

Fourth quarter 2023 results

EUR 162 million net income in Q4 2023, contributing to a record full year 2023 net income of EUR 812 million Proposed regular dividend of EUR 1.8 per share

- **Group net income** of EUR 162 million in Q4 2023 (EUR 179 million excluding the mark to market impact of the option on own shares). For the full year 2023, the net income stands at EUR 812 million (EUR 780 million adjusted¹)
- **Group Economic Value**² under IFRS 17 of EUR 9.2 billion as of 31 December 2023, up +3.0%³ (+8.6% at constant economics^{3,4}) compared with 31 December 2022, implying an **Economic Value per share** of EUR 51 (vs. EUR 50 as of 31 December 2022)
- **Estimated Group solvency ratio** of 209%⁵ as of 31 December 2023
- **Proposed regular dividend** of EUR 1.8 per share for 2023
- **Annualized Return on Equity** of 15.0% (16.6% adjusted¹) in Q4 2023. For the full year 2023, Return on Equity stands at 18.1% (17.5% adjusted¹)
- **Insurance revenue** of EUR 3,832 million in Q4 2023 (+3.0%⁶ compared to Q4 2022)
- **P&C combined ratio** of 75.6% in Q4 2023 (-22.8 pts compared to Q4 2022)
- **L&H insurance service result**⁷ of EUR 64 million in Q4 2023 (vs. EUR -463 million in Q4 2022)
- **Investments regular income yield** of 3.7% in Q4 2023 (+0.6 pts compared to Q4 2022)

SCOR SE's Board of Directors met on 5 March 2024, under the chairmanship of Fabrice Brégier, to approve the Group's 2023 financial statements.

Fabrice Brégier, Chairman of SCOR's Board of Directors, comments: *"In 2023, SCOR delivers record results, achieving its solvency target and exceeding its value creation target. With the launch of its new strategic plan Forward 2026, SCOR intends to fully benefit from the most supportive P&C market environment of the past two decades. The Group's financial strength and business outlook have led the Board to propose a regular dividend of EUR 1.8 per share for 2023, subject to shareholders' approval at the General Meeting. I am confident in SCOR's ability to pursue its profitable growth and achieve the ambitious targets set out in its Forward 2026 strategic plan."*

¹ Excluding the mark to market impact of the option on own shares.

² Defined as the sum of the shareholders' equity and the Contractual Service Margin (CSM), net of tax. 25% notional tax rate applied on CSM.

³ The starting point is adjusted for the payment of dividend of EUR 1.40 per share (EUR 254 million in total) for the fiscal year 2022, paid in 2023.

⁴ Growth at constant economic assumptions of interest and exchange rates, excluding the mark to market impact of the option on own shares and the effect of its partial derecognition.

⁵ Solvency ratio estimated after taking into account the proposed dividend of EUR 1.8 per share for the fiscal year 2023.

⁶ At constant exchange rates.

⁷ Includes revenues on financial contracts reported under IFRS 9.

Thierry Léger, Chief Executive Officer of SCOR, comments: *“In 2023, SCOR delivers a strong performance across all business activities, with an Economic Value growth of 8.6% and a Solvency ratio of 209%. SCOR’s balance sheet remains strong in 2023, with an increased confidence level within the best estimate range in P&C reserves. This is confirmed by an external independent review and proves that the prudent reserving strategy we have adopted since the second quarter of 2023 is bearing fruit. Looking ahead, our objective is to continue to grow in selected lines of business, as we did at the 1.1.2024 renewals. Building on this solid base and on SCOR’s strong client relationships globally, we are hitting the ground running for the Forward 2026 plan, with a firm commitment to profitable growth.”*

Group performance and context

SCOR records EUR 162m net income (EUR 179 million adjusted¹) in Q4 2023, driven notably by a strong P&C performance and an increasing return on invested assets:

- In P&C (re)insurance, the combined ratio of 75.6% in Q4 2023 is primarily driven by a lower-than-expected natural catastrophe claims ratio of 1.5%, benefiting from positive developments in mature natural catastrophe claims accounting for -7.2 points. In addition, P&C (re)insurance benefited from a satisfactory underlying attritional loss performance and a favorable discount effect.
- In L&H reinsurance, the insurance service result⁷ stands at EUR 64 million in Q4, impacted by a change in the CSM amortization pattern on a full year basis, and by a negative onerous contract impact of EUR 50 million, mainly driven by a change in risk adjustment.
- In Investments, SCOR benefits from high reinvestment rates and reports a noticeable increase in the regular income yield, which reaches 3.7% in Q4 2023 (+0.3pts vs. Q3 2023).
- The effective tax rate stands at 49.4% for Q4 2023, including the prudent actions on the deferred tax assets.

Over the full year 2023, SCOR delivers a strong performance with a net income of EUR 812 million (EUR 780 million adjusted¹), implying an annualized Return on Equity of 18.1% (17.5% adjusted¹). The Group grows its Economic Value by 8.6% at constant economics^{3,4}.

SCOR’s Solvency ratio stands at 209% at year-end 2023, in the upper part of the optimal range of 185%-220%.

External independent review confirms SCOR P&C reserves at best estimate

SCOR performed its annual P&C reserves review in Q4 2023, setting all lines of its P&C reserves at best estimate, with an increase in the confidence level compared to Q4 2022.

In addition, Willis Towers Watson (WTW) performed an external independent in-depth review covering 92.2% of the gross held P&C reserves of EUR 9.3 billion. WTW confirmed that *“as at 30 September 2023, SCOR Group’s global P&C claim reserves gross of retrocession are greater than WTW’s corresponding best estimate”*⁸.

Proposed regular dividend of EUR 1.8 per share, setting the floor for future years

Considering a strong performance delivered by SCOR in 2023, as evidenced by the Solvency ratio of 209% and the Economic Value growth of 8.6%^{3,4}, SCOR proposes a regular dividend of EUR 1.8 per share for the fiscal year 2023.

As per SCOR’s new capital management framework, presented during the Investor Day on 7 September

⁸ The details on the reserve review by WTW are included in the in the Appendices of the presentation related to the financial results of Q4 2023 (see page 54)

2023, the regular dividend for the current year is expected to be at a level at least equal to that of the regular dividend for the previous year.

This dividend will be submitted for shareholders' approval at the 2024 Annual General Meeting, to be held on 17 May 2024. The Board proposes to set the ex-dividend date at 21 May 2024, and the payment date at 23 May 2024.

Very strong P&C underlying performance in Q4 2023

In Q4 2023, P&C insurance revenue stands at EUR 1,940 million, up +0.7% at constant exchange rates (down -3.9% at current exchange rates) compared to Q4 2022. This slower growth compared to Q3 2023 (+6.4% at constant exchange rates) is mainly driven by a seasonality effect in Q4 due to a significantly higher share of the 2023 underwriting year premiums in the business mix.

As a reminder, insurance revenue is calculated on an earned basis and reflects blended premiums from the 2023 and 2022 underwriting years. The contribution of the 2023 underwriting year premiums to the mix increases quarter after quarter.

New business CSM in Q4 2023 stands at EUR -76 million, impacted by IFRS 17 stabilization measures from Q1 2023 of EUR -153 million. Excluding these, the underlying new business CSM of EUR 77 million in Q4 2023 comes mainly from Specialty Insurance.

P&C (re)insurance key figures:

<i>In EUR million (at current exchange rates)</i>	Q4 2023	Q4 2022	Variation	FY 2023	FY 2022	Variation
P&C insurance revenue	1,940	2,019	-3.9%	7,496	7,371	1.7%
P&C insurance service result	353	27	1,215.5%	897	-902	n.a.
Combined ratio	75.6%	98.4%	-22.8 pts	85.0%	114.9%	-29.9 pts
P&C new business CSM	-76	n.a.	n.a.	952	n.a.	n.a.

The P&C combined ratio stands at 75.6% in Q4 2023, compared to 98.4% in Q4 2022. The combined ratio is improving due to (i) a Nat Cat ratio at 1.5%, including -7.2 points related to mature Nat Cat developments, mainly Hurricane Ian (excluding these developments, the Cat ratio for Q4 2023 is better than expected at 8.7%); and (ii) an attritional loss and commission ratio of 79.3%, reflecting a good underlying performance, a positive one-off technical income of -1.4 points, and a negative impact from an IFRS 17 stabilization effect of 3.8 points.

The P&C attributable expense ratio stands at 6.4% of net insurance revenue in Q4 2023.

The P&C insurance service result of EUR 353 million is driven by a CSM amortization of EUR 252 million, a risk adjustment release of EUR 49 million, a positive experience variance of EUR 64 million which is primarily driven by mature Nat Cat developments, and an onerous contract impact of EUR -12 million.

Good L&H underlying performance in Q4 2023

In Q4 2023, L&H insurance revenue amounts to EUR 1,892 million, up +5.4% at constant exchange rates (stable at current exchange rates) compared to Q4 2022.

SCOR continues to build its L&H CSM through new business generation, mostly from Protection (EUR 90 million new business CSM⁹ in Q4 2023, including EUR 75 million from Protection).

L&H reinsurance key figures:

<i>In EUR million (at current exchange rates)</i>	Q4 2023	Q4 2022	Variation	FY 2023	FY 2022	Variation
L&H insurance revenue	1,892	1,892	0.0%	8,426	8,539	-1.3%
L&H insurance service result ⁷	64	-463	n.a.	589	-316	n.a.
L&H new business CSM ⁹	90	n.a.	n.a.	466	n.a.	n.a.

The L&H insurance service result⁷ amounts to EUR 64 million in Q4 2023. It is negatively impacted by a change in the CSM amortization pattern on a full year basis, and by an onerous contract impact of EUR -50 million mainly from changes in risk adjustment, with negligible contribution from new business.

Investments continue to deliver favorable results with a regular income yield of 3.7% in Q4 2023

As of 31 December 2023, total invested assets amount to EUR 22.9 billion. SCOR's asset mix is optimized, with 79% of the portfolio invested in fixed income. SCOR has a high-quality fixed income portfolio with an average rating of A+ and a duration of 3.0 years.

Investments key figures:

<i>In EUR million (at current exchange rates)</i>	Q4 2023	Q4 2022	Variation	FY 2023	FY 2022	Variation
Total invested assets	22,914	22,179	+3.3%	22,914	22,179	+3.3%
Regular income yield*	3.7%	3.1%	+0.6 pts	3.2%	2.4%	+0.8 pts
Return on invested assets*, **	3.7%	2.9%	+0.8 pts	3.2%	2.1%	+1.1 pts

(*) Annualized.

(**) Fair value through income on invested assets excludes EUR -22 million in Q4 2023 and EUR 43 million in FY 2023 pre-tax mark to market impact of the fair value of the option on own shares granted to SCOR.

Total investment income on invested assets stands at EUR 206¹⁰ million in Q4 2023. The return on invested assets stands at 3.7%¹⁰ (vs. 3.4% in Q3 2023) and the regular income yield at 3.7% (vs. 3.4% in Q3 2023).

The reinvestment rate stands at 4.5%¹¹ as of 31 December 2023, compared to 5.4% at 30 September 2023. The invested assets portfolio remains highly liquid and financial cash flows of EUR 10.2 billion are expected over the next 24 months¹², enabling SCOR to continue to benefit from still-elevated reinvestment rates.

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* *

⁹ Includes the CSM on new treaties and change in CSM on existing treaties due to new business (i.e. new business on existing contracts).

¹⁰ Excluding the mark to the market impact of the option on own shares. Q4 2023 impact of EUR -22 million before tax

¹¹ Reinvestment rate is based on Q4 2023 asset allocation of yielding asset classes (i.e. fixed income, loans and real estate), according to current reinvestment duration assumptions. Yield curves & spreads as of 31/12/2023.

¹² As of 31 December 2023. Includes current cash balances and future coupons and redemptions.

APPENDIX

1 - SCOR Group FY 2023 and Q4 2023 key financial details

<i>In EUR million (at current exchange rates)</i>	Q4 2023	Q4 2022	Variation	FY 2023	FY 2022	Variation
Insurance revenue	3,832	3,911	-2.0%	15,922	15,910	+0.1%
Gross written premiums ¹	4,927	4,905	+0.5%	19,371	19,732	-1.8%
Insurance Service Result ²	417	-436	n.a.	1,486	-1,218	n.a.
Group management expense ratio	7.9%	7.2%	+0.7 pts	6.9%	6.7%	+0.2 pts
Annualized ROE ³	15.0%	n.a.	n.a.	18.1%	n.a.	n.a.
Annualized ROE assuming a constant mark to market impact of the option on own shares	16.6%	n.a.	n.a.	17.5%	n.a.	n.a.
Net income ^{3,4}	162	-356	n.a.	812	-1,383	n.a.
Net income assuming a constant mark to market impact of the option on own shares	179	n.a.	n.a.	780	n.a.	n.a.
Economic value ^{5,6}	9,213	8,947	3.0%	9,213	8,947	3.0%
Shareholders' equity	4,723	4,351	8.6%	4,723	4,351	8.6%
Contractual Service Margin (CSM) ⁶	4,490	4,596	-2.3%	4,490	4,596	-2.3%

1: GWP is not a metric defined under the IFRS 17 accounting framework (non-GAAP metric); 2: Includes revenues on financial contracts reported under IFRS 9; 3: Taking into account the mark to the market impact of the option on own shares. Q4 2023 impact of EUR -22 million before tax. FY 2023 impact of EUR 43 million before tax. 4: Consolidated net income, Group share; 5: Defined as the sum of the shareholder's equity and the Contractual Service Margin (CSM); 6: Net of tax. A notional tax rate of 25% is applied to the CSM.

2 - P&L key figures FY 2023 and Q4 2023

In EUR million (at current exchange rates)	Q4 2023	Q4 2022	Variation	FY 2023	FY 2022	Variation
Insurance revenue	3,832	3,911	-2.0%	15,922	15,910	+0.1%
▪ P&C insurance revenue	1,940	2,019	-3.9%	7,496	7,371	+1.7%
▪ L&H insurance revenue	1,892	1,892	0.0%	8,426	8,539	-1.3%
Gross written premiums¹	4,927	4,905	+0.5%	19,371	19,732	-1.8%
▪ P&C gross written premiums	2,362	2,554	-7.5%	9,452	10,017	-5.6%
▪ L&H gross written premiums	2,565	2,351	+9.1%	9,919	9,715	+2.1%
Investment income on invested assets	206	162	+27.3%	711	467	+52.1%
Operating results	350	-498	n.a.	1,366	-1,567	n.a.
Net income^{2,3}	162	-356	n.a.	812	-1,383	n.a.
Net income assuming a constant valuation of the option on own shares	179	n.a.	n.a.	780	n.a.	n.a.
Earnings per share³ (EUR)	0.91	-1.99	n.a.	4.54	-7.76	n.a.
Earnings per share (EUR) assuming a constant valuation of the option on own shares	1.00	n.a.	n.a.	4.35	n.a.	n.a.
Operating cash flow	588	446	+31.8%	1,480	500	+196.0%

1: GWP is not a metric defined under the IFRS 17 accounting framework (non-GAAP metric); 2: Consolidated net income, Group share; 3: Taking into account the mark to the market impact of the option on own shares. Q4 2023 impact of EUR -22 million before tax. FY 2023 impact of EUR 43 million before tax.

3 - P&L key ratios FY 2023 and Q4 2023

In EUR million (at current exchange rates)	Q4 2023	Q4 2022	Variation	FY 2023	FY 2022	Variation
Return on invested assets^{1,2}	3.7%	2.9%	+0.8 pts	3.2%	2.1%	+1.1 pts
P&C combined ratio³	75.6%	98.4%	-22.8 pts	85.0%	114.9%	-29.9 pts
Group management expense ratio⁴	7.9%	7.2%	+0.7 pts	6.9%	6.7%	+0.2 pts
Annualized ROE⁵	15.0%	n.a.	n.a.	18.1%	n.a.	n.a.
Annualized ROE excluding the mark to market impact of the option on own shares	16.6%	n.a.	n.a.	17.5%	n.a.	n.a.
Economic Value growth⁶	n.a.	n.a.	n.a.	8.6%	n.a.	n.a.

1: Annualized and calculated excluding funds withheld by cedants according to IFRS 9 standard; 2: In Q4 2023 and FY 2023, fair value through income on invested assets excludes EUR -22m and EUR 43m pre-tax mark to market impact of the fair value of the option on own shares granted to SCOR; 3: The combined ratio is the sum of the total claims, the total variables commissions, and the total P&C management expenses, divided by the net insurance revenue for P&C business; 4: The Group management expense ratio is the total management expenses divided by the insurance revenue; 5: Taking into account the mark to the market impact of the option on own shares. Q4 2023 impact of EUR -22 million before tax. FY 2023 impact of EUR 43 million before tax; 6: Growth at constant economic assumptions of interest and exchange rates, excluding the mark to market impact of the option on own shares and the effect of its partial derecognition. The starting point is adjusted for the payment of dividend of EUR 1.40 per share (EUR 254 million in total) for the fiscal year 2022, paid in 2023. Economic Value defined as the sum of the shareholders' equity and the Contractual Service Margin (CSM), net of tax. A notional tax rate of 25% is applied to the CSM.

4 - Balance sheet key figures as of 31 December 2023

In EUR million (at current exchange rates)	As of 31 December 2023	As of 31 December 2022	Variation
Total invested assets¹	22,914	22,179	+3.3%
Shareholders' equity	4,723	4,351	+8.6%
Book value per share (EUR)	26.16	24.11	+8.5%
Economic Value²	9,213	8,947	+3.0%
Economic Value per share (EUR)³	51.18	49.77	+2.8%
Financial leverage ratio	21.2%	21.6%	-0.4 pts
Total liquidity⁴	2,234	2,791	-19.9%

1: Excluding 3rd party net insurance business investments; 2: The Economic Value (defined as the sum of the shareholders' equity and the Contractual Service Margin (CSM), net of tax) includes minority interests; 3: The Economic Value per share excludes minority interests; 4: Includes cash and cash equivalents and short-term investments.

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SCOR, a leading global reinsurer

As a leading global reinsurer, SCOR offers its clients a diversified and innovative range of reinsurance and insurance solutions and services to control and manage risk. Applying "The Art & Science of Risk", SCOR uses its industry-recognized expertise and cutting-edge financial solutions to serve its clients and contribute to the welfare and resilience of society.

The Group generated premiums of EUR 19.4 billion in 2023 and serves clients in a large number of countries from its 35 offices worldwide.

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General

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

Forward-looking statements

This press release includes forward-looking statements, assumptions, and information about SCOR's financial condition, results, business, strategy, plans and objectives, including in relation to SCOR's current or future projects.

These statements are sometimes identified by the use of the future tense or conditional mode, or terms such as "estimate", "believe", "anticipate", "expect", "have the objective", "intend to", "plan", "result in", "should", and other similar expressions.

It should be noted that the achievement of these objectives, forward-looking statements, assumptions and information is dependent on circumstances and facts that arise in the future.

No guarantee can be given regarding the achievement of these forward-looking statements, assumptions and information. These forward-looking statements, assumptions and information are not guarantees of future performance. Forward-looking statements, assumptions and information (including on objectives) may be impacted by known or unknown risks, identified or unidentified uncertainties and other factors that may significantly alter the future results, performance and accomplishments planned or expected by SCOR.

In particular, it should be noted that the full impact of the inflation and geopolitical risks including but not limited to the Russian invasion and war in Ukraine on SCOR's business and results cannot be accurately assessed.

Therefore, any assessments, any assumptions and, more generally, any figures presented in this press release will necessarily be estimates based on evolving analyses, and encompass a wide range of theoretical hypotheses, which are highly evolutive.

These points of attention on forward-looking statements are all the more essential that the adoption of IFRS 17, which is a new accounting standard, results in significant accounting changes for SCOR.

Information regarding risks and uncertainties that may affect SCOR's business is set forth in the 2022 Universal Registration Document filed on 14 April 2023, under number D.23-0287 with the French Autorité des marchés financiers (AMF) posted on SCOR's website www.scor.com.

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

SCOR has no intention and does not undertake to complete, update, revise or change these forward-looking statements, assumptions and information, whether as a result of new information, future events or otherwise.

Financial information

The Group's financial information contained in this press release is prepared on the basis of IFRS and interpretations issued and approved by the European Union.

Unless otherwise specified, prior-year balance sheet, income statement items and ratios have not been reclassified.

The calculation of financial ratios (such as economic value per share, return on invested assets, regular income yield, management expenses ratio, return on equity and combined ratio) is detailed in the Appendices of the presentation related to the financial results of Q4 2023 (see page 32).

The financial results for the full year 2023 included in this press release have been audited by SCOR's statutory auditors.

Unless otherwise specified, all figures are presented in Euros. All figures are at constant exchange rates as of December 31, 2023 unless otherwise specified.

Any figures for a period subsequent to December 31, 2023 should not be taken as a forecast of the expected financials for these periods.

The solvency ratio is not audited by the Company's statutory auditors. The Group solvency final results are to be filed to supervisory authorities by April 2024 and may differ from the estimates expressed or implied in this report.