4
Assets held for index-linked and unit-linked contracts	**-**	**D.1.4**	
Loans and mortgages	**1,328,627**	**D.1.9**	**D.1.10.8**
Loans on policies	-		
Loans and mortgages to individuals	-		
Other loans and mortgages	1,328,627		
Reinsurance recoverables	**1,713,038**	**D.1.5**	**D.1.10.5**
Non-Life and Health similar to Non-Life	3,424,102		
Non-Life excluding Health	3,415,223		
Health similar to Non-Life	8,879		
Life and Health similar to Life, excluding Health and index-linked and unit-linked	(1,711,064)		
Health similar to Life	(86,710)		
Life excluding Health and index-linked and unit-linked	(1,624,354)		
Life index-linked and unit-linked	-		
Deposits to cedents	**7,036,581**	**D.1.5**	**D.1.10.5**
Insurance and intermediaries receivables	**184,950**	**D.1.5**	**D.1.10.5**
Reinsurance receivables	**394,230**	**D.1.5**	**D.1.10.5**
Receivables (trade, not insurance)	**347,162**	**D.1.9**	**D.1.10.8**
Own shares	**52,075**	**D.1.8**	**D.1.10.7**
Cash and cash equivalents	**667,438**	**D.1.4**	**D.1.10.4**
Any other assets, not elsewhere shown	**12,122**	**D.1.9**	**D.1.10.8**
TOTAL ASSETS	**29,398,515**		

D.1.10.1. GOODWILL AND OTHER INTANGIBLE ASSETS

— SCOR SE

As at December 31, 2024 *In EUR thousands*	EBS	Statutory French GAAP	Difference
Goodwill	-	275,693	(275,693)
Intangible assets	161,523	348,563	(187,040)
TOTAL INTANGIBLE ASSETS	**161,523**	**624,256**	**(462,733)**

The statutory balance sheet of SCOR SE includes goodwill and renewal rights (EUR 624 million) recognized under French GAAP. These assets have a value of nil in the EBS (see Section D.1.1 – Goodwill and other intangible assets).

For further details on French GAAP balances and valuation methods applied to intangibles, please refer to the 2024 Universal Registration Document, Appendix B – 5. Notes to the parent company financial statements, Section 5.1.1 – Intangible assets, for accounting principles and policies and Section 5.2.2 – Other assets, for other disclosures.

D.1.10.2. PROPERTY, PLANT AND EQUIPMENT

SCOR SE does not own any investment properties directly, investments in real estate companies are recognized as participations.

Equipment for own use held by SCOR SE is carried in the financial statements at cost, net of accumulated depreciation and impairment losses.

For further details on French GAAP balances and valuation methods applied to property, plant and equipment, please refer to the 2024 Universal Registration Document, Appendix B – 5. Notes to the parent company financial statements, Section 5.1.3 – Property, plant and equipment and related commitments, for accounting principles and methods and Section 5.2.2 – Other assets, for other disclosures.

D.1.10.3. PARTICIPATIONS

The participations value in the EBS represents SCOR SE's share in related companies.

For the purpose of its solo EBS, SCOR SE values its holdings in related undertakings (subsidiaries and other) using the adjusted equity method. The value of the participation reflects the solo entity's share of the excess of assets over liabilities of the related undertaking valued in accordance with Solvency II rules.

The participations are recognized in the financial statements of SCOR SE at cost less accumulated impairment charges.

The difference between the EBS and the statutory value is therefore driven by the revaluation to market value, as explained above, and the different treatment of acquisition costs.

For further details on French GAAP balances and valuation methods applied to investments in associates, please refer to the 2024 Universal Registration Document, Appendix B – 5. Notes to the parent company financial statements, Section 5.1.2 – Investments, for accounting principles and methods and Section 5.2.1 – Investments, for other disclosures.

D.1.10.4. CASH AND INVESTMENTS, OTHER THAN PROPERTY AND PARTICIPATIONS

— SCOR SE

As at December 31, 2024 *In EUR thousands*	EBS	Statutory French GAAP	Difference
Equities	53,057	3,248,077	(3,195,020)
Bonds	4,553,699	4,999,053	(445,354)
Collective investments undertakings	2,978,774	-	2,978,774
Derivatives	172,287	359,156	(186,869)
Deposits	113,501	113,501	-
Other investments	8	-	8
Cash	667,438	225,836	441,602
TOTAL INVESTMENTS AND CASH	**8,538,764**	**8,945,623**	**(406,859)**

In the financial statements, equities held by SCOR SE are carried at cost less impairment charges. Bonds are carried at amortized cost.

The difference between the value of investments in the EBS and in the statutory financial statements is mainly driven by the revaluation to market value. Information on valuation principles used in the EBS is provided in Section D.1.4 – Cash and investments, other than property and participations. In addition, some reclassifications occur between the EBS and the statutory financial statements, particularly, for equities and cash, where short terms investments are reclassified due to their high liquidity.

For further details on French GAAP balances and valuation methods applied to investments, please refer to the 2024 Universal Registration Document, Appendix B – 5. Notes to the parent company financial statements, Section 5.1.2 – Investments, for accounting principles and methods and Section 5.2.1 – Investments, for other disclosures.

D.1.10.5. INSURANCE TECHNICAL ASSETS

— SCOR SE

As at December 31, 2024 *In EUR thousands*	EBS	Statutory French GAAP	Difference
Deferred acquisition costs (DAC)	-	564,144	(564,144)
Reinsurance recoverables	1,713,038	6,285,644	(4,572,606)
Non-Life	3,424,102	6,104,510	(2,680,408)
Life	(1,711,064)	181,134	(1,892,198)
Deposits to cedents	7,036,581	7,091,779	(55,198)
Insurance and intermediaries receivables	184,950	2,701,554	(2,516,604)
Reinsurance receivables	394,230	394,747	(517)
TOTAL INSURANCE TECHNICAL ASSETS	**9,328,799**	**17,037,868**	**(7,709,069)**

Insurance technical assets relate to assumed and retroceded reinsurance contracts.

As explained in Section D.1.5 – Insurance technical assets, technical cash flows are considered within Solvency II best estimate liabilities. As a result, acquisition costs and insurance receivables that are included in the projected cash flows used for the calculation of technical provisions are not recognized separately in the EBS. The same principles apply to retrocession operations through the assessment of reinsurance recoverables.

Adjustments to the value of deposits to cedents are consistent with the adjustments to the best estimate liabilities.

For the remaining insurance technical assets (insurance and reinsurance receivables), the method of valuation applied in the Solvency II EBS does not differ from statutory financial statements.

For further details on French GAAP balances and valuation methods applied to insurance technical assets, please refer to the 2024 Universal Registration Document, Appendix B – 5. Notes to the parent company financial statements, Sections 5.1.7 – Recording of reinsurance transactions, 5.1.8 – Underwriting reserves and 5.1.9 – Acquisition costs of reinsurance transactions, for accounting principles and methods and Section 5.2.9 – Transactions with subsidiaries, affiliates and others, for other disclosures.

D.1.10.6. DEFERRED TAX ASSETS

— SCOR SE

As at December 31, 2024 *In EUR thousands*	EBS	Statutory French GAAP	Difference
Deferred tax assets	148,901	-	148,901
Deferred tax liabilities	(462,273)	23	(462,296)
NET DEFERRED TAX (LIABILITIES)/ASSETS	**(313,372)**	**23**	**(313,395)**

Deferred taxes in the EBS are recognized using the balance sheet liability method for all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying value in the EBS. In addition, deferred tax assets are recognized on net operating losses carried forward by SCOR SE, to the extent that it is probable that future taxable profit will be available to utilize those net operating losses carried forward. Management makes assumptions and estimates related to income projections, which are similar to that of the Group but within the French Tax Group scope, to determine the availability of sufficient future taxable income (see D.1.6 – Deferred tax assets).

The Group in France is consolidated for tax purposes and is composed of SCOR SE as the parent company of the Group, SCOR Investment Partners SE, SCOR Europe SE, ReMark France SAS, SCOR Real Estate , Mondot Immobilier SAS, Marbot Real Estate SAS, DB Caravelle SAS, SCOR Capital Partners SAS, Château Mondot SAS, Les Belles Perdrix de Troplong Mondot EURL, SCOR Capital Partners 2 BV Paris Branch, SV One SAS, Marbot Management 2 SAS, SCOR Operations, Remark Iberia SL French Branch, SCOR Operation 2. Under the tax agreement, SCOR SE benefits from the tax loss carryforwards 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 2,379.5 million as at December 31, 2024. Deferred tax assets not recognized in relation to tax losses carried forward (EUR 1,139 million) amount to EUR 294 million.

No deferred tax is recognized under French GAAP, therefore the difference between the EBS and the statutory value is driven by the recognition of deferred tax in line with Solvency II rules (as described in Sections D.1.6 – Deferred tax assets and D.3.3 – Deferred tax liabilities).

D.1.10.7. OWN SHARES

Own shares in the EBS (EUR 52 million) represent treasury shares held by SCOR SE, acquired (i) in the context of anticipated awards to employees and officers as part of a share allotment plan; (ii) as part of a planned capital reduction through share cancellation; and (iii) to a lesser extent, as part of a liquidity contract with an external financial intermediary that ensures the liquidity of trades in SCOR shares on the market. In the statutory financial statements own shares are valued at cost. Own shares are classified as assets in the EBS and stated at market value.

For further details on French GAAP balances and valuation methods applied to own shares, please refer to the 2024 Universal Registration Document, Appendix B – 5. Notes to the parent company financial statements, Section 5.2.2 – Other assets for other disclosures.

D.1.10.8. OTHER ASSETS

— SCOR SE

As at December 31, 2024 *In EUR thousands*	EBS	Statutory French GAAP	Difference
Loans and mortgages	1,328,627	1,250,938	77,689
Receivables (trade, not insurance)	347,162	333,886	13,276
Any other assets	12,122	12,334	(212)
TOTAL OTHER ASSETS	**1,687,911**	**1,597,158**	**90,753**

Other assets are generally carried at amortized cost as it is a good approximation of their market value. The difference between the value of other assets in the EBS and in the statutory financial statements is mostly driven by the different presentation of certain assets in line with the Solvency II definitions than those used in the SCOR SE statutory financial statements.

For further details on French GAAP balances and valuation methods and balances applied to loans, trade receivables and other assets, please refer to the 2024 Universal Registration Document, Appendix B – 5. Notes to the parent company financial statements, Section 5.1.2 – Investments, for accounting principles and methods and Sections 5.2.1 – Investments and 5.2.2 – Other assets, for other disclosures.

D.2. TECHNICAL PROVISIONS

SCOR's technical provisions are calculated as the sum of best estimate liabilities (BEL) and risk margin (RM). BEL is valued as the net present value of future cash-flows. SCOR determines the risk margin under Solvency II according to the specified cost-of-capital method, using the risk-free rate for discounting and the cost of capital rate. In order to estimate future SCRs, SCOR uses its internal model for its main subsidiaries. Consistent with the prescribed transfer scenarios, the projected SCRs capture underwriting, credit and operational risks.

A business unit specific methodology then allocates the calculated risk margin to the underlying lines of business. All entities carrying reinsurance contracts are in scope. EEA entities are modelled consistently with Solvency II methodology and represent the majority of the Group's business. The model aggregates the smaller non-EEA entities outside the EEA, and this provides a non-material additional diversification benefit.

This chapter provides an overview of the technical provisions at year-end 2024. In addition, the bases, methods and assumptions used for the calculations are described including an analysis of significant simplifications and the related uncertainties. Where deemed appropriate, the valuation of deposits to cedents and from retrocessionaires are commented on as they are closely linked to the BEL calculation.

The risk-free interest rates used are those provided by EIOPA. For some minor currencies, no risk-free rate is provided by EIOPA, and SCOR derives risk-free rates using the methodology specified by EIOPA. Unadjusted risk-free rates are used with no transitional or long-term guarantee measures (*e.g.* volatility adjustments).

D.2.1. NON-LIFE TECHNICAL PROVISIONS

The table below presents the Non-Life technical provisions of SCOR Group.

— SCOR Group

As at December 31, 2024 *In EUR thousands*	EBS
Non-Life technical provisions (TPs)	**17,686,158**
TPs – Non-Life (excl. Health)	17,544,601
Best estimate	17,058,785
Risk margin	485,816
TPs – Health similar to Non-Life (NSLT)	141,557
Best estimate	135,839
Risk margin	5,718
Non-Life reinsurance recoverables	**(1,720,661)**
Non-Life (excl. Health)	(1,725,849)
Health NSLT	5,188
NET NON-LIFE TECHNICAL PROVISIONS	**15,965,497**

D.2.1.1. SEGMENTATION BY LINES OF BUSINESS

The table below shows the valuation of P&C net technical provisions of SCOR Group as at December 31, 2024, presented by line of business (LoB) as defined for Solvency II reporting purposes.

— **SCOR Group**

As at December 31, 2024 *In EUR thousands*	Best estimates liabilities (BEL)	Reinsurance recoverables	Risk margin	Total net technical provisions
Income protection insurance	27,350	5,637	570	33,557
Workers' compensation insurance	28,664	(334)	3,966	32,296
Motor vehicle liability insurance	725,862	(161,236)	40,101	604,727
Marine, aviation and transport insurance	840,155	(118,896)	16,628	737,887
Fire and other damage to property insurance	2,817,206	(588,017)	94,752	2,323,941
General liability insurance	4,211,618	(374,510)	124,658	3,961,766
Credit and suretyship insurance	568,233	(45,045)	26,245	549,433
Miscellaneous financial loss	466,877	(35,832)	24,647	455,692
Legal Expense	30,629	10,163	122	40,914
Non-proportional Health reinsurance	79,825	(115)	1,182	80,892
Non-proportional casualty reinsurance	4,341,669	(65,228)	80,693	4,357,134
Non-proportional marine, aviation, transport reinsurance	365,518	(81,122)	3,616	288,012
Non-proportional property reinsurance	2,691,018	(266,126)	74,354	2,499,246
TOTAL	**17,194,624**	**(1,720,661)**	**491,534**	**15,965,497**

The P&C net technical provisions of EUR 15,965 million correspond to the sum of P&C best estimate liabilities net of reinsurance recoverables of EUR 15,474 million and a risk margin of EUR 492 million (rounded numbers).

The P&C net best estimate liabilities of EUR 15,474 million (comprising gross best estimate liabilities of EUR 17,195 million and reinsurance recoverables of EUR 1,721 million, as presented in the above table) are composed of two parts: net claims provisions (EUR 15,645 million) and net premiums provisions (EUR (171) million). The expected future premiums and premium estimates net of commissions are not shown on the assets side of the EBS but are netted down from the future claims on the liability side.

D.2.1.2. BEST ESTIMATE LIABILITY

Claims provisions methodology and assumptions

The elements of claims provisions (EUR 15,645 million) recognized within best estimate liabilities in the SCOR Group EBS are described below:

- IBNR corresponds to the reserves for claims incurred but not yet reported and not sufficiently reserved. It is calculated in the SCOR system at actuarial segment/underwriting year level using Best Estimate Ultimate Loss Ratios which are based on an annual analysis conducted each year by the local actuaries;
- outstanding claims are the same as reinsurance accounts received from SCOR's clients with the following exceptions: French motor liability and a specific medical malpractice program written in France with cancellation of the discount on loss reserves. The impact on the final BEL number is minimal because the discount cancellation on case reserves is compensated by a longer payment pattern;
- claims estimates mainly correspond to the loss corridor clause, which is a feature of the contract defining a range of loss ratios between which the reinsurer will pay a percentage defined in the contract. An estimation of the amounts to be paid is computed according to the best estimate loss ratios;
- premium estimates that are already earned are reallocated from premium reserves to claim reserves. These amounts come as a reduction of claims estimates;
- in calculating the unallocated loss adjustment expenses (ULAE) and overhead expenses, SCOR takes into account all cash flows arising from expenses that will be incurred in servicing the recognized insurance and reinsurance obligations over the lifetime thereof. This includes administrative expenses, investment management expenses and claims management handling expenses;
- claims discount represents the adjustment for the time value of money linked to claims estimates, outstanding claims, IBNR and ULAE reserves. The discount on claims reserves is calculated using underwriting years' claims patterns calculated by SCOR and risk-free rates yield curves published by EIOPA;

- the underwriting claims patterns gross of retrocession are estimated each year by local actuaries at actuarial segment level. In most cases, patterns are calculated using the Chain-Ladder method, derived from the claims paid triangles and incurred claims triangles;
- each and every year, relevant assumptions made in the calculation of best estimates are reviewed and updated, especially for the annuities discount. SCOR considers market exogenous information such as medical inflation and interest rates.

Premium provisions methodology and assumptions

The elements of Solvency II premium provisions (EUR (171) million) are described below:

- future premiums correspond to the part of the premiums not yet written and relate to the difference between EGPI (Estimated Gross Premium Income) and written premiums for bound and incepted contracts only;
- future commissions correspond to commissions on future premiums;
- future claims are the claims reserves related to future premiums and IFRS unearned premium reserves. The best loss ratio used for future claims calculation is derived by P&C reserving actuaries from either pricing loss ratios or experience loss ratios;
- premium estimates correspond to the portion of written premiums not yet received in cash. Premium estimates include reinstatement and burning cost premiums which are calculated using the projected claims ultimate (so including IBNR). Given that IBNR under IFRS and EBS are not necessarily the same, reinstatement premiums and burning cost premiums will also vary;
- premium overdue amounts on facultative contracts have been removed from the BEL and are now booked as receivables. Overdue premiums are premiums that have reached maturity and not been yet received at valuation date;
- premium estimates that are already earned are reallocated from premium reserves to claim reserves;
- commission estimates correspond to the commissions on premium estimates. Commission estimates include sliding scale commissions and profit commissions, which are calculated using the projected claims ultimate;
- bound but not incepted contracts (BBNI) corresponding to contracts written before the valuation date but incepting after the valuation date are now included in the BEL;
- ULAE on future claims is calculated in the same way as ULAE for claims provisions;
- discount: claims discount principles apply to the premium discount.

Comparison to prior period

There is no major change compared to previous period in the calculation of BEL.

List of the most commonly used methods

To assess the IFRS and Solvency II Best Estimates, the Group uses generally accepted actuarial methods, which take into account quantitative loss experience data, together with qualitative factors and exogenous data, where appropriate. The reserves are also adjusted to reflect reinsurance treaty terms and conditions, and the variety of claims processing that may potentially affect the Group's commitment over time.

SCOR uses in particular:

- deterministic methods (*e.g.* Chain Ladder, Bornhuetter-Ferguson, Average cost or Loss ratio methods) for Best Estimate and patterns assessment;
- stochastic approaches (*e.g.* Mack model, Bootstrap) for reserves' volatility estimates;
- experts' judgments (*e.g.* exogenous *a priori* loss ratios provided by SCOR P&C pricing or underwriting, market benchmark such as Reinsurance Association of America patterns);
- tailor made solutions: depending on data availability and portfolio complexity, SCOR develops tailor made solutions. Some parameters used in these models can be subject to dedicated studies. These parameters include, but are not limited to, interest rates, legal development and inflation.

D.2.1.3. LEVEL OF UNCERTAINTY

In the P&C business, the uncertainty arises primarily from:

- the level of ultimate loss ratios used to compute the reserves. Some reserving methods require the use of *a priori* ultimate loss ratios. Pricing loss ratios are often used; sensitivities around these ratios are tested;
- the level of the case reserves which is tested through two tests: the first tests the tail development and the second tests outstanding claims reserves;
- the legal precedent. For some contracts (especially bodily injuries), the level of uncertainty arises from the annuities payment parameters such as mortality table and capitalization rate. These parameters can vary over time due to the economic environment, market changes and legal precedents.

The results of the above stress tests fall within a reasonable range of potential loss deviations from the best estimate and are absorbable by usual reserve volatility.

D.2.1.4. REINSURANCE RECOVERABLES

SCOR transfers part of its risks to retrocessionaires *via* retrocession programs. The retrocessionaires then assume, in exchange for the payment of a premium by SCOR, the losses related to claims covered by the retrocession contracts.

Retrocession IBNR

For proportional retrocession, the cession rate is applied to assumed best estimate IBNRs and retrocession IBNR amounts are automatically calculated.

For non-proportional retrocession under the Solvency II framework, it is considered that the retrocession IBNRs booked as reinsurance accounting position reflect the best estimates position.

Retrocession discount

For proportional retrocession, the pattern of the corresponding assumed segments is used for proportional retrocession.

For non-proportional retrocession, the pattern linked to the LoB retrocession is used to calculate the cash flows of the retrocession contract.

Adjustment for expected losses due to counterparty default (bad debts)

Reinsurance Bad Debt is estimated at contract/section/underwriting year/retrocessionaire level using the rating of its retrocessionaires. The rating is associated with an expected default probability and a recovery rate provided by EIOPA in Article 199 of the delegated acts.

Retrocession segmentation

For proportional retrocession, the allocation by line of business follows the assumed segmentation.

For non-proportional retrocession, rules starting from the retrocession contract criteria are used.

D.2.1.5. RISK MARGIN

The general risk margin methodology is described in Section D.2 – Technical provisions.

D.2.1.6. COMPARISON WITH THE VALUATION IN THE FINANCIAL STATEMENTS

The main differences between IFRS 17 BS positions relating to claims and premium provisions compared to EBS reserves (excluding risk margin) as at December 31, 2024 are shown in the following tables, which are split between claims and premium reserves. Claims reserves are compared to the Present Value of Current Cash-Flows (PVFCF) for Liabilities on Incurred Claims (LIC), without the part relating to Fund Withheld Assets (FWH). Premium reserves are compared to PVFCF for the Liability for Remaining Cover (LRC).

— SCOR Group

As at December 31, 2024 *In EUR thousands*	EBS Claims provisions	IFRS PVFCF LIC wo FWH	Difference
Income protection	32,742	39,934	(7,192)
Workers' compensation	28,154	26,347	1,807
Motor vehicle liability	541,765	568,228	(26,463)
Marine, aviation and transport	724,594	774,860	(50,266)
Fire and other damage to property	2,248,755	2,085,392	163,363
General liability	3,881,364	3,883,909	(2,545)
Credit and suretyship	568,051	715,876	(147,825)
Miscellaneous financial loss	474,695	588,477	(113,782)
Legal Expense	38,416	17,572	20,844
Non-proportional Health	81,474	70,107	11,367
Non-proportional casualty	4,310,741	4,527,119	(216,378)
Non-proportional marine, aviation and transport	286,104	304,186	(18,082)
Non-proportional property	2,428,102	2,347,225	80,877
TOTAL	**15,644,957**	**15,949,232**	**(304,275)**

The main differences between PVFCF reserves on LIC and Solvency II best estimate liabilities arise from the reserve amount adequacy (set to 0 at Q4 2024 as IFRS PVFCF reserves have no included prudence), differences in calculating the claims and premium discount, the removal of Fac premium overdue from the BEL, the reallocation of earned premium accruals from premium reserves to claim reserves, as well as a broader scope of the ULAE definition. Regarding ULAE, the IFRS definition includes only claims expenses, whereas the EBS definition also includes administrative and investment expenses.

— **SCOR Group**

As at December 31, 2024 *In EUR thousands*	EBS Premium provisions	IFRS PVFCF LRC	Difference
Income protection	245	(6,151)	6,396
Workers' compensation	176	1,472	(1,296)
Motor vehicle liability	22,861	14,590	8,271
Marine, aviation and transport	(3,335)	(105,887)	102,552
Fire and other damage to property	(19,566)	169,010	(188,576)
General liability	(44,256)	(113,886)	69,630
Credit and suretyship	(44,863)	(186,470)	141,607
Miscellaneous financial loss	(43,650)	(116,587)	72,937
Legal Expense	2,376	27,454	(25,078)
Non-proportional Health	(1,764)	(2,714)	950
Non-proportional casualty	(34,300)	(40,232)	5,932
Non-proportional marine, aviation and transport	(1,708)	(21,182)	19,474
Non-proportional property	(3,210)	97,627	(100,837)
TOTAL	**(170,994)**	**(282,956)**	**111,962**

The main differences between PVFCF reserves on LRC and Solvency II best estimate premium reserves arise from the reallocation of earned premium accruals from premium reserves to claim reserves, the inclusion of all BBNI contracts in the BEL, a broader scope of the ULAE definition and a difference in the calculation of discounts amounts linked to PVFCF on LRC.

D.2.2. LIFE TECHNICAL PROVISIONS

The table below presents the Life technical provisions of SCOR Group:

— **SCOR Group**

As at December 31, 2024 *In EUR thousands*	EBS
Life technical provisions	**8,055,738**
TPs – Life (excl. Health and unit linked)	3,046,127
Best estimate	998,804
Risk margin	2,047,323
TPs – Health SLT	5,009,611
Best estimate	2,916,837
Risk margin	2,092,774
Life reinsurance recoverables	**367,475**
Life (excl. Health and unit linked)	426,426
Health SLT	(58,951)
NET LIFE TECHNICAL PROVISIONS	**8,423,213**

D.2.2.1. SEGMENTATION BY LINES OF BUSINESS

Life technical provisions are segmented in the economic balance sheet into Life (excl. Health and unit-linked) and Health similar to Life (SLT). These correspond to the assumed reinsurance Life and assumed reinsurance Health lines of business as required under Solvency II.

— **SCOR Group**

As at December 31, 2024 *In EUR thousands*	Best estimates liabilities (BEL)	Reinsurance recoverables	Risk margin	Total net technical provisions
Reinsurance Life	998,804	426,426	2,047,323	3,472,553
Reinsurance Health	2,916,837	(58,951)	2,092,774	4,950,660
TOTAL	**3,915,641**	**367,475**	**4,140,097**	**8,423,213**

D.2.2.2. BEST ESTIMATE LIABILITY

Life best estimate liabilities (BEL) are calculated as the net present value of future cash flows in respect of assumed reinsurance contracts (*i.e.* gross of retrocession), projected deterministically using best estimate assumptions. Amounts recoverable from reinsurance contracts are projected separately and follow the same valuation methodology as Life BEL.

The cash flows considered for the BEL cover all liability cash flows related to premiums, benefits and expenses including the time value of options and guarantees. In general, cash flows are projected using actuarial valuation models that reflect the specific contractual conditions.

Actuarial bases and methodologies

Cash flows are projected using SCOR's best estimate assumptions. For the vast majority of SCOR's exposure, projections are based on recent data of individual policyholders reinsured under the reinsurance contracts, with modeling either at an individual policyholder level (seriatim models) or based on aggregated model points derived from individual policyholder data.

The term of the projection usually corresponds to the projected run-off of the block of business until natural expiry of the policies (subject to contract boundaries), or 65 years if shorter.

All technical cash flows arising from the reinsurance contracts are projected with an allowance for relevant expenses.

Cash flows are generally calculated and reported in the relevant original currency, with some minor exposures mapped to similar currencies and discounted at the assumed risk-free rate for the relevant currency.

Best estimate assumptions

The main categories for best estimate assumptions are related to biometric risks, policyholder behavioral risks, expenses associated with the management of reinsurance contracts including investment management expenses and economic assumptions. Assumptions are regularly reviewed and updated, where appropriate, based on the best available information at the date of valuation, including both internal and publicly available information. The information and data used to set assumptions for material portfolios are re-evaluated annually. Assumptions are derived by actuarial modeling teams and relevant experts and are subject to independent reviews.

The main biometric assumptions are for mortality (*e.g.* mortality rates, mortality improvement, impact of selection and anti-selection), longevity and morbidity (*e.g.* claims incidence rates, recovery rates).

Policyholder behavior is modeled by the use of assumptions related to lapse, surrender and premium payment patterns.

Expected future cedent actions that would impact SCOR's future cash flows are also considered.

SCOR's total actual expenses are subdivided between maintenance, covering administrative and claims management expenses, acquisition, investment and one-off expenses based on the related activities. Projected cash flows include projected maintenance expenses, with an allowance for future inflation, and projected investment expenses.

Collateral costs are projected using assumptions based on the characteristics of the relevant collateral.

Economic assumptions (inflation rates, exchange rates, interest rates, implied volatility rates) have been calibrated to the prices of relevant financial market instruments observable at the date of valuation.

Foreign exchange rates used at the valuation date are consistent with IFRS closing rates, assuring consistency with the IFRS balance sheet, which forms the basis for the EBS as of that date.

Comparison to prior period

Compared to last year, the main changes are the impact of experience variance, assumption changes, economic impacts as well as roll forward and new business.

D.2.2.3. SIGNIFICANT SIMPLIFIED METHODS USED

SCOR uses simplified methods to value approximately 12% of its Life and Health portfolio, measured in terms of the present value of projected future claims. These simplified methods either rely on model polices which are not derived from recent seriatim policy data; or are purely based on the historic aggregate accounting data of a treaty, extrapolating existing accounting data history under a duration and run-off assumption; or are models with other simplifications. Adjustments may be made to better reflect treaty conditions.

D.2.2.4. LEVEL OF UNCERTAINTY – SENSITIVITIES

The key area of uncertainty associated with the value of the technical provisions arises from the setting of best estimate assumptions. Assumptions are therefore reviewed on a regular basis, updated based on the best available information and are subject to independent reviews. In particular, while some assumptions can be reliably observed from market information or derived from recent experience data, other assumptions must be set for periods far in the future and so must allow for the development of trends and external influences, or for exposures for which less experience data are available. In these cases, SCOR applies expert judgment to enrich data, derive parameters for the forecast, and reduce uncertainty in estimations. SCOR applies expert judgment within a framework to make sure that its application is proportionate to the quantity and quality of data available, and to its potential impact.

The sensitivity of the BEL to the best estimate assumptions is analyzed through sensitivity tests. Their impacts are described below.

Mortality sensitivity

The most significant set of parameters in determining SCOR's Life portfolio technical provisions are those for the projection of current and future mortality rates. A deterioration of expected mortality would cause a significant increase in Life technical provisions, as mortality risk is a core element of SCOR's Life risk appetite.

Some reduction in technical provisions would be observable on the annuity business in the case of a mortality increase. However, this is less material compared to the potential impact from the mortality business for the comparable scenario.

Morbidity sensitivity

A deterioration of expected morbidity would increase Life and Health technical provisions. The impact would be far lower than a comparable change to expected mortality, as the exposure of the L&H business unit portfolio to morbidity risk is lower.

Lapse sensitivity

Technical provisions for L&H business would increase and the market value of deposits would decrease with an increase in assumed future lapse rates. Lapse rates can change due to the influence of external factors.

Interest rate sensitivity

A parallel upward shift in the yield curve would reduce the L&H business unit technical provisions. This would be partly offset by a decrease in the market value of deposits.

A parallel downward shift would have the opposite impact.

D.2.2.5. REINSURANCE RECOVERABLES

SCOR transfers part of its risks to retrocessionaires *via* retrocession programs. The reinsurance recoverables associated with these programs are calculated using the same methodology, systems and processes as the underlying BEL of assumed reinsurance treaties. Special purpose vehicles are not in place for SCOR's Life portfolio retroceded. The exposure to default risk on the retrocession recoverables is minor, as in most Life retrocessions, positive cash flows are expected to be ceded.

D.2.2.6. RISK MARGIN

The general risk margin methodology is described in Section D.2 – Technical provisions.

D.2.2.7. COMPARISON WITH THE VALUATION IN THE FINANCIAL STATEMENTS

This section presents the main differences between the Life Solvency II net technical balances and the corresponding IFRS balances for SCOR Group reported as at December 31, 2024, which are shown in the table below.

— SCOR Group

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Net deposits	8,115,612	-	8,115,612
Reinsurance recoverables	(367,475)	1,813,555	(2,181,030)
(Re)insurance receivables/payables	1,698,594	-	1,698,594
Technical provisions/BEL	(3,915,641)	(5,987,735)	2,072,094
Risk margin	(4,140,097)	-	(4,140,097)
TOTAL NET LIFE TECHNICAL BALANCES	**1,390,993**	**(4,174,180)**	**5,565,173**

The analysis of valuation differences between economic valuation and IFRS in the table above considers BEL, risk margin and market value adjustment on deposits in comparison to the corresponding consolidated IFRS amounts. A neutral element is the difference in (re)insurance receivables/payables, which represents a reclassification of the IFRS technical provision component, which is not modeled in BEL. Funds withheld positions are netted against the provisions leading to significant decrease of the Balance Sheet size. Contractual Service Margin are eliminated for the purpose of EBS as earnings from its run-off are already considered at point of sale.

In addition to the above, valuation differences are due to discrepancies:

- in the methodology for assessing the reserves;
- in interest rate assumptions;
- differences in granularity with knock-on effects on overarching positions;
- timing due to different data cut off dates;
- in risk adjustment versus risk margin calculations;
- in allowances for specific fees; and
- in allowances for internal administration expenses.

At the level of reserves recognized in IFRS balance sheet and EBS, the following table provides a view by line of business.

— SCOR Group

As at December 31, 2024 *In EUR thousands*	IFRS LRC	IFRS LIC	IFRS net contract liabilities	EBS net BEL	EBS RM	EBS net Technical Provision	Difference
Assumed reinsurance Life	(3,699,489)	3,080,255	(619,234)	1,425,230	2,047,323	3,472,553	(4,091,787)
Assumed reinsurance Health	2,238,462	2,554,953	4,793,415	2,857,886	2,092,774	4,950,660	(157,245)
TOTAL	**(1,461,027)**	**5,635,207**	**4,174,180**	**4,283,116**	**4,140,097**	**8,423,213**	**(4,249,033)**

IFRS contract liabilities are eliminated and replaced by technical provisions. In that process, IFRS claims estimates paid are reclassified to payables and receivables without any revaluation. The remaining differences by line of business are as explained above.

For further details on IFRS valuation methods and balances please refer to the 2024 Universal Registration Document, Section 4.6. – Notes to the consolidated financial statements, Note 14 – Net contract liabilities.

D.2.3. SCOR SE – ADDITIONAL INFORMATION ON THE VALUATION OF TECHNICAL PROVISIONS

The table below presents the technical provisions of SCOR SE:

— SCOR SE

As at December 31, 2024 *In EUR thousands*	EBS
Non-Life technical provisions	**10,753,281**
TPs – Non-Life (excl. Health)	10,700,303
Best estimate	10,549,397
Risk margin	150,906
TPs – Health similar to Non-Life (NSLT)	52,978
Best estimate	52,367
Risk margin	611
Life technical provisions	**4,749,738**
TPs – Health SLT	4,233,162
Best estimate	2,905,653
Risk margin	1,327,509
TPs – Life (excl. Health and unit linked)	516,576
Best estimate	255,054
Risk margin	261,522
Reinsurance recoverables	**(1,713,038)**
Non-Life	(3,424,102)
Life	1,711,064
NET TECHNICAL PROVISIONS	**13,789,981**

D.2.3.1. SEGMENTATION BY LINES OF BUSINESS

The valuation of technical provisions corresponds to the approach described for SCOR Group above (Sections D.2.1 – Non-Life technical provisions and D.2.2 – Life technical provisions).

— SCOR SE – Non-Life

As at December 31, 2024 *In EUR thousands*	Best estimates liabilities (BEL)	Reinsurance recoverables	Risk margin	Total net technical provisions
Income protection insurance	18,353	(1,673)	214	16,894
Workers' compensation insurance	13,573	(1,220)	143	12,496
Motor vehicle liability insurance	463,960	(297,505)	5,483	171,938
Marine, aviation and transport insurance	686,334	(375,856)	6,721	317,199
Fire and other damage to property insurance	1,665,193	(849,144)	22,621	838,670
General liability insurance	1,573,463	(240,071)	32,348	1,365,740
Credit and suretyship insurance	369,530	(188,934)	7,777	188,373
Miscellaneous financial loss	83,035	(10,852)	2,814	74,997
Legal Expense	4,666	18,288	18	22,972
Non-proportional Health reinsurance	20,441	(5,986)	254	14,709
Non-proportional casualty reinsurance	3,192,181	(604,111)	34,635	2,622,705
Non-proportional marine, aviation, transport reinsurance	295,001	(151,929)	2,523	145,595
Non-proportional property reinsurance	2,216,034	(715,109)	35,966	1,536,891
TOTAL	**10,601,764**	**(3,424,102)**	**151,517**	**7,329,179**

— **SCOR SE – Life**

As at December 31, 2024 *In EUR thousands*	Best estimates liabilities (BEL)	Reinsurance recoverables	Risk margin	Total net technical provisions
Reinsurance Life	255,054	1,624,354	261,522	2,140,930
Reinsurance Health	2,905,653	86,710	1,327,509	4,319,872
TOTAL	**3,160,707**	**1,711,064**	**1,589,031**	**6,460,802**

D.2.3.2. LEVEL OF UNCERTAINTY – SENSITIVITIES

Due to the relatively comparable nature of the risks carried by SCOR Group and SCOR SE, sensitivity tests performed on SCOR SE follow a similar approach as for the Group's Non-Life technical provisions (see Section D.2.1.3 – Level of uncertainty) and the Group's Life technical provisions (see Section D.2.2.4 – Level of uncertainty – Sensitivities).

D.2.3.3. COMPARISON WITH THE VALUATION IN THE FINANCIAL STATEMENTS

This section presents the main differences between the Solvency II net technical balances and the corresponding French GAAP balances for SCOR SE reported as at December 31, 2024, which are shown in the table below.

— **SCOR SE**

As at December 31, 2024 *In EUR thousands*	EBS	Statutory French GAAP	Difference
Net deferred acquisition costs	-	424,047	(424,047)
Net deposits	5,755,992	5,804,256	(48,264)
Reinsurance recoverables	1,713,038	6,285,644	(4,572,606)
(Re)insurance receivables/payables	190,910	984,566	(793,656)
Technical provisions/BEL	(13,762,471)	(24,087,806)	10,325,335
Non-Life	(10,601,764)	(15,418,848)	4,817,084
Life	(3,160,707)	(8,668,958)	5,508,251
Risk margin	(1,740,549)	-	(1,740,549)
TOTAL NET TECHNICAL BALANCES	**(7,843,080)**	**(10,589,293)**	**2,746,213**

The total amount of difference between French GAAP and Solvency II net technical balances is EUR 2,746 million, including EUR 1,740 million of risk margin.

In addition to this, the difference with statutory valuation comparing to EBS technical provisions include the equalization funds (considered in French GAAP but not in line with best estimates principles) and a reclassification of the claims estimates account (described in Section D.2.1.2 – Best estimate liability) in the debtor/creditor accounts of the French GAAP balance sheet instead of technical provisions.

The main differences between French GAAP and EBS reserves (excluding risk margin) as at December 31, 2024 are shown in the following tables, which are split between claims and premium reserves:

— SCOR SE

As at December 31, 2024 *In EUR thousands*	EBS Claims provisions	French GAAP claims provisions	Difference
Income protection	17,129	32,212	(15,083)
Workers' compensation	12,378	14,147	(1,769)
Motor vehicle liability	158,562	222,434	(63,872)
Marine, aviation and transport	313,951	330,419	(16,468)
Fire and other damage to property	857,704	851,369	6,335
General liability	1,376,812	1,681,436	(304,624)
Credit and suretyship	217,627	312,621	(94,994)
Miscellaneous financial loss	77,104	94,611	(17,507)
Legal Expense	22,200	4,774	17,426
Non-proportional Health	15,592	17,864	(2,272)
Non-proportional casualty	2,616,979	2,890,701	(273,722)
Non-proportional marine, aviation and transport	146,514	171,790	(25,276)
Non-proportional property	1,480,442	1,652,406	(171,964)
TOTAL	**7,312,994**	**8,276,784**	**(963,790)**

The main differences between French GAAP and Solvency II best estimate liabilities come from the claims discount, the reallocation of earned premium accruals from premium reserves to claim reserves, the removal of fac premium overdue from the BEL as well as a broader scope of the ULAE definition. Regarding ULAE, the French GAAP definition includes only claims expenses, whereas the EBS definition also includes administrative and investment expenses. Following a change in policy relating to the booking of prudence, the reserve adequacy is zero. Under IFRS 17, prudence is now included as part of Risk Adjustment (RA) at Group level.

— SCOR SE

As at December 31, 2024 *In EUR thousands*	EBS Premium provisions	French GAAP Premium provisions	Difference
Income protection	(449)	3,191	(3,640)
Workers' compensation	(25)	59	(84)
Motor vehicle liability	7,893	106,258	(98,365)
Marine, aviation and transport	(3,473)	132,859	(136,332)
Fire and other damage to property	(41,655)	296,626	(338,281)
General liability	(43,420)	214,217	(257,637)
Credit and suretyship	(37,031)	155,592	(192,623)
Miscellaneous financial loss	(4,921)	83,184	(88,105)
Legal Expense	754	7,614	(6,860)
Non-proportional Health	(1,137)	744	(1,881)
Non-proportional casualty	(28,909)	124,440	(153,349)
Non-proportional marine, aviation and transport	(3,442)	40,166	(43,608)
Non-proportional property	20,483	251,210	(230,727)
TOTAL	**(135,332)**	**1,416,160**	**(1,551,492)**

The main differences between French GAAP and Solvency II best estimate liabilities arise from the inclusion of premium/commission estimates within technical provisions and future positions, the reallocation of earned premium accruals from premium reserves to claim reserves, the inclusion of the expected result on bound but not incepted (BBNI) business. Regarding the premium estimates, it is due to a difference of position in the balance sheet: the premium estimates are included in assets under French GAAP whereas they are included in technical provisions in a Solvency II view.

The future positions do not exist in the French GAAP balance sheet but replace the Unearned Premium Reserves and DAC (booked on the assets side under French GAAP). They also include future cash flows relating to contract boundaries, which are not integrated into the French GAAP financial statements (see Section D.2.1.2 – Best estimate liability).

D.3. OTHER LIABILITIES

The table below presents the liabilities of SCOR Group as per the EBS together with references to the relevant sections within this chapter explaining the valuation bases and methods used for Solvency II purposes.

— SCOR Group

Liabilities as at December 31, 2024 *In EUR thousands*	**EBS Solvency II**	**Section**
Technical provisions – Non-Life	17,686,158	D.2.1
Technical provisions – Life (excluding index-linked and unit-linked)	8,055,738	D.2.2
Other technical provisions	-	D.3.2
Contingent liabilities	-	D.3.5
Provisions other than technical provisions	12,727	D.3.5
Pension benefit obligations	63,110	D.3.1
Deposits from reinsurers	627,495	D.3.2
Deferred tax liabilities	882,679	D.3.3
Derivatives	75,389	D.3.4
Debts owed to credit institutions	539,241	D.3.4
Financial liabilities other than debts owed to credit institutions	494,262	D.3.4
Insurance and intermediaries payables	1,739,711	D.3.2
Reinsurance payables	346,678	D.3.2
Payables (trade, not insurance)	2,754,423	D.3.5
Subordinated liabilities	2,847,351	D.3.4
Subordinated liabilities not in basic own funds	-	
Subordinated liabilities in basic own funds	2,847,351	
Any other liabilities, not elsewhere shown	290,386	D.3.5
TOTAL LIABILITIES	**36,415,348**	

D.3.1. PENSION BENEFIT OBLIGATIONS

— SCOR Group

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Pension benefit surplus	-	-	-
Pension benefit obligations	63,110	63,110	-
TOTAL PENSION BENEFITS OBLIGATIONS	**63,110**	**63,110**	**-**

Valuation for solvency purposes

Pension benefit obligations are split between retirement provisions (EUR 59 million) and long-term service award provisions (EUR 4 million). They represent the net obligation in relation to defined benefit employee pension plans operated by SCOR. No surplus was recognized across the plans operated by SCOR as at December 31, 2024.

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.

Defined benefit plans are those where a sum 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, taking into consideration actuarial assumptions, salary increases, retirement age, mortality, turnover and discount rates. The assumptions are based on the macroeconomic environment of each country in which the Group operates. In assessing its liability for these plans, the Group uses external actuarial valuations which involve critical 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 the participants. These differences may result in the 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.

The obligation recognized in the EBS (EUR 63 million) minus the asset ceiling amount of EUR 12 million represents the present value of the defined benefit obligation (EUR 415 million) at the reporting date, less the market value of any plan assets (EUR 364 million), where appropriate, both adjusted for actuarial gains and losses and unrecognized past service costs.

The following table includes the allocation of plan assets as at December 31, 2024:

— SCOR Group

As at December 31, 2024 *In EUR thousands*	Amount by class of assets	% by class of assets
Equities	87,369	24%
Debt securities	170,664	47%
Property	50,771	14%
Insurance contracts	14,378	4%
Other	41,216	11%
TOTAL	**364,398**	**100%**

Comparison with the valuation in the financial statements

The valuation method applied to defined benefit pension plans in the EBS does not differ from IFRS.

For further details on IFRS balances and valuation methods applied to pension benefit obligations, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 13 – Employee benefits and other provisions.

D.3.2. INSURANCE TECHNICAL LIABILITIES

— **SCOR Group**

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Deposits from reinsurers	627,495	-	627,495
Insurance and intermediaries payables	1,739,711	-	1,739,711
Reinsurance payables	346,678	-	346,678
TOTAL INSURANCE TECHNICAL LIABILITIES	**2,713,884**	**-**	**2,713,884**

Valuation for solvency purposes

Insurance technical liabilities are balances that are related to the reinsurance and direct insurance contracts, other than technical provisions.

In the EBS, assumed and ceded technical provisions are recognized in line with Solvency II methodology (see Section D.2 – Technical provisions). The calculation of the Solvency II best estimate liabilities and risk margin takes into account all cash flow projections related to existing insurance and reinsurance contracts, including premium, benefit and expenses payments. With the implementation of IFRS 17, Insurance and intermediaries payable, reinsurance payable together with ceded funds held are now included as part of insurance contracts issued and reinsurance contracts held. Consequently, during the transition to the EBS, certain balances undergo reclassification.

Deposits from reinsurers

Deposits from reinsurers are deposits received from or deducted by a reinsurer as collateral in relation to SCOR's outwards reinsurance (retrocession) contracts. SCOR measures its deposits from retrocessionaires (or ceded funds held) at fair value by discounting the future cash flows of the funds (further explained in Section D.2 – Technical provisions).

Insurance, intermediaries and reinsurance payables

Most payables related to insurance and reinsurance contracts are taken into account in the net best estimate liabilities as Solvency II requires the transfer of future cash flows from (re)insurance receivables/payables to technical provisions.

The insurance and intermediaries payable balances included separately in the EBS represent amounts linked to insurance business due to policyholders, intermediaries and other insurers, but that are not included in the cash flows of technical provisions.

Under IFRS, Insurance and intermediaries payable balances are included as part of insurance contracts issued, in accordance with IFRS 17 – Insurance contracts.

The reinsurance payables are amounts linked to retrocession costs which have been invoiced, but not yet settled and therefore cash flows are still due to the reinsurer or the broker.

Under IFRS, Reinsurance payable balances are included as part of reinsurance contracts held, in accordance with IFRS 17 Insurance contracts.

The payables are carried at amortized cost as it is a good approximation of their market value.

Other technical provisions

DAC assets are not recognized in the EBS (see D.1.5 – Insurance technical assets) and the same applies to the reinsurers' share of these costs as all acquisition costs and related reinsurance recoveries are covered in the calculation of net technical provisions. This non-recognition drives the decrease in other technical provisions as ceded DAC is included in the IFRS balance.

Comparison with the valuation in the financial statements

As explained above, technical cash flows that are taken into account in Solvency II net best estimate liabilities are not recognized separately in the EBS. Reinsurance payables include a reclassification of ceded outstanding claims estimates from Life IFRS technical reserves, as these are not included in Solvency II technical provisions. Adjustments to the value of deposits from reinsurers follow the corresponding adjustments to reinsurance recoverables.

For the remaining insurance technical liabilities, the valuation method applied in the Solvency II EBS does not differ from IFRS, however there are reclassifications between line items. Under IFRS, Insurance and intermediaries payable balances are included as part of reinsurance contracts held, in accordance with IFRS 17 Insurance contracts.

For further details on IFRS balances and valuation methods applied to insurance technical liabilities, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 9 – Assets for insurance acquisition cash flows and Note 14 – Net contract liabilities.

D.3.3. DEFERRED TAX LIABILITIES

— SCOR Group

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Deferred tax liabilities	882,679	486,162	396,517

Valuation for solvency purposes and comparison with the valuation in the financial statements

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.

For further information on the valuation of deferred tax liabilities, see Section D.1.6 – Deferred tax assets.

D.3.4. FINANCIAL LIABILITIES, INCLUDING SUBORDINATED LIABILITIES

— SCOR Group

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Derivatives	75,389	75,389	-
Debts owed to credit institutions	539,241	422,555	116,686
Financial liabilities other than debts owed to credit institutions	494,262	127,261	367,001
Subordinated liabilities	2,847,351	2,947,316	(99,965)
Subordinated liabilities not in BOF	-	-	-
Subordinated liabilities in BOF	2,847,351	2,947,316	(99,965)
TOTAL FINANCIAL LIABILITIES	**3,956,243**	**3,572,521**	**383,722**

Valuation for solvency purposes

Financial liabilities in the EBS include derivatives, debts owed to credit institutions (incl. overdrafts) and other financial liabilities, as well as subordinated liabilities. Lease liabilities are recognized under financial liabilities following application of the IFRS 16 standard on lease contracts (refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 12.3 – Other financial liabilities).

Derivative instruments are carried as liabilities when the economic values are negative. The Group uses the following derivative instruments to reduce its exposure to various risks: swaps on interest rates, mortality indices and real estate indices, foreign currency forward purchase and sale contracts, caps and floors, and puts and calls on insurance linked securities (ILS).

Subordinated liabilities are debts which rank after other debts when the company is liquidated. Those subordinated liabilities that are classified as basic own funds (BOF) are presented separately in the EBS.

The economic value of financial liabilities that are traded in active financial markets is determined by reference to quoted market bid prices, at the close of business on the reporting date. Quotations are considered as active market prices if the quoted prices or rates represent actual and regularly occurring transactions that are available from a stock exchange, dealer or broker.

Financial liabilities valued using quoted prices include derivatives. If quoted prices in active markets for identical liabilities are not available, the alternative valuation methods are used to arrive at market value.

All borrowings, except for subordinated debt, are measured at amortized cost using the effective interest rate method which approximates their fair value.

Some financial liabilities, in particular subordinated debts, are measured at fair value that is determined on the valuation date and then corrected to neutralize the impact of changes in the credit spread between the issue date and the valuation date of each instrument. The revised valuation is provided by a model which uses the initial credit spread. The valuation of quoted external debts is performed using a Bloomberg valuation tool for structured products which uses the initial credit spread and considers the term structure dynamics from available market data: (i) the yield curve and its volatility, (ii) adjusted option spreads and their volatility, and (iii) convexity adjustments.

Comparison with the valuation in the financial statements

Generally, the valuation method applied to financial liabilities in the Solvency II EBS does not differ from IFRS, except for the change from amortized cost to fair value for subordinated debt and the elimination of changes in the Group's own credit standing.

For further details on IFRS balances, classification and valuation methods applied to financial liabilities, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 12 – Financial liabilities.

D.3.5. OTHER LIABILITIES

— SCOR Group

As at December 31, 2024 *In EUR thousands*	EBS	Consolidated – IFRS	Difference
Provisions (other than technical)	12,727	12,727	-
Payables (trade, not insurance)	2,754,423	2,754,422	1
Any other liabilities	290,386	290,385	1
TOTAL OTHER LIABILITIES	**3,057,536**	**3,057,534**	**2**

Valuation for solvency purposes

This section covers all other liabilities recognized in the EBS, including provisions, trade payables and any other liabilities.

Trade payables include amounts due to employees, suppliers, and sovereign states (*e.g.* current tax) that are not insurance or reinsurance related.

Operating lease commitments exist primarily in the form of rental obligations for offices and business premises of the Group. They include extension options as well as restrictions regarding subleases. Any other liabilities primarily include accruals. Trade and other liabilities are carried at amortized cost as it is a good approximation of their market value.

Provisions are recognized when the Group has a present legal, contractual or constructive obligation as a result of past events, 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. Provisions related to pension benefits are presented separately (see D.3.1 – Pension benefit obligations). Provisions are measured at the expected present value of future cash flows required to settle the obligation.

Contingent liabilities are also recognized 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. As at December 31, 2024, SCOR had no material contingent liabilities that could be recognized in the EBS.

Management assesses provisions, contingent assets and contingent liabilities and the likely outcome of pending or probable events, for example from lawsuits or tax disputes, on an ongoing basis. The outcome depends on future events that are by nature uncertain. In assessing the likely outcome of events, management bases its assessment on external legal assistance and established precedents.

Comparison with the valuation in the financial statements

Provisions and other liabilities are carried at their fair value for IFRS and there is no valuation difference between the IFRS financial statements and the EBS.

For further details on IFRS balances and valuation methods applied to other liabilities, please refer to the 2024 Universal Registration Document, Section 4.6 – Notes to the consolidated financial statements, Note 12.3 – Other financial liabilities and Note 13 – Employee benefits and other provisions. Note 13 provides information about the nature of the provisions, expected timing of any outflows of economic benefits and on uncertainties surrounding the amount or timing of the outflows.

D.3.6. SCOR SE – ADDITIONAL INFORMATION ON THE VALUATION OF OTHER LIABILITIES

The table below presents the liabilities of SCOR SE as per the EBS together with references to the relevant sections within this chapter explaining the valuation bases and methods used for Solvency II purposes.

The valuation principles applied by SCOR SE in its EBS are the same as those applied by SCOR Group and explained in Sections D.3.1 – Pension benefit obligations to D.3.5 – Other liabilities above. Any additional information on other liabilities specific to SCOR SE is included in the relevant sub-sections below. For details on technical provisions see Sections D.2.1 – Non-Life technical provisions, D.2.2 – Life technical provisions and D.2.3 – SCOR SE – Additional information on the valuation of technical provisions.

— **SCOR SE**

Liabilities as at December 31, 2024 *In EUR thousands*	**EBS Solvency II**		**Sections**
Technical provisions – Non-Life	10,753,281	D.2.1	D.2.3
Technical provisions – Life (excl. index-linked and unit-linked)	4,749,738	D.2.2	D.2.3
Other technical provisions	-	D.3.2	D.3.6.2
Contingent liabilities	-	D.3.5	
Provisions other than technical provisions	7,341	D.3.5	D.3.6.4
Pension benefit obligations	54,232	D.3.1	D.3.6.1
Deposits from reinsurers	1,280,589	D.3.2	D.3.6.2
Deferred tax liabilities	462,273	D.3.3	D.3.6.3
Derivatives	52,431	D.3.4	D.3.6.4
Debts owed to credit institutions	64,154	D.3.4	D.3.6.4
Financial liabilities other than debts owed to credit institutions	1,013,029	D.3.4	D.3.6.4
Insurance and intermediaries payables	468,441	D.3.2	D.3.6.2
Reinsurance payables	(80,173)	D.3.2	D.3.6.2
Payables (trade, not insurance)	543,759	D.3.5	D.3.6.4
Subordinated liabilities	2,884,891	D.3.4	D.3.6.4
Subordinated liabilities not in in basic own funds	37,540		
Subordinated liabilities in basic own funds	2,847,351		
Any other liabilities, not elsewhere shown	146,161	D.3.5	D.3.6.4
TOTAL LIABILITIES	**22,400,147**		

D.3.6.1. PENSION BENEFIT OBLIGATIONS

Pension benefit obligations are split between retirement provisions (EUR 43 million) and supplementary retirement benefits (EUR 15 million).

SCOR SE provides retirement benefits to its employees, in accordance with the laws and practices of each country. The main plans are in France, the UK and Germany.

The valuation method applied to defined benefit pension schemes in the EBS (see Section D.3.1 – Pension benefit obligations) does not differ from that used in the statutory financial statements. Defined benefit obligations and contributions are calculated annually by independent qualified actuaries using the projected unit credit method, taking into consideration actuarial assumptions, salary increases, retirement age, mortality, turnover and discount rates. The assumptions are based on the macroeconomic environment of each country in which SCOR SE operates.

The obligation recognized in the EBS (EUR 54 million) represents the present value of the defined benefit obligation (EUR 83 million) at the reporting date, less the market value of any plan assets (EUR 29 million), where appropriate, both adjusted for actuarial gains and losses and unrecognized past service costs.

The following table includes the allocation of plan assets as at December 31, 2024:

— **SCOR SE**

As at December 31, 2024 *In EUR thousands*	**Amount by class of assets**	**% by class of assets**
Equities	-	0%
Debt securities	1,250	4%
Corporate bonds	-	0%
Property	-	0%
Insurance contracts	13,943	48%
Other	14,117	48%
TOTAL	**29,310**	**100%**

For further details on French GAAP balances and valuation methods applied to pension benefits, please refer to the 2024 Universal Registration Document, Appendix B – 5. Notes to the parent company financial statements, Section 5.1.5 – Pension and other employee benefit liabilities, for accounting principles and methods and Section 5.2.6 – Provisions for contingencies and charges, for other disclosures.

D.3.6.2. INSURANCE TECHNICAL LIABILITIES

— SCOR SE

As at December 31, 2024 *In EUR thousands*	EBS	Statutory French GAAP	Difference
Deposits from reinsurers	1,280,589	1,287,523	(6,934)
Insurance and intermediaries payables	468,441	468,614	(173)
Reinsurance payables	(80,173)	1,783,012	(1,863,185)
Other technical provisions	-	148,822	(148,822)
TOTAL INSURANCE TECHNICAL LIABILITIES	**1,668,857**	**3,687,971**	**(2,019,114)**

Insurance technical liabilities are balances that relate to reinsurance and retrocession contracts.

As explained in Section D.3.2 – Insurance technical liabilities, technical cash flows are taken into account in Solvency II best estimate liabilities. As a result, ceded deferred acquisition costs (shown in Other technical provisions in the above table) are included in the projected cash flow used for the calculation of technical provisions in the EBS while they are included in other technical provisions in the financial statements. Adjustments to the value of deposits from cedents and reinsurers follow the corresponding adjustments to the best estimate liabilities. For the remaining insurance technical liabilities, the method of valuation applied in the Solvency II EBS does not differ from the statutory financial statements.

For further details on French GAAP balances and valuation methods applied to insurance technical liabilities, please refer to the 2024 Universal Registration Document, Appendix B – 5. Notes to the parent company financial statements, Sections 5.1.7 – Recording of reinsurance transactions, 5.1.8 – Underwriting reserves and 5.1.9 – Acquisition costs of reinsurance operations, for accounting principles and methods and Section 5.2.9 – Transactions with subsidiaries, affiliates and others, for other disclosures.

D.3.6.3. DEFERRED TAX LIABILITIES

— SCOR SE

As at December 31, 2024 *In EUR thousands*	EBS	Statutory French GAAP	Difference
Deferred tax liabilities	462,273	(23)	462,296

Deferred taxes in the EBS are recognized using the balance sheet liability method, for all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying value in the EBS.

No deferred tax is recognized under French GAAP, therefore the difference between the EBS and the statutory financial statements is driven by the recognition of deferred tax assets and liabilities in line with Solvency II rules as described in Sections D.3.3 – Deferred tax liabilities and D.1.6 – Deferred tax assets.

D.3.6.4. FINANCIAL AND OTHER LIABILITIES

— SCOR SE

As at December 31, 2024 *In EUR thousands*	EBS	Statutory French GAAP	Difference
Provisions other than technical provisions	7,341	73,027	(65,686)
Derivatives	52,431	230,824	(178,393)
Debts owed to credit institutions	64,154	631,484	(567,330)
Financial liabilities other than debts owed to credit institutions	1,013,029	317,362	695,667
Payables (trade, not insurance)	543,759	500,928	42,831
Subordinated liabilities	2,884,891	2,988,993	(104,102)
Any other liabilities, not elsewhere shown	146,161	144,158	2,003
TOTAL FINANCIAL AND OTHER LIABILITIES	**4,711,766**	**4,886,776**	**(175,010)**

Financial liabilities

The EBS valuation of quoted external debts and internal loans between SCOR entities that mirror external debt terms and conditions is performed using a Bloomberg valuation tool for structured products which uses the initial credit spread and considers the term structure dynamics from available market data: (i) the yield curve and its volatility, (ii) adjusted option spreads and their volatility, and (iii) convexity adjustments.

As the Bloomberg tool is only available for quoted instruments, for other internal loans, SCOR uses a simple cash flow modeling approach that discounts future cash flows using the swap rate yield curve as at December 31, 2024 plus the frozen credit spread at issuance. This cash flow valuation approach has been validated for external debt instruments by benchmarking it with the valuation performed using the Bloomberg model, leading to non-material differences.

Financial liabilities, including derivatives, intragroup and external debts, are measured at cost less amortized issue costs under French GAAP. The difference between the value of financial liabilities in the EBS and in the statutory financial statements is therefore driven by the revaluation to market value.

For further details on French GAAP balances and valuation methods applied to financial liabilities, please refer to the 2024 Universal Registration Document, Appendix B – 5. Notes to the parent company financial statements, Section 5.1.6 – Financial liabilities and similar benefits, for accounting principles and methods and Section 5.2.9 – Transactions with subsidiaries, affiliates and others, for other disclosures.

Other liabilities

Other liabilities are generally carried at amortized cost as it is a good approximation of their market value.

While provisions for ongoing tax audits include the expected impact on deferred tax assets under IFRS, provisions for ongoing tax audits under French GAAP encompass current income tax impacts only, since no deferred tax assets are recognized under French GAAP.

For further details on French GAAP balances and valuation methods applied to other liabilities, please refer to the 2024Universal Registration Document, Appendix B – 5. Notes to the parent company financial statements, Section 5.2.9 – Transactions with subsidiaries, affiliates and others.

D.4. ALTERNATIVE METHODS FOR VALUATION

As noted in Sections D.1 – Assets and D.3 – Other liabilities, in certain circumstances for some assets and liabilities, SCOR uses alternative valuation methods (including models) to estimate the market value. These methods are applied where the valuation is not possible using the default method (valuation based on quoted prices in active markets for the same assets or liabilities) or using quoted market prices in active markets for similar assets and liabilities with adjustments to allow for specific differences. All valuation methodologies applied by SCOR are explained within the relevant sections: in Sections D.1 for assets, D.2 for technical provisions and D.3 for other liabilities.

D.4.1. SCOR GROUP

Please see Sections D.1 – Assets and D.3 – Other liabilities for information on the alternative valuation methods used by SCOR Group.

D.4.2. SCOR SE – ADDITIONAL INFORMATION ON ALTERNATIVE METHODS OF VALUATION

Please see Sections D.1.10 – SCOR SE – Additional information on the valuation of assets and D.3.6 – SCOR SE – Additional information on the valuation of other liabilities for information on the alternative valuation methods used by SCOR SE.

D.5. ANY OTHER INFORMATION

SCOR SE has collateral arrangements with a total value below 60% of total assets. The threshold of 60% is defined in Art. 192(2) of the delegated regulation 2015/35. This information is relevant to calculate the counterparty risk with respect to SCOR SE in the Solvency II standard formula.

No other material information was identified by SCOR over the reporting period other than the valuation of assets and liabilities presented in Sections D.1 – Assets to D.4 – Alternative methods for valuation.

Capital management

E.1. SCOR GROUP

This section provides an overview of the year-end 2024 capital position for the SCOR Group.

The table below includes the key results as at December 31, 2024 and December 31, 2023, respectively:

— SCOR Group

In EUR thousands	2024	2023	Variance
Eligible Own Funds (EOF)	9,469,009	9,219,144	249,865
Solvency Capital Requirement (SCR) Internal Model	4,515,022	4,404,302	110,720
Excess Capital (EOF – SCR)	4,953,987	4,814,842	139,145
SOLVENCY RATIO	**210%**	**209%**	**1%**

The Solvency ratio increased from 209% at year-end 2023 to 210% at year-end 2024. This increase of 1 percentage point is the result of the increase in the Eligible Own Funds (2.7% compared to December 31, 2023) with a slightly higher lower increase in the SCR (2.5% compared to December 31, 2023). Further details on the contributors to these changes are given in Section E.1.1.1 – Own funds structure and E.1.2.1 – SCR by risk components below.

E.1.1. OWN FUNDS

Capital management is at the core of SCOR's strategy. SCOR's goal is to manage its capital in order to maximize its profitability, while maintaining solvency in its "optimal" target range, being between 185% and 220% in line with its risk/return strategy as defined in SCOR's current strategic action plan Forward 2026 and the previous strategic plan Quantum Leap.

SCOR has had strong capital management governance and processes in place with integrated supervision of regulatory constraints at Group level for many years, ensuring an optimized use of capital and fungibility of capital within the Group. On a quarterly basis, SCOR monitors and updates all Group and legal entity capital and regulatory solvency positions (actuals and one-year projections) to detect any material changes over each quarter and to anticipate necessary actions to maintain adequate solvency. This detailed capital planning exercise is based on the Group's bi-annual financial operating plan and is broken down at legal entity level. SCOR also performs three-year capital projections, including IFRS, regulatory capital, and rating capital projections.

For more information on own funds please also refer to Quantitative Reporting Template S.23.01.22 – Own funds, presented in Appendix A.

E.1.1.1. OWN FUNDS' STRUCTURE

SCOR Group own funds eligible to cover the SCR amounted to EUR 9,469 million as at December 31, 2024 (December 31, 2023: EUR 9,219 million).

— SCOR Group own funds

As at December 31, 2024 *In EUR thousands*	Tier 1	Tier 2	Tier 3	Total
Basic own funds	**7,872,667**	**1,596,342**	**-**	**9,469,009**
Ordinary share capital	1,414,526	-	-	1,414,526
Share premium	458,622	-	-	458,622
Reconciliation reserve	4,748,510	-	-	4,748,510
Revaluation reserves	2,316,088	-	-	2,316,088
Consolidation reserves	2,774,808	-	-	2,774,808
Net income/loss for the year	4,666	-	-	4,666
Equity based instruments	37,987	-	-	37,987
Own shares	(61,800)	-	-	(61,800)
Foreseeable dividends	(323,239)	-	-	(323,239)
Subordinated liabilities	1,251,009	1,596,342	-	2,847,351
Net deferred tax assets	-	-	-	-
TOTAL AVAILABLE OWN FUNDS	**7,872,667**	**1,596,342**	**-**	**9,469,009**
Total eligible own funds to cover the Group SCR (after limits deductions)	**7,872,667**	**1,596,342**	**-**	**9,469,009**
Total eligible own funds to cover the minimum to the Group SCR	**7,872,667**	**714,966**	**-**	**8,587,633**

— SCOR Group own funds

As at December 31, 2023 *In EUR thousands*	Tier 1	Tier 2	Tier 3	Total
Basic own funds	**7,656,094**	**1,563,050**	**-**	**9,219,144**
Ordinary share capital	1,416,300	-	-	1,416,300
Share premium	463,551	-	-	463,551
Reconciliation reserve[(1)]	4,854,818	-	-	4,854,818
Revaluation reserves	2,196,769	-	-	2,196,769
Consolidation reserves	2,209,394	-	-	2,209,394
Net income/loss for the year	812,734	-	-	812,734
Equity based instruments	40,210	-	-	40,210
Own shares	(80,644)	-	-	(80,644)
Foreseeable dividends	(323,645)	-	-	(323,645)
Subordinated liabilities	921,425	1,563,050	-	2,484,475
Net deferred tax assets	-	-	-	-
TOTAL AVAILABLE OWN FUNDS	**7,656,094**	**1,563,050**	**-**	**9,219,144**
Total eligible own funds to cover the Group SCR (after limits deductions)	**7,656,094**	**1,563,050**	**-**	**9,219,144**
Total eligible own funds to cover the minimum to the Group SCR	**7,656,094**	**659,757**	**-**	**8,315,851**

(1) Includes a deduction of non-available minority interest of EUR 38 million.

SCOR Group considers that there is no significant restriction affecting fungibility and transferability of its basic own funds for covering the Group SCR (except in case of sanctions).

Solvency II own funds are classified into three tiers depending on whether it is a basic or ancillary own funds item, and on whether it is permanently available to absorb losses on a going concern basis and/or is subordinated such that it is available to absorb losses in the event of a winding-up, and as described in Articles 71, 73, 75 and 77 of the Delegated Acts.

The table above presents the components of basic own funds. SCOR Group does not recognize any ancillary own funds.

Ordinary paid-in share capital and the related share premium of SCOR SE are classified as tier 1 basic own funds. The components of the reconciliation reserve are also classified as tier 1 basic own funds.

The reconciliation reserve includes revaluation reserves as presented in the SCOR Group's IFRS consolidated financial statements, net of any adjustments, and economic valuation differences. The reserve is adjusted for foreseeable dividends and own shares. The economic valuation differences result from adjustments made to the Group IFRS balance sheet to arrive at economic value of all assets and liabilities recognized in the Solvency II Economic Balance Sheet (EBS). The foreseeable 2024 dividend is based on the proposed dividend level to be made by the Board of SCOR SE to the Annual Shareholders' Meeting held in 2025 of EUR 1.80 per share (total of EUR 323 million).

Total Eligible Own Funds as at December 31, 2024 (EUR 9,469 million) increased by EUR 250 million compared to the balance as at December 31, 2023 (EUR 9,219 million). The economic value of the Solvency II net assets developed slightly negative in line with the development under IFRS, following the L&H assumption review. Further SCOR SE on December 23, 2024, repurchased EUR 186.4 million out of the EUR 250 million fixed to reset rate undated subordinated notes as part of the tender offer. The tender offer was conditional upon the successful completion of a new issue of perpetual fixed rate resettable restricted tier 1 notes being eligible as Restricted Tier 1 regulatory capital under Solvency II that was simultaneously announced by SCOR SE on December 20, 2024 for EUR 500 million in perpetual fixed rate resettable restricted Tier 1 notes.

Eligible own funds include EUR 603 million of deferred tax assets, relating mainly to tax losses carry forward. These are more than offset by the recognized deferred tax liabilities of EUR 883 million. As a result, the Group is in a net deferred tax liability position.

For more details on the deferred taxes and the valuation, please refer to the Chapter D – Valuation for solvency purposes, Section D.1.6.

The consolidation reserves correspond to the consolidated reserves as reported in the SCOR Group's IFRS consolidated financial statements.

Subordinated liabilities represent debt issued by SCOR Group that meet the own funds recognition criteria. Subordinated liabilities are classified into tiers based on terms and conditions as specified in each debt instrument's prospectus. One subordinated debt of SCOR SE, issued in 2014, could have been used to meet up to 50% of the solvency margin under Solvency I rules. Therefore, it can be classified as tier 1 capital under Solvency II until 2025. Subordinated debt issued in 2015, 2016 and 2020 meet Solvency II tier 2 criteria as defined by Article 73 of the Delegated Acts. The deeply subordinated debt issued in 2018 and 2019 meets Solvency II tier 1 criteria as defined by Article 71 of the Delegated Acts.

The table below presents the subordinated debt issued and included in basic own funds.

— SCOR Group

As at December 31, 2024 *In thousands*	Outstanding amount in local currency	Issue date	Maturity date	Tier	Optional redemption	
					First call date	Call dates thereafter(2)
EUR 250 million Perpetual Subordinated Debt	63,600	10/01/2014	Perpetuity	1(1)	10/01/2025	Yearly
EUR 250 million Dated Subordinated Debt	250,000	06/05/2015	06/05/2047	2	06/05/2027	Yearly
EUR 600 million Dated Subordinated Debt	600,000	12/07/2015	06/08/2046	2	06/08/2026	Yearly
EUR 500 million Dated Subordinated Debt	500,000	05/27/2016	05/27/2048	2	05/27/2028	Yearly
USD 625 million Perpetual Subordinated Debt	625,000	03/13/2018	Perpetuity	1	03/13/2029	Bi-annually
USD 125 million Perpetual Subordinated Debt	125,000	12/17/2019	Perpetuity	1	03/13/2029	Bi-annually
EUR 300 million Dated Subordinated Debt	300,000	09/17/2020	09/17/2051	2	09/17/2031	Yearly
EUR 500 million Perpetual Subordinated Debt	500,000	12/20/2024	Perpetuity	1	06/20/2034	Bi-annually

(1) Benefiting from transitional measures for Tiering of Subordinated liabilities until 2025.
(2) At any interest payment date.

On March 13, 2018, SCOR SE issued perpetual deeply subordinated notes in the amount of USD 625 million eligible as tier 1 own funds.

On December 17, 2019, SCOR SE issued perpetual deeply subordinated notes 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 and consequently are eligible as tier 1 own funds.

On September 17, 2020, SCOR issued EUR 300 million in dated Tier 2 subordinated notes. The coupon has been set at 1.375% until September 17, 2031 and resets every 10 years at the prevailing 10-year EUR mid-swap rate +2.6% (until September 17, 2051, the final redemption date).

On December 12, 2024, SCOR SE announced the launch of a tender offer on existing EUR 250,000,000 fixed to reset rate undated subordinated notes issued on October 1, 2014 with a first call date on October 1, 2025.

The tender offer was conditional upon the successful completion of a new issue of perpetual fixed rate resettable restricted tier 1 notes being eligible as Restricted Tier 1 regulatory capital under Solvency II that was simultaneously announced by SCOR SE on December 20, 2024 for EUR 500 million in perpetual fixed rate resettable restricted Tier 1 notes. The operation was successful. In order to hedge the interest rate risk, SCOR SE has entered into an interest rate swap.

On December 23, 2024, SCOR SE repurchased EUR 186.4 million out of the EUR 250,000,000 fixed to reset rate undated subordinated as part of the tender.

E.1.1.2. ELIGIBILITY OF OWN FUNDS

For the purposes of compliance with the SCR, tier 1 capital must account for at least half of the required capital (50% of the SCR), the sum of eligible tier 2 and tier 3 capital must account for a maximum of 50% of the SCR, and eligible amount of tier 3 capital must account for less than 15% of the SCR.

Within those limits, the total of subordinated liabilities (with or without benefiting from the transitional measures) eligible as tier 1 capital must be less than 20% of total tier 1 capital.

The application of the above limits determines SCOR Group's Eligible Own Funds. As at December 31, 2024, none of these limits are exceeded by the SCOR Group.

E.1.1.3. RECONCILIATION WITH SHAREHOLDERS' EQUITY

The table below presents the differences between SCOR's consolidated shareholders' equity presented in accordance with IFRS and the net assets over liabilities as calculated for solvency purposes and presented in the Group EBS.

The differences represent revaluations necessary to remeasure all of SCOR Group's assets and liabilities calculated in accordance with IFRS as economic values under Solvency II rules. For further details on valuation principles and differences, see Chapter D – Valuation for solvency purposes.

— SCOR Group

In EUR thousands	2024
IFRS – Shareholders' equity[1]	**4,578,548**
Economic adjustments	**2,428,142**
Goodwill	(811,850)
Other intangible assets	(75,087)
Investments	283,056
Net technical balances	3,811,887
Net technical balances, excluding risk margin – Life	7,269,163
Net technical balances, excluding risk margin – Non-Life	1,174,355
Risk margin – Life	(4,140,097)
Risk margin – Non-Life	(491,534)
Financial liabilities	99,965
Deferred taxes	(932,741)
Own shares	233
Other assets and liabilities	52,679
Excess of assets over liabilities in the Solvency II EBS	**7,006,690**
Subordinated liabilities	2,847,351
Own shares	(61,800)
Deductions for foreseeable dividends	(323,239)
Non-controlling interest	8
TOTAL AVAILABLE OWN FUNDS	**9,469,009**

(1) IFRS shareholders' equity after reclassification of own shares to the asset side of the balance sheet.

E.1.1.4. GROUP CONSOLIDATION

SCOR Group's EBS and consequently own funds have been derived from consolidated data, as prepared for the Group's IFRS consolidated financial statements, with additional valuation adjustments applied. Any intragroup transactions between entities within the SCOR Group have been eliminated to present a consolidated EBS.

As a result, data used in the calculation of Group own funds consist of the fully consolidated data of subsidiary insurance and reinsurance undertakings, holding companies and ancillary service undertakings and adjusted equity method data of other participations; net of any intragroup transactions.

The Group own funds calculation process ensures that all relevant rules have been followed. Thus, the Group net assets reflect the economic value of assets and liabilities established in accordance with Solvency II valuation rules (Article L. 351-1 of the French Insurance Code). Appropriate procedures and controls are in place to confirm that SCOR Group own funds as calculated are free from (i) encumbrances, (ii) any use of subscribed but not paid-up capital, (iii) any own funds item which has not been duly authorized; whereas any solvency deficits recorded by a subsidiary is duly taken into account in the Group and legal entity own funds calculation.

E.1.1.5. GROUP CONSIDERATIONS

The Group structure has been optimized over time to maximize fungibility of capital through:

- a reduced number of subsidiaries enhancing fungibility while supporting local business presence. This is facilitated by the *Societas Europaea* ("SE") structure that allows 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 mutualizing diversification benefits;
- an integrated supervision of regulatory constraints at Group level and an optimal capital allocation through three pools of capital; and
- efficient management of its capital allocation between subsidiaries, and the fungibility of the capital. SCOR is continuously leveraging, in its day-to-day activity, on various tools that are core to the reinsurance activity (such as intragroup reinsurance, intragroup financing, portfolio transfer, VIF (Value in-Force) securitization, or collateral posting) demonstrating its ability to transfer own funds within the Group. In case a fungibility issue is identified SCOR would be able to implement a mitigation plan, leveraging on these tools, to make the necessary own funds available to the Group within an acceptable timeframe.

E.1.2. SOLVENCY CAPITAL REQUIREMENT

The Solvency Capital Requirement (SCR) of the SCOR Group is calculated using its approved internal model. This section provides a breakdown of the SCR by risk category. This is followed by an overview of the internal model, including a description of the risk categories.

This section is linked to the Quantitative Reporting Template (QRT) S.25.05 – SCR – for groups on full internal models in Appendix A.

E.1.2.1. SCR BY RISK COMPONENTS

The Group SCR is EUR 4,515 million as at December 31, 2024 and increased by 3% or EUR 111 million over the year from EUR 4,404 million as at December 31, 2023.

The table below shows the standalone 0.5% Value-at-Risk (VaR) for each risk category, and the diversification and tax components. Risk categories are described in Section E.1.4.1 – Overview of the internal model.

— SCOR Group

In EUR thousands	0.5% VaR As at December 31, 2024	0.5% VaR As at December 31, 2023	Changes from 2023 to 2024
P&C underwriting	3,746,304	3,697,238	49,065
L&H underwriting	3,433,365	3,281,551	151,815
Market	2,219,856	2,096,809	123,047
Credit	1,030,860	921,877	108,984
Operational	481,700	469,690	12,010
Required capital before diversification	**10,912,085**	**10,467,165**	**444,921**
Diversification	(5,896,085)	(5,567,583)	(328,502)
Loss absorbing capacity of deferred taxes	(500,978)	(495,279)	(5,699)
SCR	**4,515,022**	**4,404,302**	**110,720**

The standalone required capital, before diversification between risk categories and tax, increased by EUR 445 million compared to December 31, 2023 as a result of the following:

- P&C underwriting standalone risk increased by EUR 49 million from December 31, 2023. This is driven by the appreciation of USD against EUR which is partly compensated by the introduction of a third-party capital solution;
- L&H underwriting standalone risk increased by EUR 152 million from December 31, 2023. The increase is mainly due to the impact of revised assumptions on long-term care and critical illness portfolios along with overall lower planned volumes. This increase is partly compensated by model refinements;
- market standalone risk includes invested assets, FX, interest rate, and credit spread risks. It increased by EUR 123 million compared to December 31, 2023. This increase is driven by an overall increase in FX and interest rate exposure and in spread risk as well as from a higher FX risk mainly due to the appreciation of USD against EUR. Model refinements partially compensate this increase;
- credit standalone risk includes default risk and credit rating migration risk on assets. It increased by EUR 109 million from December 31, 2023, as the result of a higher credit default risk mainly due to the impact of revised assumptions on long-term care business. Higher volumes in planned longevity business led to further increase of the credit default risk and is partly compensated by model refinements;
- operational standalone risk increased by EUR 12 million from December 31, 2023, mainly due to exposure and parameters updates in L&H and P&C affecting operational risk areas.

The loss absorbency benefit of deferred taxes increased and lowered the SCR by an increased amount of EUR 6 million compared to December 31, 2023.

The minimum of the consolidated Group Solvency Capital Requirement referred to in Article 230(2) of Directive 2009/138/EC amounts to EUR 3,575 million as at December 31, 2024, which is an increase of EUR 276 million from the prior year-end.

E.1.3. USE OF THE DURATION-BASED EQUITY RISKS SUB-MODULE IN THE CALCULATION OF THE SOLVENCY CAPITAL REQUIREMENT

SCOR does not use a duration-based equity risks sub-module in the calculation of the SCR for the Group.

E.1.4. DIFFERENCES BETWEEN THE STANDARD FORMULA AND ANY INTERNAL MODEL USED

The following sections describe SCOR`s internal model and show how it is used within SCOR.

E.1.4.1. OVERVIEW OF THE INTERNAL MODEL

SCOR developed its internal model to ensure that its solvency is properly measured: the model is part of a comprehensive solvency framework which seeks to ensure that SCOR is solvent now and will continue to be solvent in the future. It is deeply embedded in SCOR's Risk Management system and used extensively for strategic purposes and business steering. The model is materially complete in its coverage of risk and entities. For this purpose, "material" is defined as being at a level above which information could influence the decision-making or judgment of the intended users of that information.

Since 2003 SCOR has used its experience and knowledge to develop an internal model which accurately reflects SCOR`s risk profile as a global reinsurer. SCOR received approval from relevant supervisors to use its internal model for the calculation of its Solvency II SCR from the effective in-force date of Solvency II (January 1, 2016).

This section gives an overview of the internal model. Section E.1.4.2 – Consolidation approach describes the global nature of the internal model. Section E.1.4.3 – Uses of the internal model gives examples of how SCOR utilizes the internal model. Section E.1.4.4 – Probability distribution forecasts provides more details on the operation of the internal model, describing how SCOR forecasts the probability distributions for its risks. Section E.1.4.5 – Diversification shows how SCOR captures the capital benefits of being a global and diversified group and Section E.1.4.6 provides further information about the loss absorbing capacity of deferred taxes. Section E.1.4.7 describes the key differences between the standard formula and SCOR's internal model.

Summary of the approach

The internal model produces a probability distribution of SCOR`s economic balance sheet at a date one year in the future. It does this by calculating, for many thousands of scenarios, the value of the balance sheet items exposed to risk. SCOR leverages its experience to forecast a probability distribution for each of these risks and to determine how the different risks interact. SCOR then uses this to produce a single probability distribution of the change in economic value. See Section E.1.4.4 – Probability distribution forecasts for more details. The model allows for diversification (see Section E.1.4.5 – Diversification) and for the loss absorbing effect of deferred taxes.

Scope of the internal model

Business units

The internal model is a global model and operates under the same standards across the Group, within and outside the Solvency II regime. SCOR manages its business using a Group and business unit approach as described in Section A.1.1.5 – Governance, organizational and legal structure of the Group, under which the activities of the L&H and P&C business units are represented alongside SCOR Investments.

The internal model covers the entirety of SCOR's worldwide (re) insurance activities. It is therefore designed to include all known material quantifiable risks to which the Group is exposed and SCOR has robust processes in place to ensure the continued adequacy of the internal model to its risk profile.

The internal model is used to calculate the Solvency II SCR of the Group and the following Solvency II regulated entities: SCOR SE, SGRI and SI.

Risk measure and time period

The risk measure used to determine the Solvency Capital Requirement is the Value-at-Risk (VaR) of the change in basic own funds over a one-year period with a confidence level of 99.5% (*i.e.* VaR 0.5%).

Risk categories

SCOR groups the risks modeled into five categories, P&C underwriting, L&H underwriting, market, credit and operational risks. The definitions of the risk categories are as follows:

- **P&C underwriting** risk is the risk of change in the value of Non-Life liabilities. It also includes related risks such as those associated with expenses, deposits to cedents, reinsurance recoverables and reinsurance payables;
- **L&H underwriting** risk is the risk of change in the value of Life and Health liabilities. It also includes related risks such as those associated with deposits to cedents, reinsurance recoverables and reinsurance payables, and interest income on funds withheld;
- **market** risk is the risk of loss to balance sheet items (for instance provisions, payables, investments and debts) from changes in the level of market prices;
- **credit** risk is the risk resulting from the default or changes in the creditworthiness of insurance or investment counterparties;
- **operational** risk is the risk of loss from inadequate or failed internal processes, personnel or systems or from external events. Operational risk includes legal risks and excludes risks arising from strategic decisions and reputational risks.

Underwriting risks cover risks from business written to date and business planned to be written over the next year.

The risk categories are reported before tax and diversification. In addition, the following items are shown:

- **diversification:** this is the impact of determining the joint capital requirements of the five risk categories. The aggregated capital requirement is less than the sum of the individual capital requirements because of SCOR`s diversified portfolio which significantly reduces the likelihood of simultaneous occurrence of adverse experience, and because losses in one area are offset by gains in another. See Section E.1.4.5 – Diversification for more details;
- **loss absorbing capacity of deferred taxes:** for each modeled scenario, the internal model calculates the tax impact of the change in economic value. In unprofitable scenarios, like the 1-in-200 loss scenario associated with the SCR, it captures the loss absorbing capacity of deferred taxes by modeling the change in value of the deferred tax positions which reduces the impact of the loss on the basic own funds. See Section E.1.4.6 – Loss absorbing capacity of deferred taxes for more details.

Data used in the internal model

The probability distribution forecast of SCOR`s economic balance sheet requires forecasts to be made for the economic environment, for each risk factor, and for the dependencies between the various risk factors. These forecasts rely on actuarial, economic, financial and business portfolio assumptions and data. Because the accuracy and appropriateness of this data are important, SCOR carefully manages data to ensure its proper and structured storage, reliability and accessibility. SCOR applies a data quality management framework to identify key data affecting internal model results, in particular the SCR, and data quality criteria to all of this data. Section E.1.4.4 – Probability distribution forecasts describes in more detail the data used for each risk category and how SCOR ensures that the data is appropriate.

In some areas, there is little data available or the data lacks credibility. In these cases, SCOR applies expert judgment to enrich data, derive parameters for the forecast, and reduce uncertainty in internal model estimations – see for example the approach to supplementing data on extreme events for P&C underwriting described in Section E.1.4.4 – Probability distribution forecasts.

E.1.4.2. CONSOLIDATION APPROACH

SCOR follows Solvency II standards for the uses of the internal model described below, whether within the Solvency II regime, for internal management reporting purposes, or for externally presenting the business results.

SCOR determines its Group solvency position using consolidated data. Both the own funds and SCR are calculated using the accounting consolidation-based method (method 1).

SCOR consolidates small non-insurance companies where SCOR has significant influence but no control, other small non-controlled related (re)insurance undertakings and participations in investment firms. This consolidation is based on their net asset value (the "adjusted equity method"). The SCR does not include any additional amounts for these entities as such amounts would be immaterial.

E.1.4.3. USES OF THE INTERNAL MODEL

The internal model is used to support the Group's business initiatives and to provide input for management decisions. See for example Sections B.3.1.3 – Risk tolerances, B.3.2.3 – Identification and assessment of risks and C.2.3 – Risks related to technical provisions. Other examples are as follows:

- SCOR uses the internal model to determine solvency and profitability and for economic and solvency capital assessment. The internal model is used to produce distributions of scenarios for changes in basic own funds over the coming year for SCOR Group and material Group entities, in accordance with Solvency II principles;
- SCOR uses the internal model for strategic solvency management. The internal model is the core tool for setting and maintaining SCOR's strategic solvency target to align shareholder returns, business growth, profitability and solvency protection for clients;
- the internal model plays an important role in SCOR's system of governance and risk management system and helps to optimize shareholder return. SCOR designed and developed the model specifically for its own risks, so the internal model provides a better understanding of its risk profile than an industry-standard or standard formula approach;
- SCOR's Capital Shield strategy, see Section C.2.4 – Retrocession and other risk mitigation techniques, uses a range of protection mechanisms to ensure that the retained risk profile remains in line with the risk appetite framework and risk tolerances;
- SCOR's SCR is mainly driven by its underwriting risks, with high diversification through well-balanced L&H and P&C portfolios. Full distribution modeling and capital allocation steer SCOR's risk return profile to the optimum allocation of economic capital to business units and lines of business, and to new business. Thus, the pricing of new business with an understanding of the resulting capital allocation assists SCOR in targeting business which is expected to provide an attractive return on capital;
- SCOR uses the internal model for risk analysis to support acquisitions and other major decisions and to assess the impact on the Group's (and relevant entity's) solvency.

E.1.4.4. PROBABILITY DISTRIBUTION FORECASTS

This section describes how SCOR forecasts the probability distribution for each risk category. The approach can be summarized as follows:

- SCOR determines the exposure of the economic balance sheet items exposed to risk using the economic characteristics of its portfolio;
- SCOR analyses each risk category into a number of risk factors and generates probability distributions for each of these risk factors, using its own experience and expertise applied to internal, external and market data;
- SCOR uses Monte-Carlo simulation techniques to produce the full probability distribution forecast for each risk category.

P&C Underwriting risk

The business covered by the P&C risk category is all external and internal Non-Life re/insurance and retrocession contracts from both in-force business and new business within the one-year time period. The forecasts are determined for three categories of business (Treaty, Facultative and Natural Catastrophe) and for reserve risk.

SCOR leverages its own experience to understand its P&C risks and to derive observed statistical characteristics of these risks, particularly probability distributions, the nature of the dependencies between them and their expected behavior over the next year. Particular attention is paid to extreme events and SCOR uses a statistical (Bayesian) method to supplement the data on these. This method (PrObEx) combines expert judgment with existing industry and economic data, both internal and external, and improves SCOR's understanding of adverse scenarios.

Probability distributions are generated for each of the three different categories of business and for reserve risk, based on the nature of the underlying risks and forecast using claim inflation curves and economic trends.

L&H Underwriting risk

To model its Life and Health risks SCOR combines global expertise and significant amounts of experience, including data from acquisitions. It uses this to derive the statistical characteristics of these risks, particularly their current probability distributions, the nature of the dependencies between them and their expected behavior over the next year.

Probability distribution functions are chosen to model the underlying risk factors such as mortality, longevity and policyholder behavior. SCOR applies expert judgment and scenario analyses where experience data are relatively scarce, for example lapse and morbidity risks.

The internal model takes future management actions into account, reflecting the optionality available to SCOR on certain blocks of business in the event of adverse mortality or critical illness experience.

Market risk

The market risk category comprises a number of risk factors, including interest rates, credit spreads, inflation and currency exchange rates (FX).

SCOR applies probability distributions for these risk factors to the values of economic balance sheet items. Within this risk category SCOR also applies probability distributions for interest rates to the modeled values of discounted best estimate liabilities and deposits to cedents.

SCOR forecasts the probability distributions of the risk factors, and the dependencies between them, using economic scenarios for a number of major currencies. These economic scenarios are created by SCOR`s Scenario Generator Model (SGM), which produces scenarios representing various plausible states of the world specified in terms of L&H and economic risk factors, to determine how the economic balance sheet would react under these various scenarios.

The internal model determines, for each scenario, the impact on the underlying economic balance sheet item. Repeating this exercise many times for different future scenarios gives the full probability distribution forecast for market risk.

Credit risk

The probability distribution forecast for credit risk includes migration and default risk and is determined in two stages. Firstly, the rating migrations (including defaults) of every counterparty are simulated, Secondly, given these rating states, the P&L is determined from the exposure of every counterparty. The calibration of this model is based on historical data and a strong link to the economic risk factors used for the market risk exist.

Operational risk

SCOR models annual losses at the entity level and by operational areas. There are two main data sources for modeling operational risk: scenario analyses from experts and historical losses. The methodology for modeling losses for each operational risk area is based on a Bayesian approach. This allows for the combination of several input data sources for each modeled operational risk area to obtain credible data.

Other

Minor balance sheet items, such as intangible assets or debts, are assumed to carry a low intrinsic risk. These are modeled in a simplified way and included in the relevant risk category.

E.1.4.5. DIVERSIFICATION

SCOR is a global Group with significant presence in the Americas, EMEA and Asia-Pacific regions. Its portfolio is diversified with a balanced mix of L&H and P&C business. Diversification benefit arises because the risks from different parts of the portfolio are independent of, weakly correlated or negatively correlated with the risks from other parts. This is particularly important for the interaction between the L&H and P&C risk categories, but there are further areas where SCOR benefits from diversification. SCOR benefits from a geographical spread of risks. Major adverse events are unlikely to occur simultaneously on a global scale. Within L&H underwriting, long-term risks such as trend risks are largely independent of shock risks such as pandemics, and longevity risk is negatively correlated with mortality risk.

At December 31, 2024, the sum of the capital requirements before diversification was EUR 10,912 million. Allowing for diversification between risk categories, the capital requirement decreased by EUR 5,896 million. SCOR can achieve this level of diversification thanks to its specific business mix.

E.1.4.6. LOSS ABSORBING CAPACITY OF DEFERRED TAXES

The modeled economic balance sheet includes deferred tax assets and deferred tax liabilities recognized at valuation date. For each modeled scenario, the internal model calculates the tax impact of the change in economic value (*i.e.* economic profit or loss).

In unprofitable scenarios, like the 1-in-200 scenario associated with the SCR, it captures the loss-absorbing capacity of deferred taxes by modeling the change in value of the deferred tax positions which reduces the impact of the loss on the modeled basic own funds. The internal model determines this item by taxable entity and by scenario. The Group tax effects represent the aggregated tax effects of the modeled entities. A recoverability test is performed to verify that the deferred tax assets can be utilized against expected future tax payments. This recoverability test comprises a projection of future taxable profits which is derived from the Group operating plan and includes adjustment to reflect the uncertainty of the forecast.

At December 31, 2024, the loss-absorbing capacity of deferred taxes reduces the SCR by EUR 501 million (or 10% of the SCR before tax), which is expected to be recoverable based on the projected future profits.

E.1.4.7. KEY DIFFERENCES BETWEEN THE STANDARD FORMULA AND THE INTERNAL MODEL

SCOR uses its approved internal model to calculate its SII SCR (see Section E.1.4.1), as opposed to the Solvency II standard formula. SCOR designed and developed the internal model specifically for its own risks, so it provides a better understanding of its risk profile than an industry-standard or standard formula approach.

SCOR’s internal model is similar to the standard formula in that both use a risk category approach, apply diversification between the risk categories, and calculate the SCR at a 99.5% VaR. However, in contrast to the simplified factor approach of the standard formula, the full distribution is modeled in the internal model (including stochastically modeling tax).

SCOR’s internal model structure reflects geographical market specificity by use of appropriate risk factor calibration. The standard formula uses generic diversification factors for all (re) insurers, whereas the SCOR internal model reflects the benefits of risk diversification specific to a global reinsurer as compared to a less diversified local insurance undertaking.

Additional key differences are summarized below by risk category:

- for P&C underwriting, SCOR determines the probability distributions and models natural catastrophe risk using sophisticated proprietary tools applied to SCOR`s own portfolio. The internal model also captures the specific characteristics of non-proportional reinsurance;
- for L&H underwriting, a wider range of risk factors than considered in the standard formula is modeled. In addition, for L&H underwriting the standard formula only covers risks from business in-force, whereas the SCOR internal model also includes risks from future business expected to be written over the next year according to the business plan;
- for market risk, SCOR uses its own scenario generator which reflects dependencies over the full range of outcomes (not just those at the 99.5^{th} percentile) between the different components of market risk modeled;
- for credit risk, SCOR models migration and default risk comprehensively for marketable securities and covers default of future profits from cedents. Migration risk reflects a potential loss in the book value of assets due to changes in the creditworthiness of counterparties, despite no actual default;
- for operational risk, SCOR adopts a granular approach, which reflects actual historical operational loss data from key operating areas.

E.1.5. NON-COMPLIANCE WITH THE SOLVENCY CAPITAL REQUIREMENT

As at December 31, 2024, SCOR Group and SCOR SE are compliant with the requirements regarding the coverage of the minimum capital requirement and Solvency Capital Requirement.

E.1.6. ANY OTHER INFORMATION

No other material information is reported regarding SCOR Group's capital management other than that presented above in Section E.1 – SCOR Group.

E.2. SCOR SE

This section provides an overview of the year-end 2024 internal model capital position for SCOR SE.

The table below includes the key results as at December 31, 2024 and December 31, 2023, respectively:

— SCOR SE

In EUR thousands	2024	2023	Variance
Eligible Own Funds (EOF)	9,460,676	9,151,825	308,851
Solvency Capital Requirement (SCR) Internal Model	4,515,022	4,404,302	110,720
Excess Capital (EOF – SCR)	4,945,654	4,747,523	198,131
SOLVENCY RATIO	**210%**	**208%**	**2%**

The Solvency ratio increased from 208% at year-end 2023 to 210% at year-end 2024. This increase of 2 percentage points is the result of the increase in the Eligible Own Funds (3.4% compared to December 31, 2023) with a slightly lower increase in the SCR (2.5% compared to December 31, 2023). Further details on the contributors to these changes are given in Sections E.2.1.1 – Own funds structure and E.2.2.1 – SCR by risk category below.

E.2.1. OWN FUNDS

This section is linked to Quantitative Reporting Template S.23.01.01 – Own funds, presented in Appendix B.

E.2.1.1. OWN FUNDS STRUCTURE

In addition to its operational activities, SCOR SE is the holding company of the SCOR Group. The structure of its own funds is similar to that of the Group, as described above. SCOR SE's own funds structure is presented in the table below.

SCOR SE's own funds eligible to cover the SCR amounted to EUR 9,461 million at December 31, 2024 (December 31, 2022: EUR 9,152 million).

— SCOR SE

As at December 31, 2024 *In EUR thousands*	Tier 1	Tier 2	Tier 3	Total
Basic own funds	**7,864,334**	**1,596,342**	**-**	**9,460,676**
Ordinary share capital	1,414,526	-	-	1,414,526
Share premium	458,622	-	-	458,622
Reconciliation reserve	4,740,177	-	-	4,740,177
Revaluation reserves	4,978,854	-	-	4,978,854
Net income for the year	146,362	-	-	146,362
Own shares	(61,800)	-	-	(61,800)
Foreseeable dividends	(323,239)	-	-	(323,239)
Subordinated liabilities	1,251,009	1,596,342	-	2,847,351
Net deferred tax assets	-	-	-	-
TOTAL AVAILABLE OWN FUNDS	**7,864,334**	**1,596,342**	**-**	**9,460,676**
Total eligible own funds to cover the SCR (after limit deductions)	**7,864,334**	**1,596,342**	**-**	**9,460,676**
Total eligible own funds to cover the MCR (after limit deductions)	**7,864,334**	**406,352**	**-**	**8,270,686**

— SCOR SE

As at December 31, 2023 *In EUR thousands*	Tier 1	Tier 2	Tier 3	Total
Basic own funds	**7,588,775**	**1,563,050**	**-**	**9,151,825**
Ordinary share capital	1,416,300	-	-	1,416,300
Share premium	463,551	-	-	463,551
Reconciliation reserve	4,787,498	-	-	4,787,498
Revaluation reserves	5,182,922	-	-	-
Net income for the year	8,865	-	-	-
Own shares	(80,644)	-	-	(80,644)
Foreseeable dividends	(323,645)	-	-	(323,645)
Subordinated liabilities	921,425	1,563,050	-	2,484,475
Net deferred tax assets	-	-	-	-
TOTAL AVAILABLE OWN FUNDS	**7,588,775**	**1,563,050**	**-**	**9,151,825**
Total eligible own funds to cover the SCR (after limit deductions)	**7,588,775**	**1,563,050**	**-**	**9,151,825**
Total eligible own funds to cover the MCR (after limit deductions)	**7,588,775**	**396,387**	**-**	**7,985,162**

Total Eligible Own Funds as at December 31, 2024 (EUR 9,461 million) increased by EUR 309 million compared to the balance as at December 31, 2023 (EUR 9,152 million). The main changes in the composition of own funds during 2024 are described in the Group Section E.1.1.1 – Own funds structure. Movements of SCOR SE own funds are largely similar to the Group own funds movements (EUR 250 million), notably through the result of the year and indirectly through the change in revaluation reserves from SCOR SE's participations.

SCOR SE considers all its basic own funds, identified in line with Solvency II rules and resulting from economic adjustments made to SCOR SE's equity under IFRS, as available and eligible to cover the SCR.

The economic balance sheet includes EUR 149 million of deferred tax assets, relating mainly to tax losses carry forward. These are more than offset by the recognized deferred tax liabilities of EUR 462 million. As a result, SCOR SE is in a net deferred tax liability position of EUR 313 million.

For details on each own fund item's classification by tier, the change in capital instruments, subordinated liabilities and dividend assumptions, see the Group Section E.1.1.1 – Own funds structure.

E.2.1.2. ELIGIBILITY OF OWN FUNDS

Regulatory capital under Solvency II is classified into three tiers as described in the Group Section E.1.1.1 – Own funds structure.

The application of certain limits (as described in the Group Section E.1.1.2 – Eligibility of own funds) determines SCOR SE's Eligible Own Funds.

For the purposes of compliance with the SCR, as at December 31, 2024 and 2023 respectively, none of the limits are exceeded by SCOR SE.

For the purposes of compliance with the MCR, tier 1 capital must account for at least 80% of the minimum required capital. The sum of eligible tier 2 and tier 3 capital must account for a maximum of 20% of the MCR. As at December 31, 2024 and 2023, SCOR SE do not exceed this limit.

E.2.1.3. RECONCILIATION WITH SHAREHOLDERS' EQUITY

The table below presents the differences between shareholders' equity in the financial statements of SCOR SE prepared under French GAAP and the net assets over liabilities as calculated for solvency purposes and presented in the EBS (see Appendix B presenting the SCOR SE EBS in QRT S.02.01.02).

— SCOR SE

In EUR thousands	2024
Statutory French GAAP – Shareholders' equity[1]	**2,945,618**
Economic adjustments	**4,052,750**
Goodwill	(275,693)
Other intangible assets	(187,039)
Investments	1,924,132
Net technical balances	2,894,832
Net technical balances, excluding risk margin – Life	3,861,425
Net technical balances, excluding risk margin – Non-Life	773,956
Risk margin – Life	(1,589,031)
Risk margin – Non-Life	(151,518)
Financial liabilities	(24,235)
Deferred taxes	(313,395)
Own shares	233
Other assets and liabilities	33,915
Excess of assets over liabilities in the Solvency II EBS	**6,998,368**
Subordinated liabilities	2,847,351
Own shares	(61,800)
Deductions for foreseeable dividends	(323,239)
TOTAL AVAILABLE OWN FUNDS	**9,460,676**

(1) Shareholders' equity considering reclassification of own shares to the asset side of the balance sheet.

The economic adjustments represent revaluations necessary to restate all the assets and liabilities of SCOR SE calculated in accordance with French GAAP to the economic values required under Solvency II rules. For further details on valuation principles and differences, please see Chapter D – Valuation for solvency purposes for SCOR SE.

E.2.2. SOLVENCY CAPITAL REQUIREMENT AND MINIMUM CAPITAL REQUIREMENT

E.2.2.1. SCR BY RISK CATEGORY

SCOR SE`s total SCR is the same as that of SCOR Group and the split of SCOR SE`s SCR by risk category on a look-through basis[1] is the same as for SCOR Group, as set out in Section E.1.2.1 – SCR by risk components of this report.

E.2.2.2. MINIMUM CAPITAL REQUIREMENT

The table below presents the MCR calculations as at December 31, 2024 and 2023, respectively:

— SCOR SE

In EUR thousands	December 31, 2024	December 31, 2023	Variation	% Variation
MCR Minimum (25% of SCR)	1,128,755	1,101,075	27,680	3%
MCR Linear	2,343,018	2,196,274	146,744	7%
MCR Maximum (45% of SCR)	2,031,760	1,981,936	49,824	3%
MCR WITH INTERNAL MODEL CAP & FLOOR	**2,031,760**	**1,981,936**	**49,824**	**3%**

Minimum capital requirement (MCR) calculations include Non-Life and Life exposures. The Non-Life exposures used for the MCR calculation are the net premium amounts written in the previous 12 months and the net best estimate technical provisions, both split by line of business. Predefined regulatory factors are applied to the premium and technical provision elements and added up to obtain the Non-Life linear MCR. Similarly, the Life linear MCR is obtained by applying predefined factors to the net best estimate technical provisions classified by product type as well as to the capital at risk for all Life exposures.

The MCR is the result of this prescribed linear formula subject to a floor of 25% and a cap of 45% of the SCR. For SCOR SE, the MCR is equal to the cap (45% of SCR).

E.2.3. USE OF THE DURATION-BASED EQUITY RISKS SUB-MODULE IN THE CALCULATION OF THE SOLVENCY CAPITAL REQUIREMENT

SCOR SE does not use the duration-based equity risks sub-module in the calculation of the Solvency Capital Requirement.

E.2.4. DIFFERENCES BETWEEN THE STANDARD FORMULA AND ANY INTERNAL MODEL USED

SCOR applies the same internal model across the Group. The description of the internal model and differences compared to the standard formula are provided in the Group Section E.1.4 – Differences between the standard formula and any internal model used, and applies to the entire Group, including SCOR SE.

E.2.5. NON-COMPLIANCE WITH THE MINIMUM CAPITAL REQUIREMENT AND NON-COMPLIANCE WITH THE SOLVENCY CAPITAL REQUIREMENT

As at December 31, 2024, SCOR SE is compliant with the requirements regarding the coverage of the minimum capital requirement and Solvency Capital Requirement.

E.2.6. ANY OTHER INFORMATION

SCOR SE is the ultimate parent entity for the SCOR Group. To support a global credit rating and to provide the same level of security to all clients globally, SCOR SE issues direct and indirect parental guarantees to all legal entities and economically carries the full risk and obligations of the subsidiaries. This is fully reflected in the internal model and the capital requirements disclosed. As described in Section E.1.4.2 – Consolidation approach, SCOR calculates the SCR at both Group and individual entity level using the same model, data and standards.

(1) A look-through basis is where risk exposures arising from SCOR SE's participations are allocated to the underlying risk categories.

SCOR Group public disclosure QRTs

S.02.01.02 – BALANCE SHEET

— SCOR Group

Assets as at December 31, 2024 *In EUR thousands*	Solvency II value
Intangible assets	**239,242**
Deferred tax assets	**603,443**
Pension benefit surplus	**-**
Property, plant and equipment held for own use	**775,303**
Investments	**22,060,317**
Property (other than for own use)	761,544
Participations and related undertakings	1,599
Equities	513,296
Equities – listed	558
Equities – unlisted	512,738
Bonds	19,239,707
Government bonds	5,453,787
Corporate bonds	11,897,664
Structured notes	5,004
Collateralized securities	1,883,252
Collective Investments Undertakings	1,121,851
Derivatives	200,810
Deposits other than cash equivalents	216,643
Other investments	4,867
Assets held for index-linked and unit-linked contracts	**-**
Loans and mortgages	**2,780,483**
Loans on policies	19,019
Loans and mortgages to individuals	-
Other loans and mortgages	2,761,464
Reinsurance recoverables	**1,353,186**
Non-Life and Health similar to Non-Life	1,720,661
Non-Life excluding Health	1,725,849
Health similar to Non-Life	(5,188)
Life and Health similar to Life, excluding Health and index-linked and unit-linked	(367,475)
Health similar to Life	58,951
Life excluding Health and index-linked and unit-linked	(426,426)
Life index-linked and unit-linked	-
Deposits to cedents	**8,743,107**
Insurance and intermediaries receivables	**2,519,881**
Reinsurance receivables	**1,265,101**
Receivables (trade, not insurance)	**591,628**
Own shares	**52,075**
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**-**
Cash and cash equivalents	**2,404,099**
Any other assets, not elsewhere shown	**34,172**
TOTAL ASSETS	**43,422,037**

— SCOR Group

Liabilities as at December 31, 2024 *In EUR thousands*	Solvency II value
Technical provisions – Non-Life	**17,686,158**
Technical provisions – Non-Life (excluding Health)	17,544,601
TP calculated as a whole	-
Best estimate	17,058,785
Risk margin	485,816
Technical provisions – Health (similar to Non-Life)	141,557
TP calculated as a whole	-
Best estimate	135,839
Risk margin	5,718
Technical provisions – Life (excluding index-linked and unit-linked)	**8,055,738**
Technical provisions – Health (similar to Life)	5,009,611
TP calculated as a whole	-
Best estimate	2,916,837
Risk margin	2,092,774
Technical provisions – Life (excluding Health and index-linked and unit-linked)	3,046,127
TP calculated as a whole	-
Best estimate	998,804
Risk margin	2,047,323
Technical provisions – index-linked and unit-linked funds	**-**
TP calculated as a whole	-
Best estimate	-
Risk margin	-
Other technical provisions	**-**
Contingent liabilities	**-**
Provisions other than technical provisions	**12,727**
Pension benefit obligations	**63,110**
Deposits from reinsurers	**627,495**
Deferred tax liabilities	**882,679**
Derivatives	**75,389**
Debts owed to credit institutions	**539,241**
Financial liabilities other than debts owed to credit institutions	**494,262**
Insurance and intermediaries payables	**1,739,711**
Reinsurance payables	**346,678**
Payables (trade, not insurance)	**2,754,423**
Subordinated liabilities	**2,847,351**
Subordinated liabilities not in basic own funds	-
Subordinated liabilities in basic own funds	2,847,351
Any other liabilities, not elsewhere shown	**290,386**
TOTAL LIABILITIES	**36,415,348**
EXCESS OF ASSETS OVER LIABILITIES	**7,006,689**

S.05.01.02 – NON-LIFE PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

— SCOR Group

As at December 31, 2024 *In EUR thousands*	Line of business* for Non-Life insurance and reinsurance obligations (direct business and accepted proportional reinsurance) Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Miscellaneous financial loss
Premiums written									
Gross – Direct business	5,491	-	148,781	146,684	919,431	418,239	94,915	56,154	139,230
Gross – Proportional reinsurance accepted	11,964	2,530	345,104	426,564	1,768,313	953,210	601,579	12,639	754,851
Gross – Non-proportional reinsurance accepted									
Reinsurers' share	855	1,200	7,977	122,880	635,049	437,351	134,390	37,991	87,057
Net	16,600	1,330	485,908	450,368	2,052,695	934,098	562,104	30,802	807,024
Premiums earned									
Gross – Direct business	5,649	-	135,998	134,895	897,482	469,946	74,051	42,822	106,132
Gross – Proportional reinsurance accepted	14,013	2,241	324,994	409,213	1,687,622	939,003	558,224	18,501	706,116
Gross – Non-proportional reinsurance accepted									
Reinsurers' share	423	1,992	5,136	116,120	574,756	393,355	94,892	35,633	80,059
Net	19,239	249	455,856	427,988	2,010,348	1,015,594	537,383	25,690	732,189
Claims incurred									
Gross – Direct business	2,923	140	126,434	88,503	481,507	369,637	42,604	13,172	61,219
Gross – Proportional reinsurance accepted	8,086	(5,522)	278,414	312,667	935,143	609,038	167,806	12,308	464,211
Gross – Non-proportional reinsurance accepted									
Reinsurers' share	(9,083)	(195)	154,239	63,525	286,361	207,374	34,765	9,022	32,287
Net	20,092	(5,187)	250,609	337,645	1,130,289	771,301	175,645	16,458	493,143
Expenses incurred	8,767	2,488	106,141	140,591	597,145	371,466	254,712	29,391	273,600
Balance – other technical expenses/income									
TOTAL TECHNICAL EXPENSES									

** This table presents lines of business applicable to SCOR.*
The QRT is prepared to comply with EIOPA requirements and can not be compared with IFRS financial statements.

S.05.01.02 – NON-LIFE PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS (CONTINUED)

— SCOR Group

As at December 31, 2024 *In EUR thousands*	Line of business for accepted non-proportional reinsurance: Health reinsurance	Casualty reinsurance	Marine, aviation, transport reinsurance	Property reinsurance	Total
Premiums written					
Gross – Direct business					1,928,925
Gross – Proportional reinsurance accepted					4,876,754
Gross – Non-proportional reinsurance accepted	8,896	790,211	167,142	2,096,685	3,062,934
Reinsurers' share	120	63,891	25,840	876,924	2,431,525
Net	8,776	726,320	141,302	1,219,761	7,437,088
Premiums earned					
Gross – Direct business					1,866,975
Gross – Proportional reinsurance accepted					4,659,927
Gross – Non-proportional reinsurance accepted	8,534	777,698	159,646	2,074,615	3,020,493
Reinsurers' share	120	61,545	22,953	859,580	2,246,564
Net	8,414	716,153	136,693	1,215,035	7,300,831
Claims incurred					
Gross – Direct business					1,186,139
Gross – Proportional reinsurance accepted					2,782,151
Gross – Non-proportional reinsurance accepted	(5,268)	565,651	182,828	821,658	1,564,869
Reinsurers' share	(16)	35,672	61,180	103,028	978,159
Net	(5,252)	529,979	121,648	718,630	4,555,000
Expenses incurred	2,409	155,578	30,961	247,220	2,220,469
Balance – other technical expenses/income					143,980
TOTAL TECHNICAL EXPENSES					**2,364,449**

S.05.01.02 – LIFE PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

— SCOR Group

As at December 31, 2024 *In EUR thousands*	Line of business* for Life reinsurance obligations Health reinsurance	 Life reinsurance	Total
Premiums written			
Gross	2,723,864	7,471,366	10,195,230
Reinsurers' share	189,758	1,564,219	1,753,977
Net	2,534,106	5,907,147	8,441,253
Premiums earned			
Gross	2,698,544	7,459,775	10,158,319
Reinsurers' share	189,758	1,564,218	1,753,976
Net	2,508,786	5,895,557	8,404,343
Claims incurred			
Gross	1,967,782	6,867,616	8,835,398
Reinsurers' share	147,353	1,563,388	1,710,741
Net	1,820,429	5,304,228	7,124,657
Expenses incurred	758,861	661,627	1,420,488
Balance – other technical expenses/income			76,640
TOTAL TECHNICAL EXPENSES			**1,497,128**

* *This table presents lines of business applicable to SCOR.*
The QRT is prepared to comply with EIOPA requirements and can not be compared with IFRS financial statements.

S.05.02.01 – NON-LIFE PREMIUMS, CLAIMS AND EXPENSES BY COUNTRY

— SCOR Group

As at December 31, 2024 *In EUR thousands*	Home country*	Top 5 countries (by amount of gross premiums written) – Non-Life obligations					Total Top 5 and home country
		(US) United States	(GB) United Kingdom	(CA) Canada	(CN) China	(DE) Germany	
Premiums written							
Gross – Direct business	134,607	904,071	308,163	61,177	49	44,759	1,452,826
Gross – Proportional reinsurance accepted	283,087	1,380,672	583,224	267,105	358,441	153,517	3,026,046
Gross – Non-proportional reinsurance accepted	346,257	662,308	288,625	158,095	44,421	125,652	1,625,358
Reinsurers' share	523,739	642,671	453,407	51,285	5,266	84,472	1,760,840
Net	240,212	2,304,380	726,605	435,092	397,645	239,456	4,343,390
Premiums earned							
Gross – Direct business	116,465	899,949	295,173	59,906	50	43,029	1,414,572
Gross – Proportional reinsurance accepted	258,526	1,338,852	518,539	291,443	342,137	144,523	2,894,020
Gross – Non-proportional reinsurance accepted	349,631	659,085	270,399	157,599	48,341	129,891	1,614,946
Reinsurers' share	512,660	557,856	416,181	50,453	5,245	84,121	1,626,516
Net	211,962	2,340,030	667,930	458,495	385,283	233,322	4,297,022
Claims incurred							
Gross – Direct business	68,574	546,103	155,141	26,833	(173)	43,927	840,405
Gross – Proportional reinsurance accepted	163,961	876,825	255,882	213,062	180,443	85,782	1,775,955
Gross – Non-proportional reinsurance accepted	66,222	439,846	67,179	144,555	15,371	134,939	868,112
Reinsurers' share	52,161	220,679	260,221	36,864	2,669	69,474	642,068
Net	246,596	1,642,095	217,981	347,586	192,972	195,174	2,842,404
Expenses incurred	161,929	672,481	242,602	117,128	146,575	63,328	1,404,043
Balance – other technical expenses/income							-
TOTAL TECHNICAL EXPENSES							**1,404,043**

* *France.*
The QRT is prepared to comply with EIOPA requirements and can not be compared with IFRS financial statements.

S.05.02.01 – LIFE PREMIUMS, CLAIMS AND EXPENSES BY COUNTRY

— SCOR Group

As at December 31, 2024 *In EUR thousands*	Home country*	Top 5 countries (by amount of gross premiums written) – Life obligations (US) United States	(GB) United Kingdom	(KR) Korea, Republic of	(CN) China	(DE) Germany	Total Top 5 and home country
Premiums written							
Gross	618,939	4,611,339	1,293,513	909,603	456,860	276,720	8,166,974
Reinsurers' share	8,026	1,208,414	262,761	52,938	63,341	21,207	1,616,687
Net	610,913	3,402,925	1,030,752	856,665	393,519	255,513	6,550,287
Premiums earned							
Gross	618,961	4,611,528	1,293,513	909,140	460,682	257,365	8,151,189
Reinsurers' share	8,026	1,208,414	262,761	52,938	63,341	21,207	1,616,687
Net	610,935	3,403,114	1,030,752	856,202	397,341	236,158	6,534,502
Claims incurred							
Gross	323,477	4,587,284	1,188,617	845,609	271,821	200,645	7,417,453
Reinsurers' share	4,360	1,261,706	236,714	55,095	41,023	7,004	1,605,902
Net	319,117	3,325,578	951,903	790,514	230,798	193,641	5,811,551
Expenses incurred	(24,638)	479,812	(14,735)	110,681	184,819	98,293	834,232
Balance – other technical expenses/income							59,471
TOTAL TECHNICAL EXPENSES							**893,703**

* *France.*
The QRT is prepared to comply with EIOPA requirements and can not be compared with IFRS financial statements.

S.23.01.22 – OWN FUNDS

— SCOR Group

As at December 31, 2024 *In EUR thousands*	Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
Basic own funds before deduction for participations in other financial sector					
Ordinary share capital (gross of own shares)	1,414,526	1,414,526		-	
Non-available called but not paid in ordinary share capital to be deducted at Group level	-	-		-	
Share premium account related to ordinary share capital	458,622	458,622		-	
Initial funds, members' contributions or the equivalent basic own – fund item for mutual and mutual-type undertakings	-	-		-	
Subordinated mutual member accounts	-		-	-	-
Non-available subordinated mutual member accounts to be deducted at Group level	-		-	-	-
Surplus funds	-	-			
Non-available surplus funds to be deducted at Group level	-	-			
Preference shares	-		-	-	-
Non-available preference shares to be deducted at Group level	-		-	-	-
Share premium account related to preference shares	-		-	-	-
Non-available share premium account related to preference shares to be deducted at Group level	-		-	-	-
Reconciliation reserve	4,748,510	4,748,510			
Subordinated liabilities	2,847,351		1,251,009	1,596,342	-
Non-available subordinated liabilities to be deducted at Group level	-		-	-	-
An amount equal to the value of net deferred tax assets	-				-
The amount equal to the value of net deferred tax assets not available to be deducted at the Group level	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	-	-	-	-	-
Non-available own funds related to other own funds items approved by supervisory authority to be deducted	-	-	-	-	-
Minority interests at Group level	-	-	-	-	-
Non-available minority interests to be deducted at Group level	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	-	-			
Deductions					
Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	-	-	-	-	
Whereof deducted according to Art. 228 of the Directive 2009/138/EC	-	-	-	-	-
Deductions for participations where there is non-availability of information (Art. 229)	-	-	-	-	-
Deduction for participations included *via* Deduction and Aggregation method when a combination of methods is used	-	-	-	-	-
Total of non-available own funds to be deducted	-	-	-	-	-
Total deductions	**-**	**-**	**-**	**-**	**-**
TOTAL BASIC OWN FUNDS AFTER DEDUCTIONS	**9,469,009**	**6,621,658**	**1,251,009**	**1,596,342**	**-**

S.23.01.22 – OWN FUNDS (CONTINUED)

— SCOR Group

As at December 31, 2024 *In EUR thousands*	Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
Ancillary own funds					
Unpaid and uncalled ordinary share capital callable on demand	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual – type undertakings, callable on demand	-			-	
Unpaid and uncalled preference shares callable on demand	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	-			-	-
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	-				
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	-			-	
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	-			-	-
Supplementary members calls – other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	-			-	-
Non available ancillary own funds to be deducted at Group level	-			-	-
Other ancillary own funds	-			-	-
Total ancillary own funds	**-**			**-**	**-**
Own funds of other financial sectors	**-**	**-**	**-**	**-**	
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies	-	-	-	-	
Institutions for occupational retirement provision	-	-	-	-	-
Non-regulated undertakings carrying out financial activities	-	-	-	-	
Total own funds of other financial sectors	-	-	-	-	
Own funds when using the Deduction and Aggregation method (D&A), exclusively or in combination with method 1					
Own funds aggregated when using the Deduction and Aggregation method and combination of methods	-	-	-	-	-
Own funds aggregated when using the Deduction and Aggregation method and combination of methods net of IGT	-	-	-	-	-
Total available own funds to meet the consolidated part of the Group SCR (excluding own funds from other financial sectors and own funds from undertakings included *via* D&A method)	9,469,009	6,621,658	1,251,009	1,596,342	-
Total eligible own funds to meet the consolidated Group SCR (excluding own funds from other financial sector and from the undertakings included *via* D&A)	9,469,009	6,621,658	1,251,009	1,596,342	-
Total eligible own funds to meet the consolidated part of the Group SCR (excluding own funds from other financial sectors and own funds from undertakings included *via* D&A method)	9,219,144	6,734,669	921,425	1,563,050	-
Total eligible own funds to meet the minimum consolidated Group SCR	**8,587,633**	6,621,658	1,251,009	714,966	
Total eligible own funds to meet the Group SCR (including own funds from other financial sector and from the undertakings included *via* D&A)	**9,469,009**	6,621,658	1,251,009	1,596,342	**-**
Minimum consolidated Group SCR	**3,574,832**				
Total Group SCR (including CR for other financial sectors and SCR for undertakings included *via* D&A method)	**4,515,022**				
RATIO OF ELIGIBLE OWN FUNDS TO MINIMUM CONSOLIDATED GROUP SCR	**240.22%**				
RATIO OF ELIGIBLE OWN FUNDS TO GROUP SCR INCLUDING OTHER FINANCIAL SECTORS AND THE UNDERTAKINGS INCLUDED *VIA* D&A	**209.72%**				

S.23.01.22 – OWN FUNDS (CONTINUED)

— SCOR Group

As at December 31, 2024 *In EUR thousands*	Total
Reconciliation reserve	
Excess of assets over liabilities	7,006,689
Own shares (held directly or indirectly)	61,800
Foreseeable dividends, distributions and charges	323,239
Other basic own fund items	1,873,148
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds	-
Other non-available own funds	(8)
Reconciliation reserve	**4,748,510**
Expected profits	
Expected profits included in future premiums (EPIFP) – Life business	5,318,635
Expected profits included in future premiums (EPIFP) – Non-Life business	1,559,467
TOTAL EXPECTED PROFITS INCLUDED IN FUTURE PREMIUMS (EPIFP)	**6,878,102**

S.25.05.22 – SOLVENCY CAPITAL REQUIREMENT – FOR GROUPS ON FULL INTERNAL MODELS

	Solvency Capital Requirement	Amount modelled	USP	Simplifications
Risk type				
Total diversification	**(5,200,972)**			
Total diversified risk before tax	5,016,000			
Total diversified risk after tax	4,515,022			
Total market & credit risk	**6,542,550**			
Market & Credit risk – diversified	2,501,104			
Credit event risk not covered in market & credit risk				
Credit event risk not covered in market & credit risk – diversified				
Total Business risk				
Total Business risk – diversified				
Total Net Non-Life underwriting risk	**4,058,583**			
Total Net Non-Life underwriting risk – diversified	3,069,688			
Total Life & Health underwriting risk	**9,137,375**			
Total Life & Health underwriting risk – diversified	3,576,164			
Total Operational risk	**481,700**			
Total Operational risk – diversified	481,700			
Other risk	**948,494**			
Calculation of Solvency Capital Requirement (SCR)				
Total undiversified components				21,168,702
Diversification				(16,152,702)
Adjustment due to RFF/MAP nSCR aggregation				
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC (transitional)				
Solvency Capital Requirement calculated on the basis of Art. 336 (a) of Delegated Regulation (EU) 2015/35, excluding capital add-on				**4,515,022**
Capital add-ons already set				
Capital add-ons already set – Article 37 (1) Type a				
Capital add-ons already set – Article 37 (1) Type b				
Capital add-ons already set – Article 37 (1) Type c				
Capital add-ons already set – Article 37 (1) Type d				
Consolidated Group SCR				**4,515,022**
Other information on SCR				
Amount/estimate of the overall loss-absorbing capacity of technical provisions				
Amount/estimate of the overall loss-absorbing capacity of deferred taxes				(500,978)
Capital requirement for duration-based equity risk sub-module				
Total amount of Notional Solvency Capital Requirements for remaining part				
Total amount of Notional Solvency Capital Requirements for ring fenced funds (other than those related to business operated in accordance with Art. 4 of Directive 2003/41/EC (transitional))				
Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios				
Diversification effects due to RFF nSCR aggregation for Article 304				
Minimum consolidated Group Solvency Capital Requirement				
Information on other entities				
Capital requirement for other financial sectors (Non-insurance capital requirements)				
Capital requirement for other financial sectors (Non-insurance capital requirements) – Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies				
Capital requirement for other financial sectors (Non-insurance capital requirements) – Institutions for occupational retirement provisions				
Capital requirement for other financial sectors (Non-insurance capital requirements) – Capital requirement for non-regulated entities carrying out financial activities				
Capital requirement for non-controlled participation				
Capital requirement for collective investment undertakings or investment packaged as funds				
Capital requirement for residual undertakings				
Overall SCR				
SCR for undertakings included *via* D&A method				
TOTAL GROUP SOLVENCY CAPITAL REQUIREMENT				**4,515,022**

The appendix presents the Quantitative Reporting Templates (QRTs) in accordance with the format specified by EIOPA. The QRT can be seen as an amendment or complementary to the figures explained/presented in the report.

S.32.01.22 – UNDERTAKINGS IN THE SCOPE OF GROUP

	Country	Identification code of the undertaking	Type of code	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority
1	GUERNSEY	19141	Specific code	SCOR CHANNEL LIMITED	3 – Reinsurance undertaking	Private limited company	2 – Non-mutual	Guernsey Financial Services Commission
2	UNITED KINGDOM	213800W8TBHPHBJUGG71	LEI	SCOR UK COMPANY LIMITED	3 – Reinsurance undertaking	Private limited company	2 – Non-mutual	PRA & FCA
3	UNITED KINGDOM	12160	Specific code	SCOR UK GROUP LTD	5 – Insurance holding company	Private limited company	2 – Non-mutual	Not required
4	UNITED KINGDOM	213800A1PT5R11FGW746	LEI	SCOR UNDERWRITING LIMITED	3 – Reinsurance undertaking	Private limited company	2 – Non-mutual	Not required
5	IRELAND	5493004I0CZG2UGXX055	LEI	SCOR Management Services Ireland Ltd	10 – Ancillary services undertaking	Designated Activity Company	2 – Non-mutual	Not required
6	SWITZERLAND	549300MVEPZ34PA36O27	LEI	AH Real Estate Switzerland AG	99 – Other	AG – *Aktiengesellschaft*	2 – Non-mutual	Not required
7	BRAZIL	13.270.050/0001-30	Specific code	M&S Brasil Participacoes Ltda	5 – Insurance holding company	*Sociedade a responsabilidade Limitada*	2 – Non-mutual	Not required
8	FRANCE	969500BUR3L9PILX3R47	LEI	SCOR Capital Partners	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
9	SINGAPORE	201541770C	Specific code	SCOR Realty Singapore Pte Ltd	99 – Other	Private limited company	2 – Non-mutual	Not required
10	FRANCE	815210877	Specific code	SCOR PROPERTIES II	99 – Other	*Société de placement à prépondérance immobilière et à capital variable*	2 – Non-mutual	Not required
11	FRANCE	820924553	Specific code	50 rue La Pérouse SAS	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
12	FRANCE	821740735	Specific code	SAS Euclide	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
13	UNITED STATES	549300IH5PLDE0Z82O22	LEI	SCOR Advantage LLC	3 – Reinsurance undertaking	Limited Liability Company	2 – Non-mutual	Not required
14	FRANCE	830853867	Specific code	MARBOT REAL ESTATE MANAGEMENT SAS	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
15	FRANCE	969500PB3BN0WIF01B32	LEI	SCOR Europe SE	2 – Non life insurance undertaking	*Société européenne*	2 – Non-mutual	ACPR
16	SWITZERLAND	549300AHPGPA66UED667	LEI	SCOR Switzerland Asset Services AG	99 – Other	AG – *Aktiengesellschaft*	2 – Non-mutual	Not required
17	SWITZERLAND	549300513226S1CFM291	LEI	SCOR Services Switzerlang AG	10 – Ancillary services undertaking	AG – *Aktiengesellschaft*	2 – Non-mutual	Not required
18	UNITED KINGDOM	20003	Specific code	SCOR Services UK Limited	5 – Insurance holding company	Private limited company	2 – Non-mutual	Not required
19	FRANCE	96950056ULJ4JI7V3752	LEI	SCOR SE	4 – Composite undertaking	*Société européenne*	2 – Non-mutual	ACPR
20	SOUTH AFRICA	2008/010172/06	Specific code	SCOR AFRICA LIMITED	4 – Composite undertaking	(Proprietary) limited company	2 – Non-mutual	The Prudential Authority

S.32.01.22 – UNDERTAKINGS IN THE SCOPE OF GROUP (CONTINUED)

		Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
	Legal name of the undertaking	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	YES/NO	Date of decision if Art. 214 is applied	Method used and under method 1, treatment of the undertaking
1	SCOR CHANNEL LIMITED	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Adjusted equity method
2	SCOR UK COMPANY LIMITED	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
3	SCOR UK GROUP LTD	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
4	SCOR UNDERWRITING LIMITED	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
5	SCOR Management Services Ireland Ltd	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
6	AH Real Estate Switzerland AG	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
7	M&S Brasil Participacoes Ltda	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
8	SCOR Capital Partners	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
9	SCOR Realty Singapore Pte Ltd	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
10	SCOR PROPERTIES II	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
11	50 rue La Pérouse SAS	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
12	SAS Euclide	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
13	SCOR Advantage LLC	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
14	MARBOT REAL ESTATE MANAGEMENT SAS	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
15	SCOR Europe SE	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 2: Solvency II
16	SCOR Switzerland Asset Services AG	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
17	SCOR Services Switzerlang AG	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
18	SCOR Services UK Limited	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
19	SCOR SE	100.00%	100.00%	100.00%	Ultimate parent	1. Dominant influence				Method 2: Solvency II
20	SCOR AFRICA LIMITED	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation

S.32.01.22 – UNDERTAKINGS IN THE SCOPE OF GROUP (CONTINUED)

	Country	Identification code of the undertaking	Type of code	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority
21	NETHERLANDS	879902716	Specific code	SCOR Capital Partners 2 BV	99 – Other	Besloten Vennoost (similar to Private Limited Liability Company)	2 – Non-mutual	Not required
22	FRANCE	880039235	Specific code	SV One SAS	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
23	FRANCE	969500J68LALL9PF0K57	LEI	SCOR Capital Partners 4	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
24	FRANCE	969500V0NZO2NQ7KM425	LEI	5 AVENUE KLEBER S.A.S.	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
25	UNITED KINGDOM	213800PVZ898LL2YPT61	LEI	SCOR Lime Street Ltd	10 – Ancillary services undertaking	Private limited company	2 – Non-mutual	Not required
26	FRANCE	382 778 975	Specific code	S.C.I LEON EYROLLES CACHAN SCOR	99 – Other	*Société Civile Immobilière*	2 – Non-mutual	Not required
27	UNITED KINGDOM	8461305	Specific code	SCOR ASIA HOUSE LP	10 – Ancillary services undertaking	Limited Partnership	2 – Non-mutual	Not required
28	FRANCE	969500O239Q7517M7V49	LEI	SCOR Real Estate	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
29	FRANCE	969500P17CYK25RRAR44	LEI	SCI MARCO SPADA	99 – Other	*Société Civile Immobilière*	2 – Non-mutual	Not required
30	IRELAND	54930034DJILAVAGB456	LEI	SCOR GLOBAL P&C IRELAND LIMITED	99 – Other	Designated Activity Company	2 – Non-mutual	Not required
31	IRELAND	549300MJBW3JUHL89O66	LEI	SCOR P&C IRELAND HOLDING LIMITED	5 – Insurance holding company	Designated Activity Company	2 – Non-mutual	Not required
32	FRANCE	969500BJLZOGFUSE3D73	LEI	SCOR INVESTMENTS PARTNERS SE	8 – Credit institution, investment firm and financial institution	*Société européenne*	2 – Non-mutual	AMF
33	RUSSIAN FEDERATION	508774666 4 814	Specific code	SCOR PERESTRAKHOVANIYE	4 – Composite undertaking	*Общества с ограниченнойответственностью* (Limited Liability Company)	2 – Non-mutual	Central Bank of Russia
34	FRANCE	549300DNW09YL97XAJ73	LEI	DB CARAVELLE	99 – Other	Limited Company	2 – Non-mutual	Not required
35	FRANCE	533136016	Specific code	SCOR PROPERTIES	99 – Other	*Société de placement à prépondérance immobilière et à capital variable*	2 – Non-mutual	Not required
36	FRANCE	969500VXO91LDR3LBV25	LEI	Société Immobilière Coligny SAS	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
37	FRANCE	96950047J5JOCUPMHI30	LEI	M.R.M.	99 – Other	*Société anyme/sociedad cooperative/aktsiaselts*	2 – Non-mutual	Not required
38	FRANCE	833701261	Specific code	Mondot Immobilier SAS	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
39	IRELAND	549300H7R6KPWD38L370	LEI	SCOR Ireland DAC	3 – Reinsurance undertaking	Designated Activity Company	2 – Non-mutual	Central Bank of Ireland
40	FRANCE	969500H9H379A2KWOB47	LEI	SCI GARIGLIANO	99 – Other	*Société Civile Immobilière*	2 – Non-mutual	Not required

S.32.01.22 – UNDERTAKINGS IN THE SCOPE OF GROUP (CONTINUED)

		Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
	Legal name of the undertaking	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	YES/NO	Date of decision if Art. 214 is applied	Method used and under method 1, treatment of the undertaking
21	SCOR Capital Partners 2 BV	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
22	SV One SAS	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
23	SCOR Capital Partners 4	100.00%	100.00%	100.00%		1. Dominant influence	100.00%	1 – Included in the scope		Method 1: Full consolidation
24	5 AVENUE KLEBER S.A.S.	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
25	SCOR Lime Street Ltd	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
26	S.C.I LEON EYROLLES CACHAN SCOR	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
27	SCOR ASIA HOUSE LP	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
28	SCOR Real Estate	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
29	SCI MARCO SPADA	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
30	SCOR GLOBAL P&C IRELAND LIMITED	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
31	SCOR P&C IRELAND HOLDING LIMITED	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
32	SCOR INVESTMENTS PARTNERS SE	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
33	SCOR PERESTRAKHOVANIYE	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
34	DB CARAVELLE	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
35	SCOR PROPERTIES	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
36	Société Immobilière Coligny SAS	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
37	M.R.M.	57.00%	100.00%	57.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
38	Mondot Immobilier SAS	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
39	SCOR Ireland DAC	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 2: Solvency II
40	SCI GARIGLIANO	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation

S.32.01.22 – UNDERTAKINGS IN THE SCOPE OF GROUP (CONTINUED)

	Country	Identification code of the undertaking	Type of code	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority
41	FRANCE	879904845	Specific code	SCOR Operations	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
42	UNITED KINGDOM	549300ASTBZZ4FP3SU63	LEI	SCOR INVESTMENT PARTNERS UK LTD	8 – Credit institution, investment firm and financial institution	Private limited company	2 – Non-mutual	Financial Conduct Authority
43	FRANCE	9695006HPCIPF2J98806	LEI	MARBOT MANAGEMENT 2 SAS	99 – Other	*Société par Actions Simplifiées Unipersonnelles*	2 – Non-mutual	Not required
44	NETHERLANDS	33106831	Specific code	REMARK GROUP BV	10 – Ancillary services undertaking	Besloten Vennoost (similar to Private Limited Liability Company)	2 – Non-mutual	Not required
45	IRELAND	549300KCPG3666EE4546	LEI	SCOR GLOBAL REINSURANCE IRELAND DAC	3 – Reinsurance undertaking	Designated Activity Company	2 – Non-mutual	Central Bank of Ireland
46	AUSTRALIA	549300U6TCJE8M4VQD28	LEI	SCOR GLOBAL LIFE AUSTRALIA PTY LTD	3 – Reinsurance undertaking	(Proprietary) limited company	2 – Non-mutual	APRA
47	SWITZERLAND	43674	Specific code	SCOR Investment Partners Switzerland AG	8 – Credit institution, investment firm and financial institution	AG – *Aktiengesellschaft*	2 – Non-mutual	Not required
48	UNITED STATES	5493003NKWLHE2RODN39	LEI	SCOR FINANCIAL LIFE INSURANCE COMPANY (SFLIC)	3 – Reinsurance undertaking	Corporation	2 – Non-mutual	Delaware Insurance Department
49	UNITED STATES	68502	Specific code	SCOR Arizona Reinsurance Company	3 – Reinsurance undertaking	Corporation	2 – Non-mutual	Arizona Department of Insurance
50	BRAZIL	03.486.745/0001-09	Specific code	AGROBRASIL	99 – Other	*Sociedade a responsabilidade Limitada*	2 – Non-mutual	Not required
51	UNITED STATES	549300BX1ZDU6Y793Z89	LEI	SCOR REINSURANCE COMPANY	3 – Reinsurance undertaking	Corporation	2 – Non-mutual	NYDFS
52	UNITED STATES	5493007HTE8SZYSOZJ43	LEI	GENERAL SECURITY NATIONAL INSURANCE COMPANY	3 – Reinsurance undertaking	Corporation	2 – Non-mutual	NYDFS
53	UNITED STATES	549300KYQSLWSEO2RR36	LEI	GENERAL SECURITY INDEMNITY COMPANY OF ARIZONA	2 – Non Life insurance undertaking	Corporation	2 – Non-mutual	Arizona Department of Insurance
54	CANADA	549300O1A1JWA1USJL37	LEI	SCOR CANADA REINSURANCE COMPANY	3 – Reinsurance undertaking	Corporation	2 – Non-mutual	OSFI
55	BRAZIL	5493000HMAZ5DP3DUY68	LEI	ESSOR SEGUROS S.A.	2 – Non Life insurance undertaking	*Sociedad Anónima*	2 – Non-mutual	SUSEP – Brazil Insurance Regulator
56	BRAZIL	5493008P41BO4MWZG857	LEI	SCOR Brasil Participações LTDA	5 – Insurance holding company	*Sociedade a responsabilidade Limitada*	2 – Non-mutual	Not required
57	BRAZIL	549300YJWNISPOU0I343	LEI	SCOR Brazil Resseguros S.A.	4 – Composite undertaking	*Sociedade a responsabilidade Limitada*	2 – Non-mutual	SUSEP – Brazil Insurance Regulator
58	CANADA	549300CUNU3K8MC2R460	LEI	REVIOS CANADA LTD.	99 – Other	Corporation	2 – Non-mutual	Not required
59	UNITED STATES	549300YZXF1VIUO2IK19	LEI	SCOR Global Life USA Reinsurance Company	3 – Reinsurance undertaking	Corporation	2 – Non-mutual	Delaware Insurance Department
60	BARBADOS	549300EUI365W1VSHF93	LEI	SCOR GLOBAL LIFE REINSURANCE INTERNATIONAL (BARBADOS) LTD.	3 – Reinsurance undertaking	Private limited company	2 – Non-mutual	FSC (Financial Services Commission)

S.32.01.22 – UNDERTAKINGS IN THE SCOPE OF GROUP (CONTINUED)

		Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
	Legal name of the undertaking	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	YES/ NO	Date of decision if Art. 214 is applied	Method used and under method 1, treatment of the undertaking
41	SCOR Operations	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
42	SCOR INVESTMENT PARTNERS UK LTD	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
43	MARBOT MANAGEMENT 2 SAS	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
44	REMARK GROUP BV	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
45	SCOR GLOBAL REINSURANCE IRELAND DAC	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 2: Solvency II
46	SCOR GLOBAL LIFE AUSTRALIA PTY LTD	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
47	SCOR Investment Partners Switzerland AG	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
48	SCOR FINANCIAL LIFE INSURANCE COMPANY (SFLIC)	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
49	SCOR Arizona Reinsurance Company	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
50	AGROBRASIL	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
51	SCOR REINSURANCE COMPANY	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
52	GENERAL SECURITY NATIONAL INSURANCE COMPANY	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
53	GENERAL SECURITY INDEMNITY COMPANY OF ARIZONA	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
54	SCOR CANADA REINSURANCE COMPANY	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
55	ESSOR SEGUROS S.A.	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
56	SCOR Brasil Participações LTDA	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
57	SCOR Brazil Resseguros S.A.	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
58	REVIOS CANADA LTD.	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
59	SCOR Global Life USA Reinsurance Company	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
60	SCOR GLOBAL LIFE REINSURANCE INTERNATIONAL (BARBADOS) LTD.	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation

S.32.01.22 – UNDERTAKINGS IN THE SCOPE OF GROUP (CONTINUED)

	Country	Identification code of the undertaking	Type of code	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority
61	CANADA	549300TK1QWDEBBRT539	LEI	REVIOS CANADA HOLDING CORP. LTD.	99 – Other	Corporation	2 – Non-mutual	Not required
62	UNITED STATES	549300TL509R6FPAC224	LEI	SCOR Global Life Americas Holding Inc.	5 – Insurance holding company	Corporation	2 – Non-mutual	Not required
63	UNITED STATES	5493000TWAHWPEF04914	LEI	SCOR LIFE REASSURANCE COMPANY (SLRC)	3 – Reinsurance undertaking	Corporation	2 – Non-mutual	Delaware Insurance Department
64	UNITED STATES	5493004FBBK6PONS3K45	LEI	SCOR LIFE ASSURANCE COMPANY (SLAC)	3 – Reinsurance undertaking	Corporation	2 – Non-mutual	Delaware Insurance Department
65	UNITED STATES	549300QWKNABQNOLEX38	LEI	SCOR GLOBAL LIFE AMERICAS Reinsurance Company (SGLA)	3 – Reinsurance undertaking	Corporation	2 – Non-mutual	Delaware Insurance Department
66	UNITED STATES	549300H2U2C3NB7RYM40	LEI	SCOR GLOBAL LIFE REINSURANCE COMPANY OF DELAWARE	3 – Reinsurance undertaking	Corporation	2 – Non-mutual	Delaware Insurance Department
67	UNITED STATES	549300RQYFY70YSLXV12	LEI	QUANTITATIVE DATA SOLUTIONS (QDS)	99 – Other	Limited Liability Company	2 – Non-mutual	Not required
68	UNITED STATES	549300BD4H7M90WKT443	LEI	SCOR GLOBAL LIFE USA HOLDINGS, INC.	5 – Insurance holding company	Corporation	2 – Non-mutual	Not required
69	HONG KONG	549300PS9VM2EJ32DV96	LEI	SCOR REINSURANCE COMPANY (ASIA) LTD	4 – Composite undertaking	Private limited company	2 – Non-mutual	Insurance Authority
70	SINGAPORE	549300HJN628XFBXRV51	LEI	SCOR REINSURANCE ASIA-PACIFIC PTE LTD	4 – Composite undertaking	Private limited company	2 – Non-mutual	MAS
71	JAPAN	0199-01-069291	Specific code	SCOR SERVICES JAPAN CO. LTD	99 – Other	*Kabushiki Kaisha*	2 – Non-mutual	Not required
72	SINGAPORE	201008452W	Specific code	SCOR SERVICES ASIA-PACIFIC PTE. LTD	10 – Ancillary services undertaking	Private limited company	2 – Non-mutual	MAS
73	FRANCE	519672844	Specific code	Gutenberg Technologies	99 – Other	*Société par Actions Simplifiées*	2 – Non-mutual	Not required

S.32.01.22 – UNDERTAKINGS IN THE SCOPE OF GROUP (CONTINUED)

		Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
	Legal name of the undertaking	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for Group solvency calculation	YES/ NO	Date of decision if Art. 214 is applied	Method used and under method 1, treatment of the undertaking
61	REVIOS CANADA HOLDING CORP. LTD.	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
62	SCOR Global Life Americas Holding Inc.	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
63	SCOR LIFE REASSURANCE COMPANY (SLRC)	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
64	SCOR LIFE ASSURANCE COMPANY (SLAC)	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
65	SCOR GLOBAL LIFE AMERICAS Reinsurance Company (SGLA)	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
66	SCOR GLOBAL LIFE REINSURANCE COMPANY OF DELAWARE	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
67	QUANTITATIVE DATA SOLUTIONS (QDS)	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
68	SCOR GLOBAL LIFE USA HOLDINGS, INC.	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
69	SCOR REINSURANCE COMPANY (ASIA) LTD	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
70	SCOR REINSURANCE ASIA-PACIFIC PTE LTD	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
71	SCOR SERVICES JAPAN CO. LTD	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
72	SCOR SERVICES ASIA-PACIFIC PTE. LTD	100.00%	100.00%	100.00%		1. Dominant influence	100.00%			Method 1: Full consolidation
73	Gutenberg Technologies	53.00%		53.00%		1. Dominant influence				Method 1: Full consolidation

SCOR SE public disclosure QRTs

S.02.01.02 – BALANCE SHEET

— SCOR SE

Assets as at December 31, 2024 *In EUR thousands*	Solvency II value
Intangible assets	**161,523**
Deferred tax assets	**148,901**
Pension benefit surplus	**-**
Property, plant and equipment held for own use	**155,997**
Investments	**17,195,871**
Property (other than for own use)	-
Participations and related undertakings	9,324,545
Equities	53,057
Equities – listed	-
Equities – unlisted	53,057
Bonds	4,553,699
Government bonds	2,424,694
Corporate bonds	2,099,582
Structured notes	5,004
Collateralized securities	24,419
Collective Investments Undertakings	2,978,774
Derivatives	172,287
Deposits other than cash equivalents	113,501
Other investments	8
Assets held for index-linked and unit-linked contracts	**-**
Loans and mortgages	**1,328,627**
Loans on policies	-
Loans and mortgages to individuals	-
Other loans and mortgages	1,328,627
Reinsurance recoverables	**1,713,038**
Non-Life and Health similar to Non-Life	3,424,102
Non-Life excluding Health	3,415,223
Health similar to Non-Life	8,879
Life and Health similar to Life, excluding Health and index-linked and unit-linked	(1,711,064)
Health similar to Life	(86,710)
Life excluding Health and index-linked and unit-linked	(1,624,354)
Life index-linked and unit-linked	-
Deposits to cedents	**7,036,581**
Insurance and intermediaries receivables	**184,950**
Reinsurance receivables	**394,230**
Receivables (trade, not insurance)	**347,162**
Own shares	**52,075**
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**-**
Cash and cash equivalents	**667,438**
Any other assets, not elsewhere shown	**12,122**
TOTAL ASSETS	**29,398,515**

S.02.01.02 – BALANCE SHEET (CONTINUED)

— SCOR SE

Liabilities as at December 31, 2024 *In EUR thousands*	Solvency II value
Technical provisions – Non-Life	**10,753,281**
Technical provisions – Non-Life (excl. Health)	10,700,303
TP calculated as a whole	-
Best estimate	10,549,397
Risk margin	150,906
Technical provisions – Health (similar to Non-Life)	52,978
TP calculated as a whole	-
Best estimate	52,367
Risk margin	611
Technical provisions – Life (excl. index-linked and unit-linked)	**4,749,738**
Technical provisions – Health (similar to Life)	4,233,162
TP calculated as a whole	-
Best estimate	2,905,653
Risk margin	1,327,509
Technical provisions – Life (excl. Health and index-linked and unit-linked)	516,576
TP calculated as a whole	-
Best estimate	255,054
Risk margin	261,522
Technical provisions – index-linked and unit-linked funds	**-**
TP calculated as a whole	-
Best estimate	-
Risk margin	-
Other technical provisions	**-**
Contingent liabilities	**-**
Provisions other than technical provisions	**7,341**
Pension benefit obligations	**54,232**
Deposits from reinsurers	**1,280,589**
Deferred tax liabilities	**462,273**
Derivatives	**52,431**
Debts owed to credit institutions	**64,154**
Financial liabilities other than debts owed to credit institutions	**1,013,029**
Insurance and intermediaries payables	**468,441**
Reinsurance payables	**(80,173)**
Payables (trade, not insurance)	**543,759**
Subordinated liabilities	**2,884,891**
Subordinated liabilities not in basic own funds	37,540
Subordinated liabilities in basic own funds	2,847,351
Any other liabilities, not elsewhere shown	**146,161**
TOTAL LIABILITIES	**22,400,147**
EXCESS OF ASSETS OVER LIABILITIES	**6,998,368**

S.05.01.02 – NON-LIFE PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

— SCOR SE

	Line of business* for Non-Life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)								
As at December 31, 2024 *In EUR thousands*	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Miscellaneous financial loss
Premiums written									
Gross – Direct business	-	-	-	-	-	-	-	-	-
Gross – Proportional reinsurance accepted	12,046	798	327,308	503,489	1,833,400	630,269	537,635	(10,803)	57,749
Gross – Non-proportional reinsurance accepted									
Reinsurers' share	(5,273)	536	80,522	346,665	920,051	310,902	303,331	13,294	63,589
Net	17,319	262	246,786	156,824	913,349	319,367	234,304	(24,097)	(5,840)
Premiums earned									
Gross – Direct business	-	-	-	-	-	-	-	-	-
Gross – Proportional reinsurance accepted	13,713	1,936	300,554	474,618	1,620,873	656,080	488,524	(10,803)	31,461
Gross – Non-proportional reinsurance accepted									
Reinsurers' share	(4,636)	1,900	63,303	332,892	841,431	312,240	273,364	13,294	50,988
Net	18,349	36	237,251	141,726	779,442	343,840	215,160	(24,097)	(19,527)
Claims incurred									
Gross – Direct business	-	-	-	-	-	-	-	-	-
Gross – Proportional reinsurance accepted	8,291	(4,183)	253,861	365,873	970,224	337,743	149,117	750	(17,353)
Gross – Non-proportional reinsurance accepted									
Reinsurers' share	(9,647)	(2,028)	219,933	240,657	408,882	114,716	111,977	(1,155)	20,143
Net	17,938	(2,155)	33,928	125,216	561,342	223,027	37,140	1,905	(37,496)
Expenses incurred	3,604	2,204	24,551	34,469	165,754	135,758	114,332	(1,556)	40,197
Balance – other technical expenses/income									
TOTAL TECHNICAL EXPENSES									

* *This table presents lines of business applicable to SCOR SE.*

S.05.01.02 – NON-LIFE PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS (CONTINUED)

— SCOR SE

	Line of business for accepted non-proportional reinsurance				
As at December 31, 2024 *In EUR thousands*	Health reinsurance	Casualty reinsurance	Marine, aviation, transport reinsurance	Property reinsurance	Total
Premiums written					
Gross – Direct business					-
Gross – Proportional reinsurance accepted					3,891,891
Gross – Non-proportional reinsurance accepted	6,625	682,909	133,861	1,190,860	2,014,255
Reinsurers' share	1,631	232,406	70,646	797,951	3,136,251
Net	4,994	450,503	63,215	392,909	2,769,895
Premiums earned					
Gross – Direct business					-
Gross – Proportional reinsurance accepted					3,576,956
Gross – Non-proportional reinsurance accepted	6,218	658,718	128,113	1,201,004	1,994,053
Reinsurers' share	1,625	221,433	67,184	803,802	2,978,820
Net	4,593	437,285	60,929	397,202	2,592,189
Claims incurred					
Gross – Direct business					-
Gross – Proportional reinsurance accepted					2,064,323
Gross – Non-proportional reinsurance accepted	(622)	319,909	169,032	672,597	1,160,916
Reinsurers' share	(961)	95,824	102,409	276,746	1,577,496
Net	339	224,085	66,623	395,851	1,647,743
Expenses incurred	1,455	89,523	16,757	77,236	704,284
Balance – other technical expenses/income					61,994
TOTAL TECHNICAL EXPENSES					**766,278**

S.05.01.02 – LIFE PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS (CONTINUED)

— SCOR SE

As at December 31, 2024 *In EUR thousands*	Line of business* for Life reinsurance obligations		
	Health reinsurance	Life reinsurance	Total
Premiums written			
Gross	1,985,477	2,411,302	4,396,779
Reinsurers' share	371,246	423,405	794,651
Net	1,614,231	1,987,897	3,602,128
Premiums earned			
Gross	1,963,596	2,399,712	4,363,308
Reinsurers' share	371,246	423,405	794,651
Net	1,592,350	1,976,307	3,568,657
Claims incurred			
Gross	1,626,786	2,073,616	3,700,402
Reinsurers' share	209,710	278,908	488,618
Net	1,417,076	1,794,708	3,211,784
Expenses incurred	315,226	428,057	743,283
Balance – other technical expenses/income			67,666
TOTAL TECHNICAL EXPENSES			**810,949**

* *This table presents lines of business applicable to SCOR SE.*

S.04.05.21 – NON-LIFE PREMIUMS, CLAIMS AND EXPENSES BY COUNTRY

— SCOR SE

As at December 31, 2024 *In EUR thousands*	Home country*	Top 5 countries (by amount of gross premiums written) – Non-Life obligations					Total Top 5 and home country
		(GB) United Kingdom	(CN) China	(SG) Singapore	(DE) Germany	(US) United States	
Premiums written (gross)							
Gross Written Premium (direct)	-	-	-	-	-	-	-
Gross Written Premium (proportional reinsurance)	302,145	1,011,741	371,067	363,646	157,621	165,993	2,372,213
Gross Written Premium (non-proportional reinsurance)	383,008	321,856	42,902	18,569	122,282	109,891	998,508
Premiums earned (gross)							
Gross Earned Premium (direct)	-	-	-	-	-	-	-
Gross Earned Premium (proportional reinsurance)	296,094	896,598	354,507	289,114	148,700	165,030	2,150,043
Gross Earned Premium (non-proportional reinsurance)	379,509	300,753	45,842	18,577	130,068	111,104	985,853
Claims incurred (gross)							
Claims incurred (direct)	-	-	-	-	-	-	-
Claims incurred (proportional reinsurance)	176,841	482,645	187,427	137,099	87,965	152,955	1,224,932
Claims incurred (non-proportional reinsurance)	82,626	82,994	15,222	(6,109)	134,889	75,654	385,276
Expenses incurred (gross)							
Gross Expenses Incurred (direct)	-	-	-	-	-	-	-
Gross Expenses Incurred (proportional reinsurance)	98,209	246,531	130,946	85,139	48,043	47,003	655,871
Gross Expenses Incurred (non-proportional reinsurance)	56,458	51,406	11,986	1,314	21,472	15,434	158,070

* *France.*

S.04.05.21 – LIFE PREMIUMS, CLAIMS AND EXPENSES BY COUNTRY

— SCOR SE

As at December 31, 2024 *In EUR thousands*	Home country*	Top 5 countries (by amount of gross premiums written) – Life obligations					Total Top 5 and home country
		(GB) United Kingdom	(CN) China	(IE) Ireland	(DE) Germany	(IT) Italy	
Gross Written Premium	619,453	872,437	465,091	375,231	261,062	249,647	2,842,921
Gross Earned Premium	615,019	872,437	465,091	375,231	241,707	240,301	2,809,786
Claims incurred	355,079	782,454	271,786	568,596	219,061	156,591	2,353,567
Gross Expenses Incurred	265,986	20,547	165,115	(51,789)	83,887	70,649	554,395

* *France.*

S.12.01.02 – LIFE AND HEALTH SLT TECHNICAL PROVISIONS

— SCOR SE

As at December 31, 2024 *In EUR thousands*	Accepted reinsurance (other than health)	Health reinsurance (reinsurance accepted)
Technical provisions calculated as a whole		
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	-	-
Technical provisions calculated as a sum of best estimate (BE) and risk margin (RM)		
Best estimate		
Gross best estimate	**255,054**	**2,905,653**
Total recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	(1,624,354)	(86,710)
Best estimate minus recoverables from reinsurance/SPV and Finite Re – total	1,879,408	2,992,363
Risk Margin	**261,522**	**1,327,509**
Technical provisions – total	**516,576**	**4,233,162**
Expected profits included in future premiums (EPIFP)	3,201,432	-

The table above presents lines of business applicable to SCOR SE.

S.17.01.02 – NON-LIFE TECHNICAL PROVISIONS

— SCOR SE

As at December 31, 2024 *In EUR thousands*	Direct business and accepted proportional reinsurance								
	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Miscellaneous financial loss
Technical provisions calculated as a whole	-	-	-	-	-	-	-	-	-
Total recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	-	-	-	-	-	-	-	-	-
Technical provisions calculated as a sum of BE and RM									
Best estimate									
Premium provisions									
Gross	(843)	(9)	36,856	3,153	(5,894)	(58,681)	(80,475)	745	(3,412)
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	(394)	16	28,963	6,626	35,761	(15,261)	(43,444)	(9)	1,509
Net best estimate of premium provisions	**(449)**	**(25)**	**7,893**	**(3,473)**	**(41,655)**	**(43,420)**	**(37,031)**	**754**	**(4,921)**
Claims provisions									
Gross	19,196	13,582	427,104	683,181	1,671,087	1,632,144	450,005	3,921	86,447
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	2,067	1,204	268,542	369,230	813,383	255,332	232,378	(18,279)	9,343
Net best estimate of claims provisions	**17,129**	**12,378**	**158,562**	**313,951**	**857,704**	**1,376,812**	**217,627**	**22,200**	**77,104**
Total best estimate – gross	**18,353**	**13,573**	**463,960**	**686,334**	**1,665,193**	**1,573,463**	**369,530**	**4,666**	**83,035**
Total best estimate – net	**16,680**	**12,353**	**166,455**	**310,478**	**816,049**	**1,333,392**	**180,596**	**22,954**	**72,183**
Risk margin	**214**	**143**	**5,483**	**6,721**	**22,621**	**32,348**	**7,777**	**18**	**2,814**
TECHNICAL PROVISIONS – TOTAL									
Technical provisions – total	**18,567**	**13,716**	**469,443**	**693,055**	**1,687,814**	**1,605,811**	**377,307**	**4,684**	**85,849**
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default – total	**1,673**	**1,220**	**297,505**	**375,856**	**849,144**	**240,071**	**188,934**	**(18,288)**	**10,852**
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	**16,894**	**12,496**	**171,938**	**317,199**	**838,670**	**1,365,740**	**188,373**	**22,972**	**74,997**

The table above presents lines of business applicable to SCOR SE.

S.17.01.02 – NON-LIFE TECHNICAL PROVISIONS (CONTINUED)

— SCOR SE

As at December 31, 2024 *In EUR thousands*	Accepted non-proportional reinsurance: Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
Technical provisions calculated as a whole	**-**	**-**	**-**	**-**	**-**
Total recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	-	-	-	-	-
Technical provisions calculated as a sum of BE and RM					
Best estimate					
Premium provisions					
Gross	(1,663)	(34,089)	(6,787)	(60,889)	(211,988)
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	(526)	(5,180)	(3,345)	(81,372)	(76,656)
Net best estimate of premium provisions	**(1,137)**	**(28,909)**	**(3,442)**	**20,483**	**(135,332)**
Claims provisions					
Gross	22,104	3,226,270	301,788	2,276,923	10,813,752
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	6,512	609,291	155,274	796,481	3,500,758
Net best estimate of claims provisions	**15,592**	**2,616,979**	**146,514**	**1,480,442**	**7,312,994**
Total best estimate – gross	**20,441**	**3,192,181**	**295,001**	**2,216,034**	**10,601,764**
Total best estimate – net	**14,455**	**2,588,070**	**143,072**	**1,500,925**	**7,177,662**
Risk margin	**254**	**34,635**	**2,523**	**35,966**	**151,517**
TECHNICAL PROVISIONS – TOTAL					
Technical provisions – total	**20,695**	**3,226,816**	**297,524**	**2,252,000**	**10,753,281**
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default – total	**5,986**	**604,111**	**151,929**	**715,109**	**3,424,102**
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	**14,709**	**2,622,705**	**145,595**	**1,536,891**	**7,329,179**

S.19.01.21 – NON-LIFE INSURANCE CLAIMS INFORMATION

— Total Non-Life Business – Underwriting year

Gross Claims Paid (non-cumulative) (absolute amount)

	Development year											In current year	Sum of years (cumulative)
	0	1	2	3	4	5	6	7	8	9	10 & +		
Prior											76,936	76,936	76,936
N-9	30,326	632,605	469,691	217,962	121,919	85,099	49,610	40,833	43,535	26,569		26,569	1,718,149
N-8	(116,454)	678,891	490,941	202,170	124,403	71,498	81,639	74,684	102,721			102,721	1,710,493
N-7	67,769	1,281,461	528,381	345,571	173,078	122,152	90,918	78,720				78,720	2,688,050
N-6	29,008	1,077,379	516,608	223,139	157,581	138,672	139,959					139,959	2,282,346
N-5	35,529	954,149	499,203	302,128	207,431	154,644						154,644	2,153,084
N-4	26,064	632,034	402,759	320,869	331,653							331,653	1,713,379
N-3	44,437	792,368	970,578	791,289								791,289	2,598,672
N-2	143,543	1,283,999	795,172									795,172	2,222,714
N-1	29,426	1,099,673										1,099,673	1,129,099
N	(2,440)											(2,440)	(2,440)
TOTAL												**3,594,896**	**18,290,482**

Gross undiscounted best estimate Claims Provisions (absolute amount)

	Development year											Year end (discounted data)
	0	1	2	3	4	5	6	7	8	9	10 & +	
Prior											2,436,940	1,994,821
N-9	-	1,816,703	1,064,492	792,177	528,605	410,356	358,947	361,763	325,021	263,381		222,507
N-8	1,381,796	1,504,023	1,011,460	640,012	493,396	460,446	426,618	411,914	356,559			309,579
N-7	1,370,296	2,142,202	1,201,263	864,338	686,575	604,041	534,890	438,878				379,425
N-6	1,648,124	1,479,937	1,014,345	829,481	806,110	635,370	521,523					454,910
N-5	1,614,865	1,654,600	1,181,707	987,644	769,432	599,295						532,593
N-4	1,464,578	1,860,300	1,714,953	1,402,041	990,893							896,905
N-3	3,086,652	3,124,131	2,180,502	1,293,461								1,170,298
N-2	2,739,891	2,414,596	1,892,672									1,698,639
N-1	1,995,247	2,220,072										1,948,998
N	1,298,527											1,205,077
TOTAL												**10,813,752**

S.23.01.01 – OWN FUNDS

— SCOR SE

As at December 31, 2024 *In EUR thousands*	Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
Basic own funds before deduction for participations in other financial sector					
Ordinary share capital (gross of own shares)	1,414,526	1,414,526		-	
Share premium account related to ordinary share capital	458,622	458,622		-	
Initial funds, members' contributions or the equivalent basic own – fund item for mutual and mutual-type undertakings	-	-		-	
Subordinated mutual member accounts	-		-	-	-
Surplus funds	-	-			
Preference shares	-		-	-	-
Share premium account related to preference shares	-		-	-	-
Reconciliation reserve	4,740,177	4,740,177			
Subordinated liabilities	2,847,351		1,251,009	1,596,342	-
An amount equal to the value of net deferred tax assets	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	-	-			
Deductions					
Deductions for participations in financial and credit institutions	-	-	-	-	
TOTAL BASIC OWN FUNDS AFTER DEDUCTIONS	**9,460,676**	**6,613,325**	**1,251,009**	**1,596,342**	**-**

S.23.01.01 – OWN FUNDS (CONTINUED)

— SCOR SE

As at December 31, 2024 *In EUR thousands*	Total	Tier 1 – unrestricted	Tier 1 – restricted	Tier 2	Tier 3
Ancillary own funds					
Unpaid and uncalled ordinary share capital callable on demand	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual – type undertakings, callable on demand	-			-	
Unpaid and uncalled preference shares callable on demand	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	-			-	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	-			-	
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	-			-	
Supplementary members calls – other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	-			-	-
Other ancillary own funds	-			-	-
Total ancillary own funds	**-**			**-**	**-**
Available and eligible own funds					
Total available own funds to meet the SCR	9,460,676	6,613,325	1,251,009	1,596,342	-
Total available own funds to meet the MCR	9,460,676	6,613,325	1,251,009	1,596,342	
Total eligible own funds to meet the SCR	**9,460,676**	6,613,325	1,251,009	1,596,342	-
Total eligible own funds to meet the MCR	**8,270,686**	6,613,325	1,251,009	406,352	
SCR	**4,515,022**				
MCR	**2,031,760**				
Ratio of eligible own funds to SCR	**210.00%**				
Ratio of eligible own funds to MCR	**407.00%**				

S.23.01.01 – OWN FUNDS (CONTINUED)

— SCOR SE

As at December 31, 2024 *In EUR thousands*	Total
Reconciliation reserve	
Excess of assets over liabilities	6,998,368
Own shares (held directly or indirectly)	61,804
Foreseeable dividends, distributions and charges	323,239
Other basic own fund items	1,873,148
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	-
Reconciliation reserve	**4,740,177**
Expected profits	
Expected profits included in future premiums (EPIFP) – Life business	3,201,432
Expected profits included in future premiums (EPIFP) – Non-Life business	866,047
TOTAL EXPECTED PROFITS INCLUDED IN FUTURE PREMIUMS (EPIFP)	**4,067,479**

S.25.05.21 – SOLVENCY CAPITAL REQUIREMENT – FOR UNDERTAKINGS ON FULL INTERNAL MODELS

— SCOR SE

As at December 31, 2024 *In EUR thousands*	Solvency Capital Requirement	Amount modelled	USP	Simplifications
Risk type				
Total diversification	**(1,982,060)**	**-**	**-**	
Total diversified risk before tax	5,016,000	-	-	
Total diversified risk after tax	4,515,022	-	-	
Total market & credit risk	**6,016,116**	**-**	**-**	**-**
Market & Credit risk – diversified	3,380,975	-	-	
Credit event risk not covered in market & credit risk	-	-	-	
Credit event risk not covered in market & credit risk – diversified	-	-	-	
Total Business risk	**-**	**-**	**-**	**-**
Total Business risk – diversified	-	-	-	
Total Net Non-Life underwriting risk	**2,504,441**	**-**	**-**	**-**
Total Net Non-Life underwriting risk – diversified	1,784,235	-	-	
Total Life & Health underwriting risk	**3,355,288**	**-**	**-**	**-**
Total Life & Health underwriting risk – diversified	1,425,890	-	-	
Total Operational risk	**176,641**	**-**	**-**	**-**
Total Operational risk – diversified	176,641	-	-	
Other risk	**657,338**	**-**	**-**	**-**

Calculation of Solvency Capital Requirement (SCR)	
Total undiversified components	12,709,824
Diversification	(7,693,824)
Adjustment due to RFF/MAP nSCR aggregation	-
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC (transitional)	-
Solvency Capital Requirement excluding capital add-on	**4,515,022**
Capital add-ons already set	-
of which, capital add-ons already set – Article 37 (1) Type a	-
of which, capital add-ons already set – Article 37 (1) Type b	-
of which, capital add-ons already set – Article 37 (1) Type c	-
of which, capital add-ons already set – Article 37 (1) Type d	-
Solvency Capital Requirement	**4,515,022**
Other information on SCR	
Amount/estimate of the overall loss-absorbing capacity of technical provisions	-
Amount/estimate of the overall loss-absorbing capacity of deferred taxes	(500,978)
Capital requirement for duration-based equity risk sub-module	-
Total amount of Notional Solvency Capital Requirements for remaining part	-
Total amount of Notional Solvency Capital Requirements for ring fenced funds (other than those related to business operated in accordance with Art. 4 of Directive 2003/41/EC (transitional))	-
Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	-
Diversification effects due to RFF nSCR aggregation for Article 304	-
Method used to calculate the adjustment due to RFF nSCR aggregation	-
Net future discretionary benefits	**-**
Approach based on average tax rate	No
Calculation of deferred tax loss absorption capacity	
Amount/estimate of LAC DT	-
Amount/estimate of LAC DT justified by reversion of deferred tax liabilities	-
Amount/estimate of LAC DT justified by reference to probable future taxable economic profit	-
Amount/estimate of LAC DT justified by carry back, current year	-
Amount/estimate of LAC DT justified by carry back, future years	-
Amount/estimate of Maximum LAC DT	-

The appendix presents the Quantitative Reporting Templates (QRTs) in accordance with the format specified by EIOPA. The QRT can be seen as an amendment or complementary to the figures explained/presented in the report.

S.28.01.01 – MINIMUM CAPITAL REQUIREMENT – ONLY LIFE OR ONLY NON-LIFE INSURANCE OR REINSURANCE ACTIVITY

— SCOR SE

As at December 31, 2024
In EUR thousands

LINEAR FORMULA COMPONENT FOR NON-LIFE INSURANCE AND REINSURANCE OBLIGATIONS		
MCR_{NL} Result	1,429,928	
	Net (of reinsurance/SPV) Best estimate and TP calculated as a whole	**Net (of reinsurance) written premiums in the last 12 months**
Medical expense insurance and proportional reinsurance	-	-
Income protection insurance and proportional reinsurance	16,680	17,319
Workers' compensation insurance and proportional reinsurance	12,353	262
Motor vehicle liability insurance and proportional reinsurance	166,455	246,740
Other motor insurance and proportional reinsurance	-	-
Marine, aviation and transport insurance and proportional reinsurance	310,478	156,824
Fire and other damage to property insurance and proportional reinsurance	816,049	913,349
General liability insurance and proportional reinsurance	1,333,392	319,367
Credit and suretyship insurance and proportional reinsurance	180,597	234,304
Legal expenses insurance and proportional reinsurance	22,954	-
Assistance and proportional reinsurance	-	-
Miscellaneous financial loss insurance and proportional reinsurance	72,183	-
Non-proportional health reinsurance	14,455	4,994
Non-proportional casualty reinsurance	2,588,070	450,503
Non-proportional marine, aviation and transport reinsurance	143,072	63,215
Non-proportional property reinsurance	1,500,925	392,909

LINEAR FORMULA COMPONENT FOR LIFE INSURANCE AND REINSURANCE OBLIGATIONS		
MCR_{L} Result	913,090	
	Net (of reinsurance/SPV) Best estimate and TP calculated as a whole	**Net (of reinsurance/SPV) total capital at risk**
Obligations with profit participation – guaranteed benefits	-	
Obligations with profit participation – future discretionary benefits	-	
Index-linked and unit-linked insurance obligations	-	
Other Life (re)insurance and health (re)insurance obligations	4,871,795	
Total capital at risk for all Life (re)insurance obligations		-

OVERALL MCR CALCULATION	
Linear MCR	2,343,018
SCR	4,515,022
MCR cap	2,031,760
MCR floor	1,128,755
Combined MCR	2,031,760
Absolute floor of the MCR	3,900
MINIMUM CAPITAL REQUIREMENT	**2,031,760**

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The Art & Science of Risk

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