2022 GROUP SUSTAINABILITY REPORT

SCOR
The Art & Science of Risk

CHAPTERS

ABOUT THIS REPORT

This sustainability report discloses information on SCOR's organization, ambition, and performance, regarding sustainability. It addresses some regulatory requirements (Article 29 of the French bill on Energy and Climate) and provides information aligned with voluntary frameworks such as TCFD, GRI or SASB. It also details on innovations and preliminary studies to provide evidence of SCOR's efforts to participate in improving resilience and building a more sustainable tomorrow.

SCOR AT A GLANCE

SCOR, a leading global (re)insurer, 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 societies.

Established in some 35 countries worldwide, the Group provides services to more than 5,000 clients. With leading knowledge, talent, and expertise across all lines of business, SCOR develops bespoke solutions centered around customer needs in an evolving insurance ecosystem.

Chapter 1.

SCOR'S APPROACH TO SUSTAINABILITY

1.1. OVERARCHING PRINCIPLES

The Group's sustainability approach is guided by its *Raison d'Être*. The sustainability strategy aims to deliver on SCOR's Theory of Change based on the double materiality principle and its commitment to provide positive outcomes and improve resilience. SCOR's involvement in United Nations convened initiatives and the Sustainable Development Goals provides global frameworks to develop an ambitious sustainability strategy. These overarching principles are detailed in SCOR's sustainability policy. SCOR believes in transparency to demonstrate its accountability vis-a-vis its external stakeholders and to participate in accelerating the sustainability journey.

RAISON D'ÊTRE

As a global (re)insurance company, SCOR contributes to the welfare, resilience, and sustainable development of society by bridging the protection gap, increasing insurance reach, helping to protect the insured against the risks they face, pushing back the frontiers of insurability and acting as a responsible investor. Through the expertise and know-how of its employees, it combines the Art and Science of Risk to offer its clients an optimum level of security and creates value for its shareholders by developing its L&H and P&C business lines, respecting strict corporate governance rules. SCOR provides its clients with a broad range of innovative (re)insurance solutions and pursues an underwriting policy founded on profitability, supported by effective risk management and a prudent investment policy.

The Group shares the fortunes of societies over the long term. Closing the protection gap is both an imperative, and a source of opportunities in its business which consists in two main goals:

- protecting society from extreme events, accompanying economic agents in mitigating the effects of climate change and enabling a smooth transition to a more sustainable future,
- accompanying people's health and well-being, including by developing accessible health prevention.

To deliver on its ambition, SCOR ensures that this approach is clearly reflected in its main reference texts, in particular the Code of Conduct, and that every employee embarks on the Group's sustainability journey.

DOUBLE MATERIALITY

Protecting the business from downside effects linked to non-financial risks is part of SCOR's risk management. Insuring and financing the sustainable development of societies encompasses another dimension requiring SCOR to consider impacts of its decisions on People and ecosystems with the aim to not compromise the ability of future generations to meet their own needs. By doing so, SCOR actively contributes to a more sustainable world and, in return, protects its business against damages over a much longer time horizon. This loopback effect drives back the long-term horizon within shorter-term business decisions. This double materiality principle combines financial (outside-in) and impact (inside-out) materiality and underpins SCOR's Theory of Change.

SCOR considers a sustainability matter as material if it is relevant from:

- a financial perspective (or outside-in approach), which is related to the financial risks and opportunities that sustainability matters can have on the organization, or
- an impact perspective (or inside-out approach), which is related to the significant impacts that SCOR can have on people or the environment.

NON-FINANCIAL RISK MANAGEMENT

SCOR conducts internal assessment of the main sustainability issues, risks and opportunities that could have a financial impact on its business activities. As such, SCOR may be exposed to emerging risks, which include new threats or constantly changing current risks with a high degree of uncertainty. The transformation of the economy may also provide business opportunities that are constantly being analyzed for further developments. Environmental, social and governance (ESG) trends may both positively or negatively impact SCOR's business and operations.

SCOR'S THEORY OF CHANGE

The Group's main concerns are directly linked to its core business and focus on people and resilience: improving protection of societies and participating in building a more resilient economy.

SCOR has developed its own Theory of Change, striving to optimize its impact on Human Capital, Nature and People. It is underpinned by its Raison d'Être to combine the Art and Science of Risk to protect societies and recognizes the need to act to improve resilience. It follows three guiding principles:

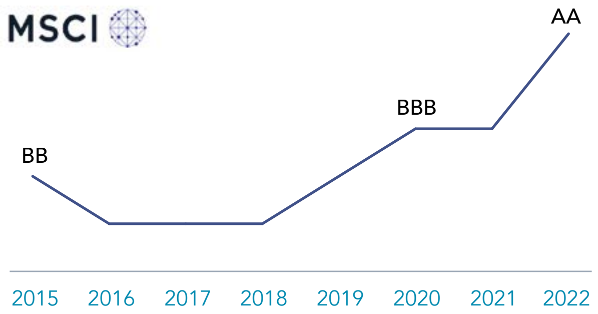
- SCOR strives to reduce negative impact of all its activities,
- as it operates alongside the real economy, the Group needs to engage with its partners, clients, and investees to support their own journey toward more resilience, and
- SCOR wants to support the transition to a better tomorrow and to benefit from opportunities stemming from this transition.

TRANSPARENCY

Measuring progress and publicly reporting on outcomes is part of SCOR's philosophy. It demonstrates the Group's commitment to deliver on its objectives and targets and contributes to spreading good practices and sharing innovation across the (re)insurance industry.

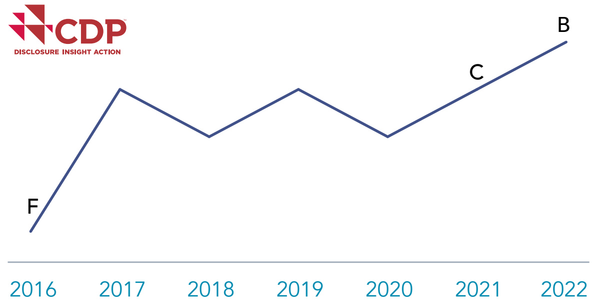
This effort and SCOR's journey towards sustainability was increasingly recognized by non-financial rating agencies, and most of SCOR's ratings have notably progressed:

SELECTED NON-FINANCIAL RATING AGENCIES



Scale: C to AAA. Last Update: July 2022.

Scale: 0 to 100. Last Update: June 2022.



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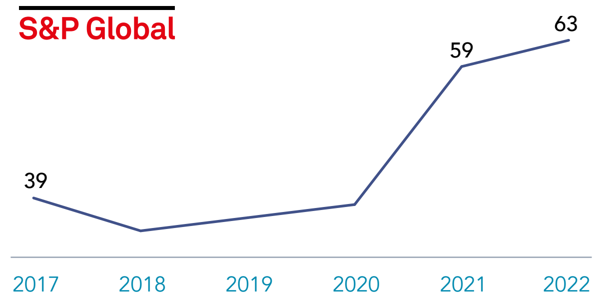


Scale: 0 to 100. Last Update: September 2022.

1.2. SCOR'S APPROACH

SCOR's journey TOWARD SUSTAINABILITY

- Environmental and climate
- General
- Health
- Social equality

2003

June, 2003
- SCOR joins the Global Compact initiative

2008

February, 2008
- SCOR (Paris office) commits to a policy of anti-discrimination and to male/ female equality among its staff

2009

July, 2009
- SCOR SE signs the Kyoto Statement, a major insurance and (re) insurance initiative to combat climate change

2012

June, 2012
- SCOR is a founding member of the PSI

2015

November, 2015
- SCOR commits to the first French climate pledge

January, 2015
- SCOR signs the European Charter on Professional Equality between Women and Men

2016

December, 2016
- SCOR IP signs the United Nations Principle for Responsible Investment (PRI)

November, 2016
- SCOR develops the SCOR International Gender Network (SIGN+)
- SCOR signs the Global Charter on Professional Equality between Women and Men

2017

March, 2017
- SCOR signs the Shift Project's "Decarbonize Europe Manifesto"

December, 2017
- SCOR signs the second French Climate Pledge

May, 2017
- SCOR sponsors a global statement supporting stronger regulation around tobacco control

2018

December, 2018
- SCOR commits to protecting World Heritage Sites

September, 2018
- SCOR is a founding signatory of the tobacco-free finance pledge

2019

September, 2019
- SCOR signs the United Nations Principles for Responsible Investment (PRI)

2020

May, 2020
- SCOR joins the Net-Zero Asset Owner Alliance (NZAOA)

July, 2020
- SCOR joins CDP Forest Champions

December, 2020
- SCOR signs the Finance for Biodiversity Pledge

2021

February, 2021
- SCOR signs the Climate Action 100+ initiative

March, 2021
- SCOR joins CDP Water Champions

May, 2021
- SCOR joins the PRI Sustainable Commodities Practitioners' Group (SCPG)
- SCOR joins the Finance for Biodiversity Foundation

July, 2021
- SCOR is a founding member of the Net-Zero Insurance Alliance (NZIA)

September, 2021
- SCOR officially supports the TCFD
- SCOR joins the Taskforce on Nature-related Financial Disclosures (TNFD) Forum

October, 2021
- SCOR becomes the first (re)insurer to join the Climate Transition Pathway accreditation framework (CTP)
- SCOR joins the Powering Past Coal Alliance (PPCA)
- Through the AOA, SCOR joins the Glasgow Financial Alliance for Net Zero

November, 2021
- SCOR sets target with Act4Nature International
- SCOR signed a financial sector commitment letter on eliminating commodity-driven deforestation from Race to Zero

December, 2021
- SCOR is a founding member of the Poseidon Principles for Marine Insurance

September, 2021
- The Group appoints a Group Chief Sustainability Officer as member of the Executive Committee

October, 2021
- SCOR joins Women Empowerment Principles (WEPs)

November, 2021
- SCOR signs Financi'elles (charter)

2022

April, 2022
- SCOR signs Investor letters of support for Deforestation-free legislation
- SCOR publishes *The relevance of climate change for life insurance*

May, 2022
- SCOR joins the CDP SBTi campaign

June, 2022
- SCOR signs a letter supporting an initiative by FAIRR for the agriculture and land use sector

July, 2022
- SCOR joins the Ceres Valuing Water Finance Initiative as an investor signatory

November, 2022
- SCOR signs a Private financial sector statement for COP15 from Finance for Biodiversity

December, 2022
- SCOR joins the Partnership for Carbon Accounting Financials (PCAF)

June, 2022
- SCOR joins the PRI Advance stewardship initiative on human rights and social issues

GENERAL REFERENCE FRAMEWORK

United Nations Global Compact (UNGC)

SCOR is a longstanding participant of the United Nations Global Compact, integrating its 10 principles – on human rights, international labor standards, environmental protection, and the fight against corruption – within a framework tailored to its sphere of influence. The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. Yearly Communication on Progress is a way to demonstrate how SCOR improves its sustainability performance over time.

Sustainability principles: PSI and PRI
Since 2012, SCOR is a founding signatory of the Principles for Sustainable Insurance (PSI), a global initiative announced in the run up to the United Nations conference on sustainable development, created under the aegis of the United Nations Environment Programme – Finance Initiative (UNEP FI). Principles for Sustainable Insurance (PSI) serve as a global framework for the insurance industry to address environmental, social and governance risks and opportunities. Following the 4 principles, the Group endeavors to embed environmental, social, and governance considerations in its (re)insurance activities and risk management framework. The Group also works on innovative solutions to help clients and partners deal with sustainability challenges and dialogue with external stakeholders to better provide positive impacts.

Since 2019, SCOR is also a signatory of the Principles for Responsible Investment (PRI), striving to respect the six principles to better embed environmental, social and governance within its investment decision process and ownership policies and practices. The Group collaborates with other actors of the investment ecosystem to promote the principles and fosters transparency through public reporting and advocacy.

Transparency though reporting and communication on progress is a testimony of SCOR's performance vis-a-vis principles supported by those initiatives.

Alignment with international objectives
SCOR intends to align with international objectives to limit global warming and preserve biodiversity. Achieving the objectives of the Paris agreement and living in harmony with Nature are the first two pillars of SCOR's sustainability ambition. The Group targets to be Net Zero by 2050 and is a signatory of the Finance for Biodiversity Pledge, with an objective to reverse biodiversity loss in investments by 2030.

Sustainable Development Goals (SDG)
In order to optimize its impact and support a consistent Theory of Change, SCOR has collectively selected three SDGs as priority for its sustainability roadmap, leveraging on its core activities and strengths:

- SDG #13 – Climate action
- SDG #3 – Good Health and Wellbeing
- SDG #4 - Quality education

Directly linked to its core business and internal expertise, these SDGs come as a priority when designing the Group sustainability ambition. They are complemented with other goals supporting the main objectives. All are directly related to Nature as the main sustainability concern beyond climate change:

- clean water and sanitation (SDG #6),
- sustainable cities and communities (SDG #11),
- life below water (SDG #14),
- life on land (SDG #15).

IDENTIFYING SUSTAINABILITY RISKS, OPPORTUNITIES, AND IMPACTS (IRO)

Following the double materiality principle and to get the full picture of its impacts, risks, and opportunities (IRO), when considering sustainability matters, the Group conducts regular reviews of the risks and opportunities that could have a material effect on its activity, its financial situation, or its results (or capacity to reach objectives). It also considers impacts of its activities on people and ecosystems, using various enterprise risk management (ERM) mechanisms or relying on external frameworks.

A materiality analysis is also used to assess sustainability-related risks, opportunities, and impacts. It is based on the double materiality principle and relies on interviews and surveys conducted with internal and external stakeholders, covering a broad range of sustainability-related matters.

In 2022, SCOR has conducted a full analysis, implying internal and external stakeholders on both financial materiality and impact. The assessment followed three phrases.

- Preparation: SCOR identified sustainability matters that were classified under the environmental, social and governance pillars as well as according to cross-cutting issues (sustainability strategy, risk management and digital transformation) based on existing regulations, best practices and literature. The non-financial risks selected have been cross-checked against the results obtained using other mechanisms for identifying existing risk factors within the Group (e.g. megatrends, emerging risks and operational risks).

SCOR selected stakeholders to be interviewed and surveyed, both internal (employees and senior executives) and external (clients, investors and banks).

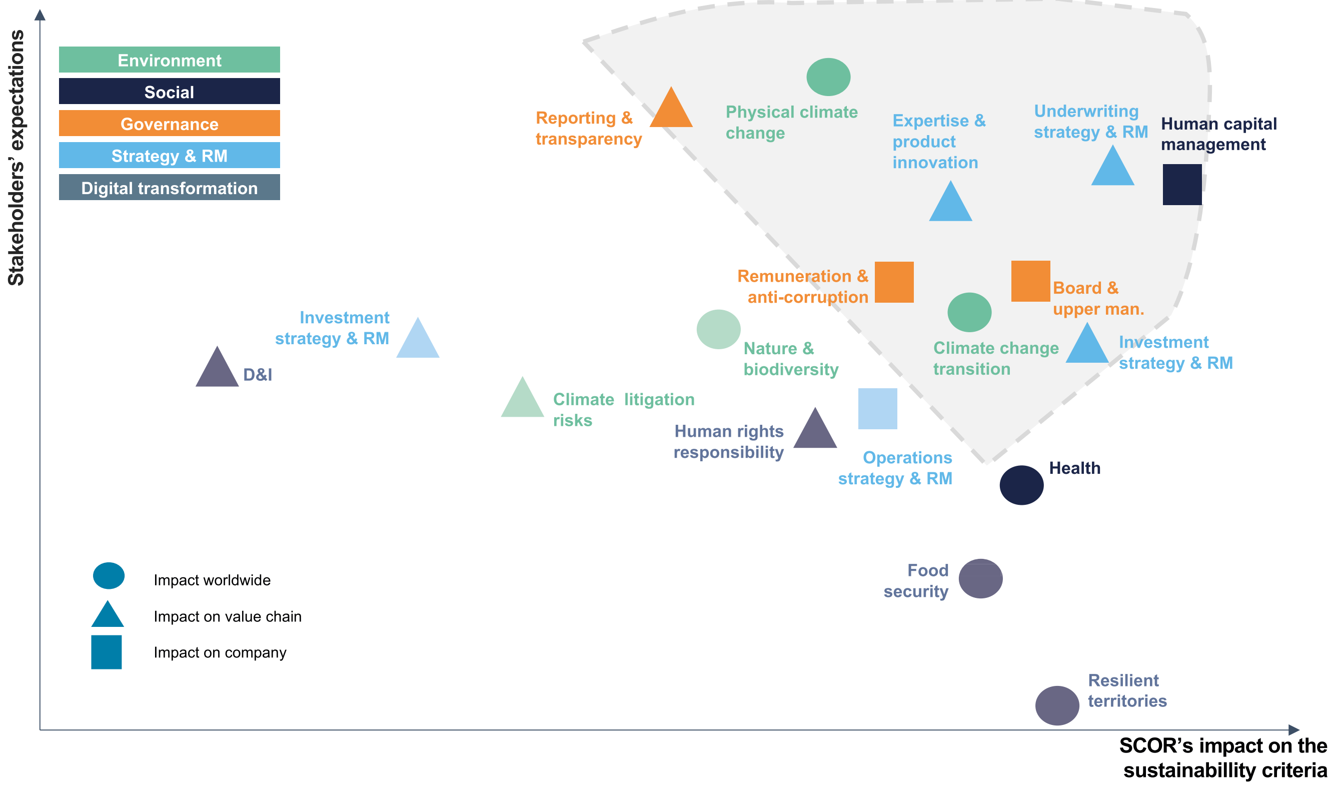
- Dialogue: during the interviews and surveys, stakeholders were asked to prioritize and assess the materiality of the sustainability matters selected. Additionally, each sustainability matter prioritized during the interviews and surveys was attributed a zone of influence for its potential impact: (i) impact on SCOR as an organization, (ii) impact on its value chain, and (iii) impact on people and ecosystem out of the value chain. A group of internal experts discussed and assessed SCOR's impact on the sustainability matters identified.
- Validation: the findings and key takeaways were communicated to internal stakeholders and reviewed by the Group Sustainability Committee, at Executive Committee level. The outcomes of the materiality analysis were then discussed and validated by the Board of Directors following the recommendation of its Sustainability Committee.

The results will support the design of SCOR's sustainability ambition and will drive its strategy over the course of the next strategic plan.

OUTSIDE-IN OUTCOMES

Human capital management, climate change (physical and transition risks) and nature & biodiversity are perceived as the key sustainability matters and non-financial risks for SCOR in terms of market expectations and strategic ambition. Climate change and biodiversity have been identified by the Group for several years in its emerging risks radar. They have also become priorities of external stakeholders and have been put at the top of the agenda of regulation on sustainable finance.

INSIDE-OUT OUTCOMES – SCOR'S IMPACT ON EXTERNAL ECOSYSTEMS



Human capital management and climate change (physical and transition) are also perceived as the sustainability matters on which SCOR can have the greatest impact. Given the Group's activities in the Life & Health business, the impact analysis also shows that health is a key sustainability topic on which it can have positive impact. These sustainability factors are directly derived from SCOR's core business. Hence the Group can optimize its impact through its underwriting strategy and, to a lesser extent, its investment strategy.

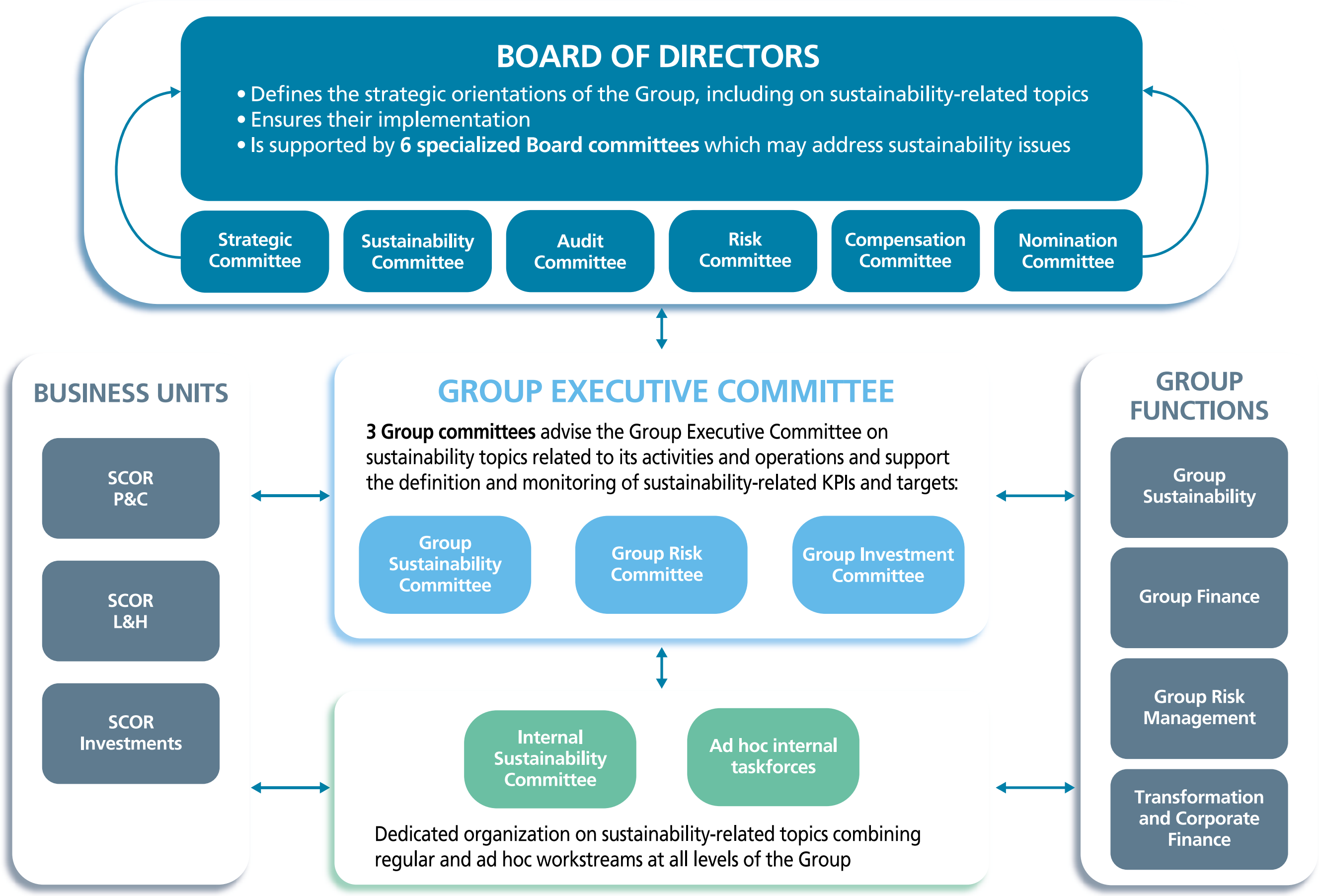
Its expertise in understanding new trends and in risk modelling offers opportunities to address the environmental challenges and improve resilience of societies through innovative products and solutions and support its Theory of Change.

The outcomes of the analysis are aligned with SCOR's *Raison d'Être* and tie with the Group's ambition to accelerate its transformation journey and participate in building a more resilient and sustainable tomorrow

Chapter 2.

GOOD GOVERNANCE

SCOR has an integrated governance system that considers the environmental, social and governance-related impacts, risks and opportunities of SCOR's business activities.



2.1. BOARD OF DIRECTORS' OVERSIGHT OF SUSTAINABILITY-RELATED ISSUES

As a global and independent reinsurer, the Group aims to embrace best governance practices as they play a crucial role in helping SCOR achieve its strategic objectives. Sustainability matters are studied and acted on at various levels of the Group. Led by its top governance bodies, SCOR has formulated group-wide sustainability strategy integrating all its activities and operations. Risks, opportunities, and impacts related to sustainability, including for climate, are subject to a governance structured around oversight, management, implementation, and coordination bodies. Only the activities relating to supervisory bodies in the areas of addressing and understanding sustainability matters are described in the following sub-sections.

ROLE AND ACTIVITIES OF THE BOARD OF DIRECTORS

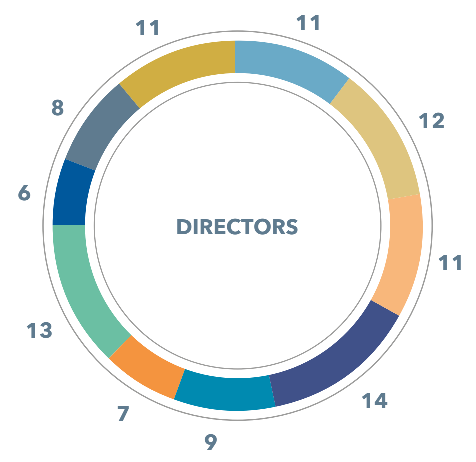
Under the conditions defined by the Board's Internal Charter, the Board of Directors defines the strategic orientations of the Group, ensures their implementation in accordance with its corporate interest, considering the social and environmental aspects of its activity. It monitors management's performance and ensures the sound and prudent management of the Group.

Therefore, the Group's latest strategic plan includes a variety of orientations addressing sustainability matters, including the impacts of climate change, in its activities and operations (e.g. supporting the energy transition or financing a sustainable world and committing to net-zero carbon by 2050).

The Board is regularly updated by Executive Management on the achievement of the orientations and is informed on forthcoming evolutions and trends that may be of interest for SCOR's business and activities. The Board meets at least four times a year.

As of December 31, 2022, eleven Board members have an expertise on sustainability-related matters, including on the environment (for detailed information refer to the 2022 URD – section 2.1.3.2 – Information concerning the members of the Board of Directors):

EXPERTISE REPRESENTED ON THE BOARD OF DIRECTORS



In 2022, the Board of Directors held seven meetings during which sustainability-related topics were discussed:

- Review of the Group's proposed sustainability ambitions
- Review and approval of the non-financial performance statement
- Review and approval of the annual statement of the Company regarding the UK Modern Slavery Act
- Review of the 2021 Climate Report
- Follow-up on the Group's non-financial ratings and approval of the roadmap for improving ratings

ROLE & ACTIVITIES OF THE BOARD'S COMMITTEES

SCOR's Board of Directors has established several advisory committees responsible for examining specific topics, preparing the Board's discussions, and making recommendations including on sustainability-related issues.

Sustainability committee
The sustainability committee ensures that the Group's sustainability approach is consistent with its long-term development, and that the direct and indirect impacts of its activities on the environment and society are taken into account in its strategy. Drawing on the materiality analysis, the Committee examines the main sustainability-related matters the Group deals within its underwriting and investment strategies, when operating its business and when managing its human capital. It oversees the sustainability strategy and its consistency with SCOR's public commitments. The Committee is kept informed of major sustainability trends and in particular the timeline of sustainable finance regulations and their potential impacts on SCOR's sustainability strategy. It also oversees SCOR's sustainability performance through a yearly action plan and a quarterly dashboard as well as changes in SCOR's ESG ratings by selected rating agencies and SCOR's assessment by external stakeholders, including non-governmental organizations.

In 2022, the Committee reviewed and approved the Group's various sustainability-related publications (including the review of the sustainability materiality analysis). It reviewed the Group's proposed sustainable development ambitions (including the 2022 sustainable development action plan and follow-up of its implementations), the general framework and the main proposals for the next strategic plan, before their approval by the Board of Directors. It monitored and reviewed key ESG performance indicators, including those related to the CEO's compensation, as well as the evolution of the Group's non-financial ratings.

The Sustainability committee has reviewed all new commitments related to climate mitigation for underwriting, investments and operations before approval by the Board of directors. Finally, it reviewed the Group's hybrid work strategy and the annual UK and Australian Modern Slavery Act Statement.

Risk committee
The Risk Committee is responsible for examining the major risks the Group is exposed to and for monitoring the alignment of the Group's risk profile with the Group's Risk Appetite Framework.

It examines the Group's main risks and its Enterprise Risk Management (ERM) policy. It also examines the Group's strategic risks (including emerging risks) as well as the Group's main technical and financial commitments (underwriting, reserving, market, concentration, counterparty, asset-liability management, liquidity and operating risks as well as the risks relating to changes in prudential regulations). The Risk Committee is kept regularly informed of the major environmental, social and governance issues that may influence the Group's activities, including the trends of global climate change and deterioration of the environment, and the associated emerging risks closely linked to these topics.

In 2022, the Risk Committee reviewed the Group's main exposures and risks, including cyber risks and those related to climate change. It also reviewed the Group risk appetite, the interactions with regulators and monitored prudential regulations.

The Strategic Committee, the Audit Committee, the Nomination Committee and the Compensation committee also address sustainability matters. Especially, the Compensation Committee worked on further integrating sustainability-related criteria in the compensation policy of corporate officers, leading to a comprehensive and consistent compensation framework (see section 2.4 - Performance conditions on social and environmental issues for further information).

For more information on the main activities of these Committees and their activities in 2022, see Section 2.1.4 – Board of Directors' Committees in the 2022 Universal Registration Document.

2.2. THE ROLE OF THE EXECUTIVE COMMITTEE AND ITS DEDICATED COMMITTEES

The management bodies play an important role in the Group sustainability strategy. Three dedicated Committees of the Executive Committee are involved in sustainability issues related to the Group's activities and operations. The composition of these Committees, the combination of skills within them, the preparatory work conducted by each of them, the regular interactions with Executive Management, provide a structured framework for the analysis of social and environmental issues, from a financial, non-financial and impact materiality standpoint:

- The Group Sustainability Committee meets on a quarterly basis ahead of the Board of Directors' sustainability Committee meetings and is tasked with approving decisions concerning SCOR's approach and initiatives related to its sustainability ambitions. More specifically, the main duties of the Committee are to assess the adequate level of ambition of the sustainability strategy, ensure its consistency across the Group and to anticipate the impacts of sustainability trends and regulations on SCOR's activities.
- The Group Risk Committee also meets every quarter ahead of the Board Risk Committee. In addition to preparing the Board Risk Committee, the main duties of the Group Risk Committee are to steer the Group's risk profile, maintain an effective enterprise risk management framework and foster an appropriate risk culture throughout the Group. Climate risks, extreme events and their direct impact on SCOR's risk profile are regularly discussed in these meetings.
- The Group Investment Committee meets at least once every quarter. Its role is to define the investment strategy at Group level and to supervise the implementation of this strategy in compliance with its sustainability policy, as well as regulatory and contractual constraints. The Group Investment Committee validates investments and approves normative and thematic exclusions, as well as major portfolio reallocations related to risk management and impact assessment.

2.3. COORDINATION, IMPLEMENTATION AND OPERATIONAL GOVERNANCE

At the group level, the Group Executive Committee and its dedicated committees are supported and informed on sustainability and climate-related issues through a dedicated organization.

THE GROUP CHIEF SUSTAINABILITY OFFICER AND THE SUSTAINABILITY DEPARTMENT

The Group Chief Sustainability Officer (CSO), member of the Group Executive Committee, heads up the Group CSO domain, including the Sustainability department led by the Group Head of Sustainability.

The Sustainability department is organized in three teams: Sustainable Insurance, Sustainable Investments and Corporate Sustainability. It is responsible for defining the framework and proposing the Group's sustainability strategy. It is also in charge of coordinating and monitoring the execution of the sustainability action plan and ensuring consistency of its implementation across the Group.

OPERATIONAL IMPLEMENTATION IN UNDERWRITING ACTIVITIES

The Group Sustainable Insurance team contributes to the calibration of the Group sustainability ambition, in coordination with the other stakeholders within the Group. The team oversee ESG trends in the industry, propose initiatives and support the development of robust frameworks for underwriters on both P&C and L&H. Raising awareness, spreading the sustainability culture across the business, and supporting underwriters in better integrating ESG consideration are also part of its duty.

The P&C Pricing & Modelling department is responsible for the pricing of Nat Cat risks, including updating catastrophe models to take account of currently observed climate change trends and those that are expected to occur over the near-term. The current changes that are observed in both exposed risks and building resilience are also considered explicitly. The Group actuarial department is responsible for validating the catastrophe risk inputs for SCOR's Internal Capital Model, which includes ensuring that these inputs take the evolving climate into consideration.

On the L&H side, a dedicated agile L&H working group was created to develop the L&H insurance industry's position on climate change and its impacts on the sector. Its purpose is to increase awareness, knowledge and understanding across the organization about the long-term impact, both direct and indirect, of climate change on human health and business. The group, comprising medical doctors, actuaries, risk management professionals and others from all geographies, continues to dedicate time and expertise to examine the future of morbidity and mortality risks caused by climate change.

OPERATIONAL IMPLEMENTATION IN INVESTMENT ACTIVITIES

Mandate Investment Committee

The Group Sustainable Investment team contributes to the design of the sustainability ambition for investments, leveraging its expertise on sustainable finance and investment activities. The team is tasked with proposing improvements of SCOR's Sustainability Policy for investments, addressing the Theory of Change and monitoring SCOR's sustainable performance vis-a-vis targets for investments.

Members of the Sustainable Investment team participate in a regular Mandate Investment Committee, which also brings together the SCOR Asset Owner department and representatives from SCOR Investment Partners. This Committee analyzes portfolio positions at a granular level and discusses strategic choices in light of the Group's sustainable investment strategy.

The role of asset managers

SCOR has delegated the management of its assets to its fully owned asset management company SCOR Investment Partners (SCOR IP) alongside external asset managers.

SCOR's Sustainability Policy is foundational to its sustainable investing strategy. Publicly available and referenced in every investment guideline provided to asset managers, it forms part of the investment management agreement and ensures consistency of the Group strategy across the world and legal entities. SCOR relies on the expertise of its investment managers, who will ultimately select securities based on their own ESG processes. SCOR IP plays a predominant role in the integration of ESG criteria in investment decisions, given the size of the assets it manages. External asset managers are asked to provide their ESG principles and processes during the selection process. Their engagement and capabilities vis-a-vis ESG are key factors alongside risk management processes. Once selected, the way investment managers factor ESG criteria into investment decisions relating to SCOR's mandate forms part of the annual due diligence performed by the SCOR Asset Owner team in cooperation with Group Sustainability. During the meetings, updates and in-depth discussions ensure a good understanding of the status of the Group in its journey towards sustainability. Investment managers can also be asked to provide ESG analyses of issuers to support Group Sustainability supervisory tasks.

As an asset owner, SCOR has the ultimate responsibility of its portfolio positioning. The SCOR Asset Owner department monitors the compliance of all investment decisions with the various risk limits set by the Group (e.g. risk appetite and tolerance), and is supported by the Sustainable Investment team for monitoring ESG ratings, exclusion lists and the operational implementation of the sustainability action plan, using its own data providers and methodologies.

Spreading knowledge on sustainable investments and development of internal expertise

The SCOR Group Sustainability team updates regularly the investments business unit, including SCOR Investment Partners on its sustainability journey. Employees are also invited regularly to Group Sustainability presentations on how sustainable finance impacts SCOR's investment strategy. People from SCOR also participate to external conferences on sustainability as panelists or speakers to share experience on tackling climate change in investments and foster good climate-related reporting practices. In 2022, SCOR took part to more than 15 public events on sustainability, including conferences and roundtables.

Technical resources

As a P&C (re)insurer, SCOR has a very strong internal expertise in modelling natural catastrophes especially atmospheric perils. SCOR leverages this expertise when analyzing the physical risk of real assets.

SCOR also keeps a constant watch on technological developments to use the most relevant tools to analyze nature-related risks and impacts. An example is the usage of the Carbon Risk Real Estate Monitor (CRREM) tool to assess the transition risk of SCOR real estate portfolio. SCOR has also performed a quite comprehensive analysis of climate scenarios to better understand the implications for its portfolio and the real economy. Likewise, using the ENCORE tool is a key milestone to have a more precise picture of the impacts and dependencies of the portfolio companies on nature.

Human resources

Inside the Group Sustainability department, the Sustainable Investment team covers non-financial risks and impacts of investment decisions. The team, composed of 3 people, oversees sustainability, analyzing risks, dependencies, impacts and opportunities for the investment activities of the Group.

Financial resources

SCOR has increased budgets dedicated to ESG data and tools over the past few years in a constant effort to foster sustainability integration in SCOR lines of business and operations.

Skills in development

In order to continue to develop internal skills on sustainability matters, SCOR employees attend various external training programs organized by institutions like Novethic, SFAF (La Société Française des Analystes Financiers – SFAF) or some providers. They also participate in working groups set up by the insurance industry or more directly related to sustainable finance.

Internal capacity building

Internal awareness regarding sustainability topics is maintained through regular conferences, townhalls and more informal talks on the matter, leveraging internal expertise. The Internal Sustainability Committee, mentioned previously, plays a key role in spreading knowledge inside the Group.

ESG INFORMATION

The Group relies mainly on information provided by non-financial rating agencies and ESG consulting firms. As industry consolidation continues, the Group pays specific attention to its data providers and reassesses its selection on a yearly basis. This may hamper year-on-year comparability but allows for the most recent innovations and the highest level of expertise.

Area	Data methodology or provider	Asset class	Type of data provided	Comment
Climate change	ISS ISS ESG	Sovereign bonds Corporate bonds Equity Corporate loans Real assets loans Real assets	Carbon footprint	Carbon intensity by revenues: in tCO_2eq per EUR million Revenue or GDP Carbon intensity by Enterprise Value : in tCO_2eq per EUR million invested
		Corporate bonds Equity	EU taxonomy for sustainable activities	Alignment assessment
	Carbone 4	Sovereign bonds Corporate bonds Equity	Implied Temperature Rise	Global temperature rise associated with the forward-looking GHG of a portfolio or entity expressed in a temperature unit typically °C
	SCOR P&C	Real assets	Physical risk	Impact of extreme weather events expressed in EUR million
	ACPR or other	Sovereign bonds Corporate bonds Equity	Stress testing: transition risk	Impact on assets valuation in EUR million
Biodiversity	ENCORE	Corporate bonds Equity	Biodiversity mapping	Investments impacts and dependencies on nature
	CDP	Corporate bonds Equity	Deforestation and water screening	Companies scores
	Forest 500	Corporate bonds Equity	Deforestation screening	Companies scores
	Trase Finance	Corporate bonds Equity	Deforestation screening	Companies deforestation impact
	Iceberg Data Lab	Corporate bonds Equity	Biodiversity footprint	Biodiversity impact expressed in km² MSA(1)
	Ellen MacArthur Foundation	Corporate bonds Equity	Plastic pollution screening	Companies performance towards a circular economy
	As You Sow	Corporate bonds Equity	Plastic pollution screening	Companies scores
ESG general data	ISS ISS ESG	Sovereign bonds Corporate bonds Equity	ESG ratings	Countries and companies scores
		Corporate bonds Equity	Controversies	Controversies analysis
	RepRisk	Sovereign bonds Corporate bonds Equity	Controversies	Systematic screening

(1) Mean Species Abondance (see section 10.1 / Biodiversity footprint).

2.4. PERFORMANCE CONDITIONS ON SOCIAL AND ENVIRONMENTAL ISSUES

SCOR has incorporated sustainability-related criteria into the compensation of its teams, based on arrangements appropriate for the relevant compensation mechanisms and the responsibilities held within the organization:

- a portion of the short-term variable compensation paid to the Group's executive corporate officer is based on individual sustainability-related objectives. These objectives, their attainment and their achievement rates are set out in the report on corporate governance included in the 2022 Universal Registration Document;
- a portion of the short-term variable compensation of the members of the Executive Committee is also based on sustainability-related objectives;
- all beneficiaries of long-term compensation components (performance shares and stock options) must satisfy the allocation conditions based on sustainability criteria, such as complying with ethical principles, as provided for in the Code of Conduct, and completing sustainability-related trainings;
- finally, managers and their employees also have the option to set specific sustainability-related goals (e.g. relating to diversity, well-being at work, environmental performance, or the integration of ESG issues into the Group's business activities) as part of the Annual Alignment Conversation.

THE CHIEF EXECUTIVE OFFICER'S SUSTAINABILITY-RELATED OBJECTIVES FOR 2022

The annual variable compensation of the Chief Executive Officer includes performance conditions established on the basis of personal objectives in environmental and social areas. Since the introduction of performance criteria based on environmental criteria, climate-related issues have been systematically integrated into them. In 2022, three criteria were selected:

- Environment: Increase of the amount invested in green and/or sustainable bonds
- Social: Improvement of the equity ratio linked to gender pay gap
- Leadership: Improve the quality of Group management

For detailed information on the compensation criteria and their achievement in 2022, and the compensation policy for 2023, refer to the 2022 Universal Registration Document, section 2.2.1 Compensation of executive corporate officers and the directors.

2.5. COMMUNICATION AND TRANSPARENCY

To keep stakeholders up to date, SCOR discloses information on its sustainability organization, ambition and performance on a yearly basis, addressing regulatory requirements (Non-Financial Reporting Directive, Article 29 of the French bill on Energy and Climate) complemented by voluntary frameworks such as TCFD, GRI or SASB.

The report contributes to spreading good practices and sharing innovation across the (re)insurance industry and among the financial community. Additionally, the report details on innovations and preliminary studies to provide evidence of SCOR's efforts to participate in improving resilience and building a more sustainable tomorrow.

Chapter 3. DEDICATED PEOPLE

Embedding sustainability at every level of the company is a prerequisite to succeed in transforming business models toward more resilience and positive impacts. Human capital – SCOR's employees around the world – is a key driver to prepare the Group for the risks of tomorrow, address sustainability challenges and ensure SCOR delivers on its commitments and objectives. The (re)insurance industry is highly competitive and strongly relies on employees' expertise to constantly push the frontier of insurability and transform knowledge into impact.

SCOR carefully looks at developing skills and preparing for future needs as well as retaining talent through a competitive and efficient compensation policy, aligned with its ambition and its stakeholders' interests. The Group also endeavors to offer a nurturing working environment fostering diversity, inclusion, curiosity, leadership, and empowerment. Raising awareness, sharing, and expanding knowledge, support the transformation of the Group and ensure people can stay at the forefront of sustainability developments.

Several core policies, applicable worldwide, underpin this transformational journey:

- Diversity and inclusion policy
- Health and safety policy
- Compensation policy

Bases on these overarching principles, SCOR puts various levers into action to attract and retain talents:

- Developing skills and preparing for future needs
- Promoting a nurturing working environment
- Ensuring fair and attractive reward through a merit-based compensation policy

3.1. DEVELOPING SKILLS AND PREPARING FOR FUTURE NEEDS

Having the right talent in the right place, making people grow and preparing succession plans is at the heart of the Group talent management.

Developing the expertise, knowledge and career paths of employees is a key condition to ensuring employee engagement and well-being. Regular reviews of the organizational structure and its adequacy to business challenges, together with analysis of individual skills and career prospects, and definition of individual action plans (training, professional development, compensation, etc.) ensure SCOR's workforce is well prepared for upcoming challenges of the (re)insurance industry.

SCOR University, supported by a team of training and development specialists, assists the development of the Group as a global, agile, and learning organization, encouraging self-learning and feeding the spirit of initiative and growth:

- By developing learning paths and experiences, and by providing a wide range of training resources and development opportunities;
- By supporting the various businesses and teams to develop specific programs and courses to meet their specific needs.

Development & Growth @ SCOR ecosystem was also launched in 2022, born of a collaboration between several internal network such as the SCOR University, OneSCOR Institute, SCOR Internal Talks teams and Knowledge.scor.com, which together support employee development at SCOR. This ecosystem, open to all employees, allows them to discover the different training initiatives and formats, services and resources offered, adapted to their learning style. A first joint initiative, the "SCOR Learning Days", was organized, in the spirit of OneSCOR, in October 2022.

In 2022, **76%**
of employees participated in at least one training session (excluding mandatory e-learning training modules)

Each employee received an average of around
14.5 hours
of training including mandatory training

Employees also have the opportunity to lead internal sessions on business or ESG subjects they believe will benefit their colleagues. In 2022, more than 50 SCOR Internal Talks covered subjects ranging from deforestation, hydrogen energy, and longevity to agile and language modeling.

Further information can be found in section 6.2.1.1 of the 2022 Universal Registration Document.

3.2. PROMOTING A NURTURING WORKING ENVIRONMENT

SCOR has developed a comprehensive program to offer its employees a working environment where they can thrive and be at their best. The #WorkingWellTogether program aims at promoting diversity, inclusion and equity, offering good quality of life and well-being at work, and fostering community engagement.

DIVERSITY, INCLUSION AND EQUITY

Promoting an inclusive working environment is an essential objective of the Group's human capital management strategy and is the first pillar of the #WorkingWellTogether program. SCOR's Diversity & Inclusion strategy is designed around three objectives:

- "Connect": creating a working environment free from prejudice and discrimination, where every employee feels accountable;
- "Educate": anchoring our diversity and inclusion culture by leveraging partnerships and building internal training pathways;
- "Act": implementing impactful actions throughout the employee's career cycle.

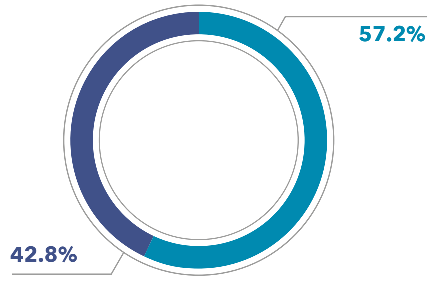
In 2022, a Diversity & Inclusion roadmap was formalized at Group level with commitments until 2025. For example, holders of SCOR shares followed a mandatory training session on inclusion with the objective to raise awareness and empower employees in making SCOR an increasingly inclusive work environment, respectful of all forms of diversity. This reflects SCOR's strong ambition to embed diversity and inclusion into the OneSCOR strategy and ways of working.

Gender diversity forms part of the Diversity & Inclusion strategy. SCOR has taken public commitments on female representation in its governance bodies:

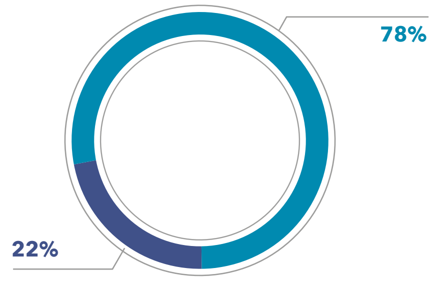
- 30% women at Executive Committee level by 2025.
- 27% women at Global Partner (GP), Senior Global Partner (SGP) and Executive Global Partner (EGP) levels by December 31, 2025 to build a strong pipeline of senior female talent.
- Gender diversity within governing bodies is also a priority for SCOR. Numerous gender balance measures are already in place or are being implemented, and SCOR is working to increase diversity in its governing bodies.

42.8% WOMEN IN THE BOARD OF DIRECTORS

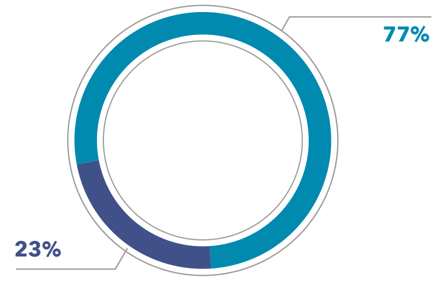
Men Women



22% WOMEN IN THE GROUP EXECUTIVE COMMITTEE



23% WOMEN AMONGST PARTNERS OF LEVELS GP AND ABOVE



To deliver on these commitments, SCOR acts on four different levers: recruitment, training, compensation, and Network & oversight. On this last pillar, SCOR signed the Women's Empowerment Principles (WEP) in 2021 and is involved with organizations working towards the advancement of women in careers in the financial industry.

6 PRIORITIES FOR GENDER EQUALITY

- **Strengthening the visibility of female talent**
- **Raising awareness of gender equality**
- **Reinforcing our external partnerships and the actions of SIGN+**
- **Attracting a gender-balanced pool of graduate talent**
- **Working to achieve gender pay parity**
- **Ensure gender diversity at the highest levels of the organization**

91/100
Workplace gender equality index[1]
(scope: employees in France)

QUALITY OF LIFE AND WELL-BEING AT WORK

The Group aims to retain talented employees by facilitating an improved work-life balance. Quality of life and well-being at work represent the second pillar of the #WorkingWellTogether program. It involves the development of an innovative flexible working environment and dedicated events raising awareness on health and well-being at work.

Focus on mental health

Well-being and psychological safety at work have never been more important. The pandemic has not only exacerbated mental health issues but also highlighted the need for companies to have a comprehensive health and well-being strategy, and a supportive work culture.

To this end, SCOR strengthened awareness of mental health issues in 2022, helping employees acquire the skills to have better mental health conversations, identify symptoms early and seek out/offer the right support. Therefore, SCOR University designed two training programs open to all:

- "Let's Talk about Mental Health" is an employee webinar. It aims to help employees spot the signs of mental health issues and build resilience, and provides access to mental health resources and support.
- "How are you? I'm fine thank you" is a managers' webinar. It helps support mental health within teams and start conversations on this topic.

COMMUNITY ENGAGEMENT

The third and final pillar of the #WorkingWellTogether initiative is the commitment to supporting communities. This pillar seeks to facilitate social, societal and environmental engagement by SCOR employees within communities thanks to the SCOR for Good program.

SCOR for Good is an inclusive employee-driven program allowing employees to engage in volunteering during their working time. Each employee is granted the possibility of dedicating one day of their working time per year to a community engagement activity. In 2022, 475 days of community engagement were recorded (compared to 189.5 in 2021), upon employee declaration. The program facilitates employees' involvement in charity work by offering a catalogue of charity partners and highlighting causes to champion in alignment with the Group's *raison d'être*.

In 2022, SCOR for Good actions focused on the three Sustainable Development Goals (SDGs) chosen by the employees and the Group: climate action, good health and well-being and quality education. Many activities such as volunteering, fundraising, collections, donations and solidarity sporting events were organized around the world by employees to help communities in need.

Focus on the fundraising campaign

The year was also highlighted by a strong action in support of Ukraine. Fundraising, supplemented by an equivalent amount donated by the Group, was organized for the first time at the global level. More than EUR 300,000 was collected for the French Red Cross and the "Fondation de France", in order to support humanitarian aid for the population in Ukraine and for those affected by the war.

In 2022, SCOR for Good launched the first Engagement Month to encourage employees to use their annual community engagement day to give back to their local communities through in-the-field volunteering. More than 700 employees spent 2388 hours working on more than 50 initiatives during SCOR's Engagement Month alone. SCOR for Good also inaugurated the sustainability days to raise awareness on climate change and biodiversity loss.

129
local initiatives with impact reported on the platform

+26%
of engagement in field volunteering compared to 2021

23%
of employees engaged

3,855 hours
volunteered

90+
charities supported

(1) The workplace gender equality index is based on 5 indicators: gender pay gap, gap in the distribution of pay raises between men and women, gap in the distribution of promotions between men and women, pay raises on returning from maternity leave and gender equality among the top ten earners.

To monitor engagement and well-being within teams, a new "WorkingWellTogether" engagement survey campaign was launched in 2022.

These new surveys aim to support dialogue within the organization and give employees a forum to speak out about key engagement topics such as management, well-being, work environment, and career development. Access to consolidated results is granted to managers, via a dedicated engagement platform, in compliance with confidentiality, in order to work collectively and within teams to make SCOR an employer of choice.

The results of these surveys are also shared and discussed within the leadership teams in order to influence team management and identify and build action plans on the quality of life at work. In 2022, the survey showed well-being at an average of 66/100 and the engagement at an average of 65/100[1].

EMPLOYEE ENGAGEMENT SCORE 2022 – BREAKDOWN BY GENDER AND AGE

Further information on the #WorkingWellTogetherProgram can be found in section 6.2.2 of the 2022 Universal Registration Document.

(1) The engagement score is calculated as an average score obtained for the questions " I am happy working at SCOR" and " I would recommend SCOR as a great place to work".

3.3. ENSURING FAIR AND ATTRACTIVE REWARD THROUGH A MERIT-BASED COMPENSATION POLICY

The Group's compensation policy reflects the desire to implement compensation schemes in accordance with best market practices and to involve key employees in the Group's medium- and long-term development.

Compensation includes several components: a fixed and a variable portion, an immediate and a deferred portion, and an individual and a collective variable portion. The components include a basic cash salary, an annual cash bonus, shares and options where applicable, pension schemes and any other benefits.

The "Partnership" program involves approximately 25% of the employees in the Group's human capital. In addition to specific compensation plans, this program gives Partners access to selective information and proposes specific career development solutions.

There are four main Partner levels: Associate Partners (AP), Global Partners (GP), Senior Global Partners (SGP), and Executive Global Partners (EGP). GPs, SGPs and EGPs accounted for 10% of employees as of December 31, 2022. SCOR Partners are eligible for free shares and stock options based on their performance.

In addition, the Group continued its employee share ownership plans in 2022, allocating shares to all its employees based on their performance, through two performance share plans and a long-term incentive plan (see section 2.2.3.4 – Employee profit sharing plans in the 2022 Universal Registration Document). The individual allocation process for the grant of free shares and stock options is supervised by the Compensation Committee.

Further information on the compensation policy can be found in sections 2.2 and 6.2.1.2 of the 2022 Universal Registration Document.

3.4. FOSTERING SOCIAL DIALOGUE AND COLLECTIVE BARGAINING

One of SCOR's ambitions is to establish a coherent and harmonized social dialogue aimed at sharing the Group's main principles with all employees.

As a European Company (*Societas Europaea*), SCOR has set up a European committee, the Common European Companies Committee (CECC), covering all its European subsidiaries and branches, corresponding to around 60% of its global workforce. It comprises employees from all European subsidiaries in the Group and has certain prerogatives in terms of information and consultation. The committee is informed of the Group's overall situation as well as its economic and financial outlook and is consulted on all proposed measures likely to affect the interests of employees in several European countries. The CECC met five times in 2022, on March 8, March 29, May 13, July 5 and October 11, 2022.

SCOR has also implemented a staff representation system on SCOR SE's Board of Directors, for its employees and the employees of its direct and indirect subsidiaries with a registered office in France. Directors representing employees are full Board members and therefore have the same duties and liabilities as any ordinary member of the Board.

Finally, the social dialogue takes place at local level with employee representatives from different countries worldwide. 67 meetings were held in 2022 (compared to 50 in 2021), including 18 meetings in France. In 2022, the meetings of the employee representative bodies focused on the Group's strategy and the various organizational changes. A highlight of the year was the continued rollout of the hybrid work model. Numerous exchanges took place with employee representatives and a new remote working agreement was signed in France on October 31, 2022.

Further information on the social dialogue and collective bargaining at SCOR, see section 6.2.3 Fostering the social dialogue in the 2022 Universal Registration Document

Chapter 4.
SUSTAINABILITY IN UNDERWRITING ACTIVITIES

4.1. CLOSING THE PROTECTION GAP

It is in SCOR's Raison d'être to contribute to the welfare, resilience, and sustainable development of societies by bridging the protection gap and increasing insurance reach. By nature, its core business participates in improving resilience of societies. Closing the protection gap is both an imperative, and a source of opportunities in its business which consists in two main goals:

- protecting society from extreme events, accompanying economic agents in mitigating the effects of climate change and enabling a smooth energy transition
- accompanying people's health and well-being, including by developing accessible health prevention

NAT CAT SOLUTIONS

As part of its traditional products, SCOR offers Nat Cat solutions like property treaties, covering damage to underlying assets and direct or contingent business interruption losses caused by natural catastrophes. In agriculture, SCOR provides also broad and flexible range of (re)insurance cover, underpinned by a strong natural catastrophe modelling and analytics infrastructure. Customized risk transfer solutions and innovative approaches are available for crop/crop hail, livestock/bloodstock, forest, greenhouse and aquaculture.

With more than EUR 8 billion claims paid in 2022 by its P&C activities, SCOR has provided significant contribution to recovery from loss and damages stemming from extreme events, most of them being climate-related.

ENVIRONMENTAL IMPAIRMENT LIABILITY

The Group has developed strong expertise in the underwriting of environmental impairment liability (EIL) insurance through its Lloyd's syndicate. EIL consists in providing insurance coverage for liabilities associated with environmental damage or pollution. SCOR Syndicate has developed a proprietary rating tool comprising 16 environmental indicators, which informs underwriters about the degree of environmental responsibility of the company seeking EIL coverage. This direct insurance product incentivizes insureds mitigate their environmental risks and improve their risk management processes by offering reduced premiums to companies with robust processes and good ratings. EIL is also a critical product that helps to restore the environment after damages by an insured's activities.

PARAMETRIC MICROINSURANCE AND REINSURANCE

Unlike traditional insurance, which relies on assessments of actual damage, parametric insurance pays out benefits using a pre-determined index based on loss of assets and investments caused by weather or other catastrophic events. This ensures rapid pay-out and lowers dispute risks, providing quick relief and reducing transaction costs, which fits more particularly to most vulnerable populations. To make this type of insurance even more beneficial to people at risk, SCOR uses a payout structure that considers externally observable variables such as seismological or meteorological measurements, market loss information, or price indices.

For example, in 2021, SCOR launched a South Pacific first parametric insurance solution in Fiji, aiming to protect local farmers against the risk of cyclones and torrential rainfall, covering 1,388 beneficiaries. In 2022, the scope of the solution was expanded with two new parametric microinsurance products. SCOR and its partners are now offering protection to some of the island nation's most vulnerable communities, including farmers, fishers, market vendors and small businesses & social welfare recipients who rely heavily on government support after extreme weather events. Thanks to climate and agriculture risk management company WRMS India, the parametric products are based on a novel index monitoring both cyclone intensity and distance from the eye of the storm. Indemnities are calculated using the cyclonic tracks published in real time by the National Oceanic and Atmospheric Administration (NOAA). Dependence on satellite-based weather data (which comes with a time lag) was reduced, as farmers' immediate dependence on the government for post-disaster relief, by providing quick indemnity payouts.

SCOR also proposes parametric reinsurance life for the De-Risking, Inclusion and Value Enhancement of pastoral economies (DRIVE) project in the Horn of Africa. The project aims at helping the region to adapt to the impacts of climate change, commercializing livestock production in pastoralist communities, and ensuring inclusion of the marginalized and vulnerable groups such as women in the sector. SCOR reinsures the Index Based Livestock Insurance (IBLI), a product that is designed to protect against prolonged forage scarcity) provided to pastoralists, managed by a local reinsurer ZEP RE to ensure, among other things, a quick pay-out, which is a strong selling point for pastoralists. DRIVE will strengthen support for pastoralists in the Horn of Africa so that, when there is a drought, they have access to rapid cash, either through their savings or insurance payouts, allowing them to keep their core breeding stock alive. The project will support direct linkages of pastoralists to livestock processors through market contracts and will strengthen quality standards and livestock trade facilitation, so that countries can move from the existing live animal value chain to a livestock product value chain.

PROFESSIONAL INDEMNITY INSURANCE SCHEME IN HOUSING

Following the Grenfell Towers Fire in London and the subsequent report on the safety of high-rise buildings, lenders began to insist on External Wall Surveys being completed by Surveyors/Fire Engineers, including on residential buildings. Insurers viewed the language of the EWS1 Form as shifting responsibility to the Surveyors/Fire Engineers, potentially opening them up to unlimited liability and so were reluctant to offer professional indemnity insurance to them. Without insurance, Surveyors/Fire Engineers became highly reluctant to conduct the necessary assessments of the buildings resulting in c.700,000 leaseholders being affected with the inability to buy, sell or re-mortgage their homes.

Since September 2022, SCOR has been acting as a fronting insurer for the UK Government in order to bridge this protection gap. The UK Government, in partnership with SCOR and MGAM Limited, launched a state-backed professional indemnity insurance scheme for qualified professionals unable to obtain professional indemnity insurance to complete External Wall Surveys. The cover afforded by the scheme has been specifically designed to remedy this protection gap, which is causing major housing issues. This partnership intends to begin to free the market in flats which has stagnated over the last few years.

LIFE & HEALTH SOLUTIONS HELPING PEOPLE LIVE LONGER AND HEALTHIER LIVES

Life & Health business is also strongly involved in improving resilience of societies. Its biometric business is designed to help more people access health protection and prevention products, underpinned by robust medical research and tech & data capabilities.

SCOR develops ad-hoc innovative solutions designed to answer local needs depending on ageing, standard of living and profile of targeted beneficiaries.

In 2022, the Life & Health business unit offered more than 100 solutions worldwide to benefit society by reducing the protection gap and helping people live longer and healthier lives. For example, in the United States, SCOR's partnerships with Ethos and Ameritas, started in October 2020, have led to the creation of products that make insurance easily accessible to underserved populations. The program has covered more than 20,000 lives.

Protecting against critical illness
Early treatment of critical illness can be key to full recovery and at the same time, can help to avoid crippling financial burdens. SCOR collaborates with clients to co-develop a vast range of critical illness solutions, designed to protect people's financial integrity in the event of serious illness.

One such partnership with China Life has resulted in the Protector Critical Illness Insurance Plan, which in addition to protection for critical illness offers life insurance and savings in one plan. Covering up to 180 illnesses, the plan includes common diseases such as cancer, heart-related diseases, and stroke, as well as mild diseases associated with common illnesses. This focus on prevention reduces the probability that the condition will evolve into critical illness. To further safeguard children's health and give peace of mind to parents, the plan offers a special disease benefit for children.

Tailoring disability insurance to the needs of children and their parents
Though a partnership with a client in Germany, SCOR participates in the development of a new solution to extend protection and peace of mind to parents. This innovative insurance product will provide financial support if a child suffers from a loss of essential abilities such as communication, mobility, or education-related capabilities such as writing. In addition, lump sum payments will be paid in case of severe illnesses which may result in long hospital stays.

Recently, German life insurance companies have started to develop solutions for a wider demographic and thus started to offer classic disability insurance covers for children. And while there are many products in the market for children, they are often unaffordable or have a too limited cover (e.g., accident only). In addition to that, some families are seeking products for younger children than are currently eligible under these covers.

In this context, SCOR's new product redefined some of the Activities of Daily Work (ADW) benefits – for example ability to walk, use public transportation, or write – and lowered the eligibility age to six months. The cover grows with the child in the sense that new abilities are integrated and definitions are adjusted over the lifetime of the policy.

DEVELOPING SOLUTIONS & PARTNERSHIPS WITH PUBLIC INSTITUTIONS & PRIVATE MARKET PLAYERS

With public institutions
SCOR is committed to developing solutions that contribute to climate risk adaptation. Long involved in multiple government insurance pools covering climate catastrophes, the Group is developing partnerships with development finance institutions that pursue climate change adaptation objectives. As such, SCOR, alongside several other (re)insurers associated with the Insurance Development Forum, has committed to supporting the resilience of developing countries in partnership with the United Nations Development Program, and with financial support from the German government. Collaborations with institutions including the World Bank, to provide parametric insurance against climate-related natural disasters in the Philippines, and with the World Food Program to develop livestock insurance for Ethiopian herders, are other examples of the Group's commitment to development finance institutions to provide solutions that contribute to resilience. Through these programs, the Group contributes to increasing insurance penetration and to improving the adaptability of insurance beneficiaries. In developing countries, there may be a significant protection gap and insufficient data to develop compensatory insurance schemes. Parametric insurance schemes, developed in partnership with development finance institutions, offer a solution with financial protection for post-event reconstruction.

Helping the development of African countries through reinsurance

The African Trade Insurance Agency (ATI) is a multilateral institution created by various African states with the financial backing of the World Bank and later the African Development Bank. Its aim is to cover projects that would improve the quality of life of African countries (e.g., electricity, dams, sustainable energy, etc.). African governments face the challenge of mobilizing investments for critical infrastructure projects within global markets that often perceive African risk as untouchable. At the same time, publicly owned and private institutions see viable opportunities to grow their interests in Africa, but the risks often prevent them from moving forward. SCOR, along with other (re)insurers, reinsures the financing of the projects from credit & political risks in order to enable the fundraising.

ATI, acting as an insurer, can fundraise from investors only if they have reinsurers providing reinsurance covers. SCOR and ATI are enabling projects with high social impact to materialize – facilitating, encouraging and developing the promotion of trade, investment and productive activities in Africa. ATI implemented strict ESG criteria to ensure that the projects insured are sound and with a high social impact. As a consequence, ATI help projects with high social impact to find and enable financing/fundraising, prevent corruption and build trust from investors and improve quality of life and help the development of African countries.

With private market players

Such schemes can also be developed in partnership with other private market players. For example, in 2022, SCOR partnered with African Risk Capacity (ARC) to develop efficient parametric insurance schemes that directly benefit smallholder farmers, using state-of-the-art technology. ARC is a specialized agency of the African Union, established in 2014 to help African governments improve their capacities to better plan, prepare and respond to extreme weather events and natural disasters. Through collaboration and innovative financing, ARC empowers countries to strengthen their disaster risk management systems and access rapid and predictable financing in the occurrence of a disaster, protecting the food security and livelihoods of their vulnerable populations. By combining their knowledge and experience, SCOR and ARC are helping to protect smallholders in Africa against the impact of droughts, tropical cyclones and floods.

4.2. ADVANCING THE THEORY OF CHANGE

Consistent with its Theory of Change, SCOR is firmly dedicated to contributing to achieving carbon neutrality by 2050 by supporting the reduction of GHG emissions in the atmosphere. As a financial institution, SCOR seeks for dialogue and engagement with partners and clients to support their transition journey alongside the reduction of emissions linked to its own business.

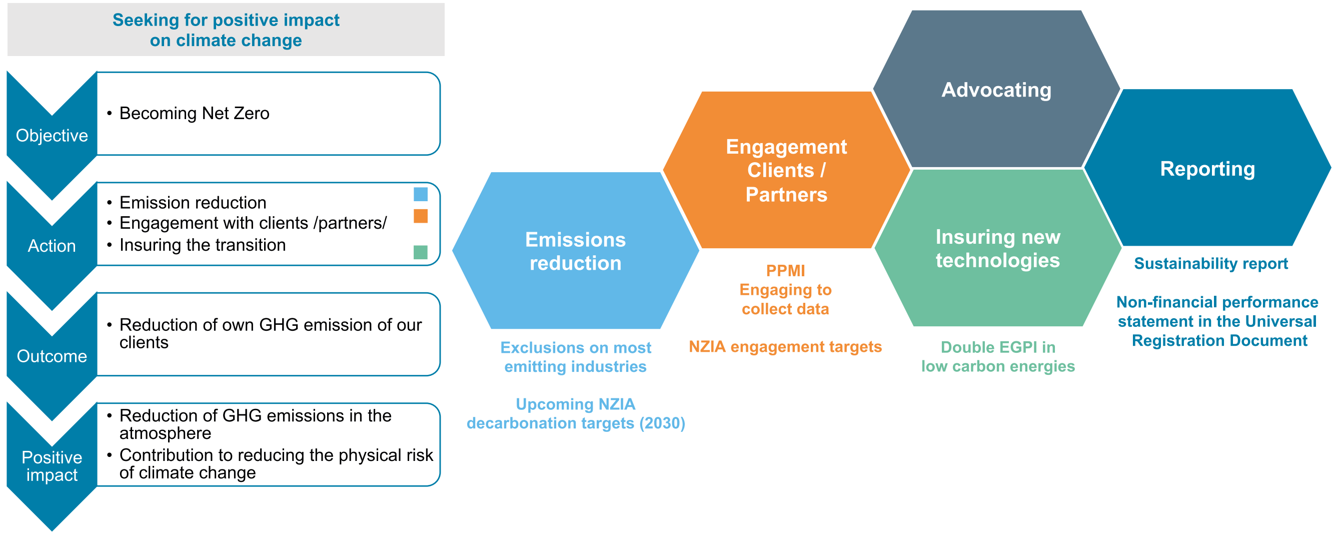
ENABLING THE TRANSITION BY DRIVING UNDERWRITING PORTFOLIOS TOWARDS NET ZERO EMISSIONS

As a member of the Net Zero Insurance Alliance (NZIA) since 2021, SCOR targets to transition all operational and attributable greenhouse gas emissions from its insurance and reinsurance underwriting portfolios to net zero by 2050. Interim targets for 2030 will be set progressively.

Different approaches are combined to deliver on the decarbonization trajectory:

- reduction of GHG emissions of the underwriting book of business,
- engagement with clients and potential clients (e.g. discussion around decarbonization pathways or science-based net-zero targets),
- development of sustainable (re)insurance products & solutions supporting the transition to a low carbon economy,
- sustainable claims management (e.g. how to build back better after a claim).

COMMITTING TO NET ZERO – THE THEORY OF CHANGE



STRENGTHENING SCOR RESPONSES TO THE ENVIRONMENTAL CHALLENGES WITH GRADUAL EXCLUSIONS

Over the last years, SCOR has undertaken several initiatives aimed at further integrating environmental issues into the insurance activities developed by SCOR Specialty Insurance. The Group is implementing gradual exclusions where there is an alternative or substitute exist and/or when doing so is critical to supporting a more sustainable world.

Coal

Regarding coal, SCOR applies various exclusions depending on the type of activity. Scoring grids have been implemented in the Mining and Power lines of business, while new coal mines and coal-fired power plant projects were excluded from coverage, as well as mountaintop removal mining operation. The Group has also decided to phase out from coal-fired power plants without capture and storage of CO_2 emissions by 2030 in OECD countries and by 2040 for the rest of the world. This commitment, which includes SCOR's portfolio of reinsurance treaties, began with the strengthening of SCOR's underwriting guidelines for 2022 to screen for all reinsurance treaties with a coal-related premium above 10%.

SCOR Property & Casualty has adopted an internal assessment procedure for environmental, social and governance criteria for operations closely linked to coal. For insurance and facultative reinsurance, a specific scoring grid is used for the activity assessed, while reinsurance treaties undergo a screening process.

Oil and gas

SCOR excludes new oil field production projects from its insurance and facultative reinsurance coverage from 2023 (exceptions will apply for companies aligned with net-zero emissions by 2050) irrespective of the source of the oil, which implicitly includes all types of reservoirs, type of crude oil and extraction methods.

SCOR also excludes oil and gas exploration or production projects in the Arctic National Wildlife Refuge (ANWR) from its insurance and facultative reinsurance coverage, so as to contribute to preserving the area.

Other exclusions

In addition to its sectoral guidelines for industries with high coal exposure, the Group integrates other ESG considerations into the SCOR Specialty Insurance underwriting policy. In 2018, the Group confirmed its commitment to excluding the tobacco industry from its business activities on both on the asset and liabilities side, in consistency with its business of health prevention and protection. The Group has also joined the PSI/WWF/UNESCO declaration on the protection of the world heritage sites.

These exclusions are consolidated into an ESG underwriting guide since 2019, which is regularly enhanced to embed SCOR's ambition and strategy in the underwriting business. It covers ESG issues relevant to specific activities that may present ethical issues related to health (e.g. manufacture and distribution of opioids, animal testing), the environment (e.g. palm oil production, dam construction) and human rights (e.g. textiles and forced labor). It includes detailed processes to decide whether the business can be accepted, deserves a referral process, or must be disregarded.

Lastly, drawing on its sustainable investments processes, the Group is testing various techniques designed to assess the overall ESG quality of its business portfolio (e.g. licensing third-party ESG data services such as ISS-ESG).

ENGAGING WITH CLIENTS AND PARTNERS

Beyond exclusions mainly designed to reduce negative impacts of its business activities on environment and people, the Group actively supports its partners and clients in their own transition pathways, helping them attain a net-zero emissions business model. It is the second pillar of its Theory of Change which aims at contributing to the reduction of GHG emissions in the atmosphere. SCOR also supports coalitions or position papers with the objective to accelerate the journey of key stakeholders toward more ambitious sustainability-related goals.

Climate Transition Pathway (CTP)
SCOR is raising awareness internally with its business workforce (transforming knowledge into impact) and externally with clients, partners, and brokers, partnering with clients to support their transition. To this end, it joined the Climate Transition Pathway (CTP) in October 2021, an accreditation framework launched by Willis Towers Watson that provides insurance companies and financial institutions with a consistent approach to identifying which organizations have robust transition plans aligned with the Paris Agreement. By using the CTP, (re)insurers can consistently identify, engage with and offer solutions to organizations committed to measurable and verifiable change.

Poseidon Principles for Marine Insurance (PPMI)
To support the net zero ambition of its direct international shipping policyholders, SCOR became a founding signatory of the Poseidon Principles for Marine Insurance in December 2021. Under this initiative, the Group has also committed to assessing and disclosing the climate alignment of its hull and machinery portfolios, and to benchmarking them against two trajectories related to a 50% reduction in annual greenhouse gas emissions by 2050 compared to 2008, and a 100% reduction in emissions by 2050.

Partnerships in Life & Health
SCOR has entered many scientific partnerships over the years, like with Nanterre University on a discrete choice experiment to define product features and the Sorbonne University at the PitiéSalpêtrière Hospital in HIV and Immunotherapy developments that is ongoing. SCOR has also funded, since 2016, the Department of Demography at the University of California, Berkeley in the Human Mortality Database project, which serves the academic and actuarial community, to build predictive models of life expectancy for a large number of countries.

SCOR's Life & Health initiatives and partnerships have always supported inclusive insurance globally through its work with clients and business partners who are committed to raising awareness of the importance of life and health insurance coverage. It also bears witness to the impact the insurance industry can have on the health and wellness ecosystem. SCOR is still as dedicated as ever to playing a leadership role in improving the day-to-day management of chronic and potentially terminal diseases and is committed to demonstrating the positive social impacts of the life insurance industry.

SUPPORT TO LOW CARBON ENERGIES

In 2022, SCOR announced its ambition to double its coverage(1) of low carbon energies by 2025 in Specialty Insurance (2). This involves providing clients with insurance solutions for new and/ or low carbon energies and developing or reinforcing expertise in new areas (carbon capture and storage, offshore wind, hydrogen, etc.).

Offshore wind farms
Wind and water, often overlooked and taken for granted, are some of the earth's most valuable assets that can transform the future of sustainable energy. Offshore wind farms, a group of wind turbines installed in open water such as oceans and lakes, are great examples of how wind and water can be harnessed to fuel the future. The first offshore wind farm was built in Denmark in 1991, marking a milestone for the global energy transformation. Since then, offshore windfarms have been experiencing exponential growth, driven by global efforts to achieve net zero goals. A total of 54 gigawatts of offshore wind farm capacity had already been installed by 2021, with ambitious targets set for the second half of the century. This great initiative, however, also comes with challenges. Staying ahead of the curve with rapid technological advancement is one of them.

Insurance and reinsurance companies are integral participants in windfarm projects as they provide financial protection and investment support. SCOR has a long-standing reinsurance relationship with SSE Renewables, an offshore wind farm market leader and a well-established player in the renewable market. (Re) insurers not only provide protections for various windfarm projects, but also share valuable knowledge and information that are critical to the success of the projects.

Electricity interconnectors
SCOR is also a lead (re)insurer for electricity interconnectors. These high-voltage cables connect the electricity systems of neighboring countries, allowing for better integration of renewable energies between different countries and regions. These projects support the growth of renewable energy sector and help to decarbonize the economy – and through its product offerings SCOR is helping to accelerate the construction of new facilities as the capacity for renewable energies increases.

CYBER SOLUTIONS

One of the fastest growing but most challenging areas in the (re)insurance sector, Cyber Solutions helps corporate and insurance clients to develop Cyber insurance cover, provides core functions to develop Cyber business and manages emerging Cyber risks worldwide.

HELPING PEOPLE LIVE LONGER AND HEALTHIER LIVES

Life & Health business unit also develops solutions to help people live longer and healthier lives. Moving beyond (re)insurers' traditional role of providing financial protection, SCOR is involved in collaborations across the health and wellness ecosystem to bring impactful insights and programs to clients, policyholders and employees.

Life insurance products for people with chronic conditions
SCOR offers new solutions for diabetics in the form of an app that helps individuals track blood sugar, physical activity and diet with game-changing predictive analytics backed by a machine learning algorithm, collaborating with global pharmaceutical expert Bayer and OneDrop. By offering this additional benefit to policyholders, SCOR proposes a solution that empowers policyholders to not only better manage their diabetes, but also to better understand how their body will react to certain foods, stressors and other external factors.

Early detection through Innovative cancer screening
SCOR is contributing to the development of an innovative cancer screening solution, by partnering with Bowtie, Hong Kong's first virtual insurer, and Take2, a healthcare and biotech company. Bowtie will fully sponsor 1,300 of its life insurance customers between ages 40-60 to conduct a Take2 Prophecy™ Test for Nasopharyngeal Cancer. For participants who receive positive test results, Bowtie & JP Health provide a free follow-up medical consultation. The partnership with Bowtie and Take2 is another example of the development of solutions for vulnerable populations.

Contributing to policyholders' health & wellness and longevity
For the promotion of healthy lifestyles, SCOR's Biological Age Model (BAM) algorithm continues to prove an effective tool for helping people improve their overall well-being. An evidence-based model for both mortality and critical illness risk, BAM leverages wearable data to encourage physical activities that promote a reduction in biological age and helps people stay motivated as they work toward a healthier lifestyle. BAM continues to gain traction globally, reaching more and more people across Europe

(1) For production, storage and transmission. Based on Estimated Gross Premium Income ("EGPI") for 2020.
(2) Specialty Insurance Single Risk: large industrial risks, underwritten on a risk-by-risk basis (as opposed to reinsurance treaties, underwritten on a portfolio basis by insurance companies).

Chapter 5.
SUSTAINABLE INVESTMENT ACTIVITIES

5.1 SCOR'S SUSTAINABLE INVESTING APPROACH

As a responsible investor, the Group intends to optimize risk adjusted returns, while limiting negative externalities and promoting positive impacts of its investments. Preserving natural assets is a key priority for investments and goes beyond fighting against climate change and reversing biodiversity loss. Nature must be thought in its entirety and SCOR intends to play its role in addressing this tremendous challenge.

SCOR's sustainable investing approach is presented in its Sustainability Policy, which forms a consistent and robust framework to design the strategy. The Group addresses both the resilience of its invested assets vis-a-vis sustainability risks and the positive and adverse environmental and social impacts of its portfolio. The current state of play of sustainable finance is evolving very fast, advocating for agility, flexibility and constant improvement in terms of approach, methodologies and tools.

A STRONG RISK MANAGEMENT CULTURE

Thanks to its core business as a reinsurer, SCOR has developed a strong risk culture across the entire Group. Risk management includes sustainability as non-financial risks and opportunities as well as potential impacts of the portfolio on ecosystems. Environmental, social and governance criteria are embedded in investment decisions and monitored closely during the investment life cycle. SCOR considers E, S and G criteria as potential early signals of future risks. As such, issuers' extra-financial ratings are screened within risk management processes to better anticipate potential deterioration of credit quality and environmental and social impacts. Controversial issues are also analyzed to detect potentially at-risk positions at an early stage. Identifying risks – financial as well as non-financial ones – and managing them to increase the resilience of the portfolio serves the investment strategy and the long-term profitability of SCOR.

EMBEDDING NEW TRENDS AND OPPORTUNITIES

Monitoring new trends is critical to keep momentum and detect not only new risks but also new opportunities. SCOR is involved in several initiatives at national, European and international levels to stay connected with innovation around sustainable finance and non-financial corporate reporting. Detecting opportunities is part of the Group strategy to build a resilient portfolio and create long-term value.

SCOR also invests in Insurance-Linked Securities that participate to the resilience of communities following extreme events. Unlike physical risk borne by direct investments, SCOR gets compensated for accepting to build exposures to selected physical risks that can be either climate driven like storms or other types of extreme events like earthquakes. As there is limited correlation between financial markets evolutions and natural catastrophes occurrence, this strategy provides diversification to the invested assets portfolio and increases its resilience. Again, the Group leverages upon SCOR Investment Partners' long-lasting performance in managing this asset class.

THEORY OF CHANGE AND IMPACT FRAMEWORK

SCOR intends to contribute to international goals about climate and biodiversity highlighted by the Paris agreement and the Convention on Biological diversity. As an investor, SCOR aims at reducing the environmental negative impact of its investees and of its investment portfolio in line with these frameworks by combining exclusion, best-in-class strategy, stewardship and by investing in climate and nature-based solutions. SCOR high level Theory of Change regarding investments is summarized in the table below.

ADDRESSING THE DOUBLE MATERIALITY

When considering environmental, social and governance criteria in its investment strategy, SCOR believes that materiality is key to both identify potential risks and best opportunities and assess impacts of its investment decisions. Protecting the portfolio from downside effects linked to non-financial risks and in particular, climate-related adverse impact is at the heart of SCOR's investment risk management. Resilience intends to protect the value of assets against both transition and physical risks. These two risks move in opposite directions as the faster the transition the higher the possibility of containing global warming. However, this works to the extent where transition occurs early enough and in an orderly manner. Otherwise, transition damages – mainly stranded assets – and significant increase in severity and /or frequency of climate-related extreme events may both hit the value of investment portfolios.

In order to improve longer-term resilience, it is of outmost importance to also address inside-out effects of investment decisions. By doing so, SCOR actively contributes to a faster transition and, in return, protects its portfolio against physical damage in a much longer time horizon. This loopback effect drives back long-term horizon within shorter-term investment decisions.

This has led SCOR to early exit some sectors that are not compatible with the Paris Agreement and the Group has extended its divestment from fossil energies in 2022. The Group has also taken additional steps to better impact the real economy. This includes joining engagement initiatives and enhancing the best-in-class strategy applicable to upstream oil & gas companies.

Objective	Action	Outcome	Impact
Aligning with the Paris agreement	Exclusion/ Divestment Best-in-class Stewardship	Investees reducing their GHG emissions	Contribution to Net-Zero and Contribution to reversing Nature loss
		Reduction of SCOR portfolio carbon footprint in line with 1.5°C IPCC scenarios	
Aligning with the Convention on Biological Diversity (CBD) goals		Investees reducing their biodiversity footprint	
		Reduction of SCOR portfolio biodiversity footprint	
	Investing in climate solutions and nature-based solutions	Increasing the "Nature Positive Impact Investment" bucket in SCOR portfolio	

5.2. 2022 UPDATES IN SCOR'S INVESTMENT STRATEGY

In 2022, SCOR has accelerated its investment journey toward sustainability:

- SCOR has refined its sustainability policy regarding thermal coal;
- SCOR has decided to refine its best-in-class strategy when investing in upstream oil & gas, and SCOR does not invest in oil & gas producers except if they have no expansion plan, comply with the sub-sectors thresholds and are best-in-class, based on the Global Oil & Gas Exit List from Urgewald. SCOR has committed to divest totally from companies generating revenues from unconventional oil and gas by 2030 worldwide;
- Following the second edition of the Target Setting Protocol by the NZAOA, SCOR set additional targets in 2022. In addition to former targets, SCOR has set a target of reducing the carbon intensity of the corporate bond and equities sub-portfolio by 55% by 2030 (base year 2020). SCOR also targets to reduce the carbon intensity of the investment direct real estate sub-portfolio by 50% by 2030 (base year 2021). And regarding the power utilities portfolio, SCOR targets to reduce the carbon intensity ($MtCO_2eq/PJ$) by 38% by 2035 (base year 2020);
- SCOR has increased its dialogue with investees, has pursued its active participation to the NZAOA and the Finance for Biodiversity Foundation. SCOR has also joined new initiatives to better support its objectives and target on environment.

Detailed updates can be found in SCOR Sustainability Policy available on SCOR website.

5.3. OVERVIEW OF SCOR'S PARTICIPATION IN SELECTED INITIATIVES

NET-ZERO ASSET OWNER ALLIANCE

In May 2020, SCOR has joined the Net-Zero Asset Owner Alliance (NZAOA). This initiative aims at supporting asset owners in their commitment to carbon neutrality by 2050 in their portfolios.

Net-Zero Asset Owner Alliance: impacting the real economy

The Net-Zero Asset Owner Alliance provides a unique framework for investors to design, implement and report on their decarbonization strategy. The science-based Target Setting Protocol enables to rely on a credible set of assumptions supported by robust academic research. It offers the possibility to combine portfolio targets, sector targets and engagement targets to ensure actual translation of investment decisions into the real economy to effectively reduce GHG emissions in the atmosphere. Calling for enlarging investment universe in transition solutions complements the toolkit to design the net-zero world. The Protocol provides the collective answer of investors and a relevant benchmark to support decision making in a near future. As such it brings back the long-term vision of a carbon-neutral world within the time horizon of investment decisions.

The actual pathway investees will follow in their decarbonization journey is a critical element of investors success in their attempt to align their portfolio with the Paris agreement.

In 2022, SCOR actively participated to NZAOA various working groups that are meant to enhance the Alliance approach and to foster decarbonization of the real economy. In January 2022, the NZAOA also released the second edition of its Target Setting Protocol.

In this new edition of the Target Setting Protocol, the Net-Zero Asset Owner Alliance invites all members to set targets for end of 2029 based on 2019 portfolio positioning, called the "baseline", in addition to targets for end of 2024 (baseline 2019) set out in the first edition of the Target Setting Protocol.

- Engagements targets are mandatory as the Alliance considers dialogue as the most powerful tool to impact the real economy. However, this needs to be complemented with decarbonization targets to better align interests of engagement with investors commitments.
- Portfolio decarbonization: Using IPCC P1 to P3 pathways, the Alliance has concluded that investors should set an interim target of decarbonization in the range of -22% to -32 by end of 2024 and in the range of -49% to 65% by 2030 to align with a carbon budget compatible with carbon neutrality by 2050. Each member sets its own targets depending on its portfolio sector mix and the efforts already made prior to the baseline. As a first step, targets are expected for publicly traded corporate bonds and listed equities, as well as real estate for investment purposes when possible. Other asset classes will be progressively covered over time, Sovereign, Supranational and Agencies bonds.
- Sector decarbonization: The Alliance has used the One Earth Climate Model commissioned to the University of Technology Sydney (UTS) to set decarbonization objectives for the highest emitting sectors.
- Members are strongly encouraged to develop financing solutions to support the transition to a low carbon economy and are invited to set targets on initiatives or contributions to foster new solutions.

In 2022, SCOR took some steps to decarbonize the investment portfolio in line with its targets set as a NZAOA member. Fully and systematically exiting highest emitting sectors is not compatible with engagement with companies operating in those sectors that most need to transition to a low carbon economy. Setting targets means designing the right balance between fast decarbonization and engagement results. This also aligns with SCOR's principles set in its Sustainability Policy to apply a balanced approach between enhancing access to development and reducing CO_2 emissions in the atmosphere.

CLIMATE ACTION 100+

To increase its dialogue with carbon intensive investees, SCOR joined Climate Action 100+ in 2021. It is an investor-led initiative aiming to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change.

THE POWERING PAST COAL ALLIANCE (PPCA)

To reinforce its commitment about thermal coal, the investment branch of SCOR joined the Powering Past Coal Alliance (PPCA) in 2021. This coalition of national and subnational governments, businesses and organizations works to advance the transition from unabated coal power generation to clean energy. It aims to:

- secure commitments from governments and the private sector to phase out existing unabated coal power;
- encourage a global moratorium on the construction of new unabated coal-fired power plants;
- shift investment from coal to clean energy, including by working to restrict financing for coal-fired projects;
- achieve coal phase-out in a sustainable and economically inclusive way, including appropriate support for workers and communities.

FINANCE FOR BIODIVERSITY FOUNDATION

Carbon sinking participates to climate-change mitigation and SCOR recognizes the need to better consider biodiversity when tackling climate change. In 2020, SCOR has signed the Finance for Biodiversity pledge and has become member of the CDP forest champion initiative. In order to deliver on this commitment, SCOR joined the Finance for Biodiversity Foundation in 2021, and collaborates with other investors to develop a common understanding of the topic and share knowledge and experience. This has led to several guides on methodologies and preliminary engagement actions, mainly on deforestation. In 2021, SCOR also joined the TNFD Forum, a consultative grouping of institutional supporters who share the vision and mission of the TNFD (Taskforce on Nature-related Financial Disclosures) and have expressed a willingness to make themselves available to contribute to the work and objectives of the Taskforce.

PRI'S SUSTAINABLE COMMODITIES PRACTITIONERS' GROUP (SCPG)

In 2021, SCOR joined the PRI's Sustainable Commodities Practitioners' Group (SCPG), a forum for building investors' awareness and share current practice in responding to commodity-driven deforestation. SCOR has committed to draft a "zero deforestation policy" (disclosed in the Sustainability Policy in 2022) and assess the risks linked to deforestation in its invested assets portfolio. A detailed agenda covering 2022 to 2025 sets ambitious milestones to tackle deforestation in investments.

FINANCE SECTOR DEFORESTATION ACTION (FSDA)

In order to reinforce its target to halt deforestation, SCOR signed in 2021 the Financial Sector Commitment Letter in the context of the COP 26 in Glasgow, there becoming a signatory of the FSDA investor initiative which aims at taking concrete actions like collective engagement. In 2022, the FSDA initiative sent a letter to ask some companies to stop deforestation in their operations and supply chains. Another letter was sent by the FSDA initiative to ask data providers to improve deforestation data relevance and accuracy. Collective investor engagement calls with some companies were also organized in 2022, and SCOR participated to some of them.

VALUING WATER FINANCE INITIATIVE

In 2022, SCOR joined the Valuing Water Finance Initiative, a CERES' investors collective initiative to engage companies on water issues. Indeed, SCOR believes that addressing water quality and scarcity issues is key for ensuring biodiversity protection. Water is also essential for climate change adaptation. Concretely, SCOR will participate to dialogues with companies to promote sustainable water management practices.

ADVANCE

In 2022, SCOR joined Advance, the UNPRI's investors stewardship collective initiative for human rights and social issues, which is fully consistent with SCOR longstanding participation in the United Nations Global Compact. In the context of this initiative, SCOR will participate to dialogues with companies to drive positive outcomes for workers, communities and society. Considering the need for a just transition, SCOR will leverage this initiative to promote a transition where no one is left behind.

5.4. STEWARDSHIP STRATEGY

SCOR intends to take its part in supporting a more sustainable world. This relies on selecting investments but also on engaging a fruitful dialogue with companies to foster actions towards more sustainable business models. This is the second pillar of SCOR's Theory of Change, intending to reduce GHG emissions in the atmosphere and ultimately maintain global warming within the limits of the Paris agreement.

SCOR exercised its voting rights in 2022, but none of the resolutions were related to climate, as the SCOR equity portfolio is quite small.

Beyond voting and exercising its shareholder's duty, SCOR has decided to join several initiatives like the Climate Action 100+ one for efficient engagement. Given its low appetite for equities as an asset class and the limited amount of its invested assets (circa EUR 23billion), the Group favors collaborative initiatives rather than individual dialogue. In 2022, SCOR participated to 20 engagement meetings about climate and biodiversity issues. They were prepared or debriefed during 14 other meetings with investors. Some positive results were obtained following a collective engagement with 3M regarding halting the production of persistent chemicals (PFAS).

SCOR also fosters dialogue with its external asset managers, mainly during the yearly due diligence monitoring processes. This is the opportunity of an in-depth explanation of the philosophy underpinning the Sustainability Policy and a fruitful dialogue on the way investment managers consider SCOR's preferences in their investment decisions and ensure alignment between investment managers calibration tools and SCOR's investment strategy. Compliance ensures restrictions are correctly coded in their systems. Best in class strategies are discussed and detailed to ensure they are based on the same understanding and criteria.

When relevant, SCOR also performs policy advocacy activities by participating in collective initiatives. In Spring 2022, SCOR signed the letter to the FAO (Food and Agriculture Organization) calling for the publication of a central roadmap to 1.5°C for the agriculture and land use sector. This engagement initiated by FAIRR (a collaborative investor network that raises awareness of the ESG risks and opportunities brought about by intensive livestock production) was successful. FAO confirmed in November 2022 that work is underway to produce a roadmap for the Agriculture, Forestry and Other Land Use (AFOLU) sector to align with 1.5C by 2050 – aiming for publication by COP28.

To signal support for those regulations about deforestation, SCOR signed in 2022 a letter shared by a member of the Finance for Biodiversity foundation supporting 3 bills against imported deforestation in the US.

5.5. SEEKING FOR POSITIVE OUTCOME

SCOR considers sustainability under the lenses of impacts, dependencies, risks, and opportunities. Investing in themes that bolster sustainable development and allow for a balanced approach toward a just and resilient transition drive SCOR's responsible investment strategy and constitute the third pillar of SCOR's Theory of Change. In order to finance the sustainable development of societies, SCOR invests in real assets financing the transition to a low carbon economy and in sustainable bonds compliant with international or European standards.

- Green investments: SCOR has designed an internal taxonomy to qualify real assets as "green" investments and will progressively shift to criteria referring to the EU taxonomy.
- Green and Sustainable bonds: SCOR fosters doubling the amount of green and sustainable bonds by end of 2024 compared to end of 2020.

As an example, SCOR has developed a unique real estate business model based on buying brown buildings in core locations to retrofit them following the highest environmental and energy efficiency standards before selling them to externalize the value created. Over the last 10 years, SCOR has also built a material bucket of infrastructure debt and real estate debt financing the transition to a low carbon economy. This "green bucket" has been built leveraging SCOR Investment Partners' historical expertise in real estate and debt investments.

5.6. IMPACT OF CLIMATE CHANGE IN INVESTMENT ACTIVITIES

RATIONALE OF TIME HORIZONS

Time horizons are important drivers of decisions and must align with the objectives of the strategy. The duration of invested assets is relatively short, around 4 years, in line with SCOR's reinsurance business.

This enables to increase the resilience of the portfolio against long term adverse trends. Bonds represent the bulk of the portfolio. Time horizon can be split in three buckets: less than 2 years, 2 to 5 years and above 5 years. SCOR considers that below two years, the risk is mainly a default risk as the sensitivity of bonds is relatively small. Above 5 years, uncertainties mainly around policy responses for transition risks and climate evolution for physical risks may lead to higher volatility in assets valuation.

CLIMATE PHYSICAL RISK

	Short term (below 2 years)	Medium term (2 to 5 years)	Long term Above 5 years	Risk management / impact assessment	SCOR mitigation action	
	Within investments, physical risk relates to exposures to climate-related extreme events (acute) or to global trends due to climate change (chronic)					
Acute	Directly: Related to investments in physical assets (buildings and real estate debt, infrastructure debt)			Models and simulations Assessment of climate risk performed internally using property cat models	Location of investments	Focusing on deforestation risk as a mitigation action to climate-change risks
	Indirectly: Related to corporate exposures Companies in which SCOR invests may suffer from climate-related extreme events depending on their geographical locations			Models and simulations: Portfolio monitoring		
Chronic			The business models of companies in which SCOR invests may suffer from major climate-related trends (increase of sea level, droughts…)	Models and simulations: Portfolio monitoring		

CLIMATE TRANSITION RISK

	Short term (below 2 years)	Medium term (2 to 5 years)	Long term Above 5 years	Risk management / impact assessment	SCOR mitigation action
	Within investments, this risk mainly relates to carbon intensive sectors which may be hit by new regulation. It can also relate to more stringent regulation and reputation risk linked to deforestation. Risks may differ between investments in equities and in bonds as equity prices may never recover whereas bonds may be redeemed at par at maturity. For SCOR the risk is on corporate bonds given the low appetite of the Group for investments in equities				
Carbon intensity	Coal Coal power	Oil Gas	Automotive	Models and simulations: Portfolio monitoring Foot printing	Divest from highest emitters or sectors with alternative activities. Implement a best-in-class strategy and engage companies to foster an orderly transition. Set decarbonization pathways. Limit exposures to most carbon intensive sectors and divest from laggards to limit market downside.
			Real estate	CRREM	Certification Retrofit
Deforestation		Agri Food Personal Care / Cosmetics		Screening of the portfolio	Joining initiatives to engage with companies – Finance for Biodiversity – Finance Sector Deforestation Action (FSDA)

CLIMATE-RELATED OPPORTUNITIES

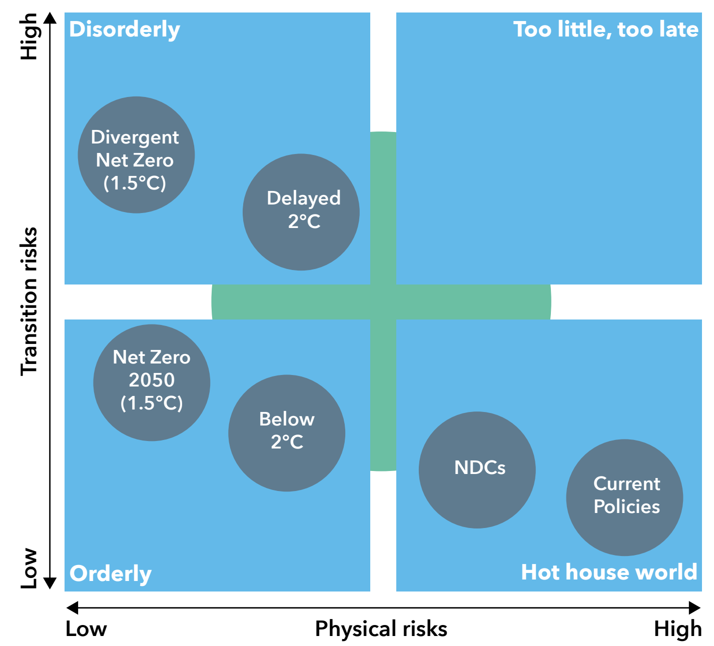
	Short term (below 2 years)	Medium to long term (above 2 years)	Assessment	SCOR answer
Physical	Insurance Linked Securities		Diversification effect	Selection of perils / geography
Transition	Green, social and sustainable bonds Solar, wind (corporate bonds, infrastructure debt) Energy efficiency (direct real estate and real estate debt)	Potential new technologies providing diversification to the invested assets portfolio (including carbon sinking solutions and clean energies)	Internal taxonomy Leverage the AOA financing transition initiatives	8.5% of the portfolio invested in investments favoring transition as of end of 2022

CLIMATE STRESS TESTING

Building a resilient portfolio is part of SCOR's sustainable investment journey. Over the last years, the Group has played an active role in numerous working groups and initiatives aiming at better understanding the potential impact of climate risks on investment portfolios. Stress tests, usually considered as "what-if" scenarios, are helpful to better understand the factors driving change in valuations and to derive potential mitigation measures to increase resilience. When considering climate change risks on invested assets, SCOR considers different scenarios and time horizons depending on the risk: transition risks may occur in a relatively short time horizon whereas physical damage may increase over time with increase of temperature. In principle, the faster the transition, the higher the transition risk but this should efficiently decrease the risk of reaching the tipping point in global warming and limit the damage of physical risks in a longer-term horizon. Conversely, to slow a transition will limit potential "stranded assets", but temperature is likely to rise far above 2°C with possible tremendous impacts on frequency and magnitude of climate extreme events. The worst scenario would be a late and disorderly transition that comes too late to contain global warming and too suddenly to allow for a progressive adaptation of business models.

The graph from the Network for Greening the Financial System below summarizes the various combinations.

NGFS SCENARIOS FRAMEWORK



Positioning of scenarios is approximate, based on an assessment of physical and transition risks out to 2100.

SCOR's journey

In 2018, SCOR has produced its first heatmap of climate transition risk on its invested assets using a Moody's study highlighting most vulnerable sectors. This first assessment has been complemented in 2019 with a first attempt to quantify the potential decrease in invested assets valuation using both the 2° investing initiative Storm Ahead study, very close to the Inevitable Political Response proposed late 2019 by the PRI, and the DNB stress test scenarios. The exercises performed in 2019 have been complemented in 2020 with the ACPR climate stress tests.

Last year, the Monetary Authority of Singapore (MAS) launched its 2022 Climate Risk Industry-Wide Stress Test (IWST). IWST considered three hypothetical and exploratory climate-related scenarios over the period 2022-2050. These scenarios, described below, are broadly consistent with the Phase II NGFS Scenarios published in June 2021. However, they include some additional assumptions on ASEAN-5 countries.

Given the uncertainties around i) the climate scenarios, ii) their consequences in terms of macro-economic variables and iii) their inherent limitations, SCOR monitor impacts of previously performed scenarios and compare them with recently developed.

The three sets of scenarios are compared below.

Transition and physical risks

Scenario provider	2°ii		De Netherlands Bank (DNB)	Monetary Authority of Singapore (MAS)
	Transition risk	Physical risk	Transition risk	Transition & Physical risks
Climate scenario	Below 2° scenario (EIA B2DS) (Too late too sudden)	IPCC 8.5 for full damages scenario (chronic and acute) and S&P's "The heat is on" report for weather shock (acute) scenario	Policy shock/Technology shock /Double shock/Confidence shock	Orderly Disorderly No additional policies
Main assumptions	Global warming is contained below 2°C		Government policy: +USD 100 per tonne of CO_2 Technology development: The share of renewable energy in the energy mix doubles Consumer and investor confidence	Additional risks for **6 climate-relevant sectors** (Fossil Fuels, Utilities, Heavy Industry, Building & Construction, Transportation, Agriculture) Static balance sheet
Time horizon	2025	2060/ 2100 for full damages scenarios One-off for acute	2025	2025-2050, with time steps of 5 years Comparison point with DNB 2025
Risk assessment	Credit migration Quantification of credit deterioration (spreads) and equity values based on sector breakdown	Credit migration Quantification of credit deterioration (spreads) and equity values based on sector breakdown	Quantification of credit deterioration (spreads) and equity values based on sector breakdown Interest rates impacts	Interest rates based on country; Credit spreads and equity prices based on country and sector; exchange rates based on quotation currency
Positive aspects	Enables a better understanding of sectoral exposure to transition risks and opportunities	Worldwide map on equities as well as sovereign and corporate bonds	Provides credit spreads and rate impacts, as well as equity values impacts	Prescribes all macro-financial parameters highly Provides the parameters for liabilities as well
Limitations	Translation of the shock into full macro-economic variables No interest rates shock Top-down approach which does not allow for best-in-class strategy	High level view of potential credit migration No interest rates shock	Only addresses transition risk Migration of credit ratings not analyzed	With the focus only on ASEAN-5 countries Migration of credit ratings not analyzed

Results are not directly comparable among the simulations. Significant research advances were done over the last years by climate scenarios providers with increasing understanding of physical and transition risks and macro-financial impacts.

Time horizons

2025 is a common horizon proposed in the three simulations. SCOR's guidance was to run simulations based on the portfolio as of end of 2021 "as if" the asset allocation was kept fully unchanged by 2025, including no aging and no dividend income or interest income/ coupons considered.

Climate scenarios

Climate scenarios underpinning macro-economic variables are not directly comparable between 2° investing initiative, the DNB and MAS. First two refer to keeping the global warming below 2 degrees, but the pathways and reference scenarios are not aligned. 2°ii links it to a specific International Energy Agency, DNB relies more on a carbon price to derive macro-economic variables and MAS refers to scenarios with the temperature raise from +1.5°C up to 3°C and more that could occur by 2100 based on NGFS.

Macro-economic variables

Equity reflects a small share of allocated assets, hence the risks impact in equity prices changes is negligible. Due to congruency on assets and liabilities within the quotation currency, exchange rates impact can be neglected as well. While Interest Rates changes are the main parameter reflecting the health of the economy, one has to keep in mind that for (re)insurers, the bulk of fixed income assets are backing liabilities. Therefore, most of the variations on assets are likely to be offset when running the same simulations on the liability side, modulo assets / liabilities mismatch which is always closely monitored. Hence, even if the order of magnitude of rates changes is significantly higher than for credit spreads, SCOR focuses on credit impact when analysing results.

Other limitations

Data is still a critical issue as the European regulation on transparency is yet under implementation and investees are still struggling to disclose meaningful and relevant information. A lot still needs to be developed to gather static information where quantification of projections should rely on forward-looking metrics.

SCOR uses public tools and stress tests. The current level of granularity provides sub-sector information on transition climate-change impacts. The success of the transition to a low carbon economy requires additional efforts than exiting highest emitting sub-sectors to invest in green activities. As transition plays an important role to build a climate resilient economy, implementing a best-in-class strategy must be part of the solution which is incorrectly accounted for in these simulations.

Results and conclusion

The table below shows the comparison of the quantification under the three simulations: 2°ii, DNB and MAS. If the quantification may be challenged given the limitations already highlighted in this section, the exercise is still helpful to stimulate discussions and enhance SCOR's understanding of the risk drivers of its invested assets.

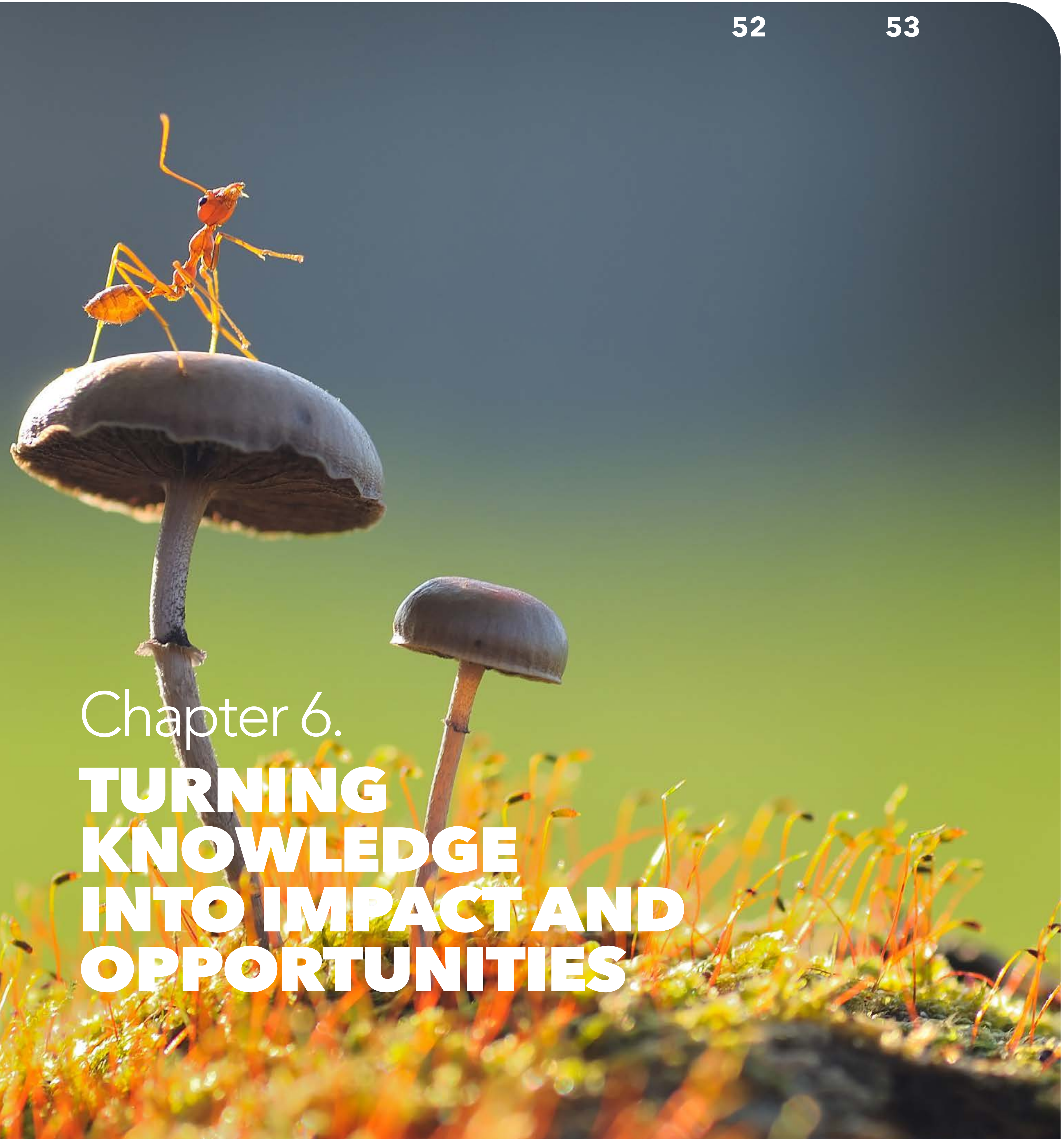
To account for the latest climate trends and policy commitments, inflation raises and geopolitical evolvement, SCOR follows new developments from regulators and other institutions regarding climate stress scenarios with care and interest.

	Time horizon 2025		Time horizon 2050		Time horizon 2060	No time horizon
	Transition	Transition			Physical (full damage)	Physical Acute
	Credit + Equities	Rates			Credit	Equities
2°ii	loss <1%	N/A			loss <1%	loss <1%
DNB	loss <1%	< 7% and offset by liabilities				
MAS	**Transition and Physical risks combined for MAS**					
	Credit	**Interest Rates**	**Credit**	**Interest Rates**		
	loss <1%	< 7% and offset by liabilities	loss <2%	< 10% and offset by liabilities		

5.7. BEYOND CLIMATE CHANGE

Over the last years, SCOR has developed a comprehensive framework to onboard sustainability-related matters in its investment strategy. If climate change is more mature and at the top of the agenda of main stakeholders, other environmental topics have emerged, unveiling the global picture of living in harmony with Nature. SCOR has designed an ambitious roadmap and unfolds its sustainable investor's journey

		2020-2021	2022
Nature	SCOR study	Study of the ENCORE tool (visualize double materiality links between economy and nature)	TNFD pilot with our data provider Iceberg Data Lab
	SCOR commitments and policy	Act 4 Nature targets Joined the Finance for Biodiversity Foundation to reverse Nature loss by 2030	
	Corporate engagement	Collective engagement about biodiversity with some investees Race to Zero (RtZ) call for climate action announcements from private finance institutions before COP26 – notably to reverse Nature loss by 2030	
Deforestation	SCOR study	First study and portfolio screening presented at the Group Sustainability Committee and the Sustainability Committee of the Board of Directors in 2021	
	SCOR commitments and policy	Joined the PRI Sustainable Commodities Practitioners' group to write a deforestation policy Signed Race to Zero financial sector commitment letter on eliminating commodity-driven deforestation	
	Corporate engagement		Collective Engagement with some investees
	Policy advocacy		Signed 3 letters of support to US legislations aiming at curbing imported deforestation
Water	SCOR study		First study and portfolio screening presented at the Group Sustainability Committee and the Sustainability Committee of the Board of Directors in 2022
	Corporate engagement	Joined the CERES Valuing Water Investor Working Group	
Plastics	SCOR study	First study and portfolio screening presented at the Group Sustainability Committee and the Sustainability Committee of the Board of Directors in 2021	
Hazardous Chemicals	Corporate engagement	Collective engagement with chemicals company	Collective engagement with chemicals company



Chapter 6.

TURNING KNOWLEDGE INTO IMPACT AND OPPORTUNITIES

6.1. SCOR FOUNDATION

Embedded in its *raison d'être*, the Art & Science of Risk is at the heart of SCOR's mission. As such, contribution to scientific research is key to understanding risks as thoroughly as possible, including risks related to human health and well-being. The Group set up the SCOR Corporate Foundation for Science to promote scientific research in 2011. With a EUR 1.5 million endowment per year, the Foundation was funded by the SCOR Group with a total of EUR 15.7 million in support until the end of 2022. Between 2011 and the end of 2022, the Foundation devoted EUR 11.2 million to promoting scientific research.

The SCOR Corporate Foundation for Science lends its support to various kinds of risk and (re)insurance-related projects, including university chairs, research projects, conferences and publications. Support for research covers a broad range of social and economic areas: climate risks and their insurability, impact of climate risks on Non-Life insurers, geo-learning of catastrophic risks, coastal flood forecasting, natural risks linked to forage crops, risk modeling in general, Alzheimer's disease, pandemics, infectious diseases, genetic tuberculosis treatment, prevention of smallpox, modeling of life expectancy and mortality, meteorite risks, motor insurance throughout the world, pension funds, best practice risk management, predictability of earthquakes, behavior following earthquakes, genetic research on Covid-19, and macroeconomic risks, especially economic and social inflation and monetary policies. Deliverables include scientific reports and studies as well as the organization of scientific conferences and webinars.

In 2022, the SCOR Corporate Foundation for Science co-funded the "Geolearning" Chair at Ecole des Mines and INRAE, alongside BNP Paribas and *Caisse Centrale de Réassurance*. The Chair is specialized in the field of geostatistics, extreme events and machine learning applied to the analysis of spatial and spatio-temporal data for applications related to ecological, climatic and environmental transitions.

SCOR and the SCOR Corporate Foundation for Science also organize Actuarial Awards in Europe (France, Germany, Italy, Spain & Portugal, Sweden, Switzerland and the United Kingdom) and in Asia (Singapore). The Group places great importance on the development of actuarial science and each year awards prizes for the best academic papers in this field.

The foundation proposes regular internal conferences for SCOR's employees, supporting their journey in better understanding challenges linked to sustainability.

Additional information about the R&D activities, the SCOR Corporate Foundation for Science, and other research activities is presented in Section 1.2.6 of the 2022 Universal Registration Document.

6.2. SUPPORTING THE DIGITALIZATION OF THE ECONOMY

The digitalization of the economy is a source of opportunities for the Group, given the related need for protection and the contribution of new technologies in improving access to insurance and reducing of the protection gap. The use of new technologies is a dimension developed as part of the Group's strategic plan and supports the development of parametric reinsurance solutions as alternatives to indemnity mechanisms, in order to contribute to climate change adaptation strategies, or to develop inclusive insurance products to cover vulnerable populations.

In addition, SCOR leverages the available data to provide clients with superior data management, experience analysis, advanced modelling and innovative data services.

EXPERIENCE ANALYSIS

The Group has a long tradition of providing experience analysis services to its clients, powered by a strong risk expertise across all types of biometric and policyholder behavior risks. SCOR has developed a global experience analysis platform (APEX), to standardize and simplify the production of studies based on actuarial best practices. By leveraging APEX, SCOR's local market experts analyze clients' portfolios to develop actionable insights that help them improve their business performance, working closely with SCOR's experts in distribution, medical underwriting and claims. The research helps clients translate their experience into reliable assumptions for steering their business, while SCOR's global data pool gives them unique insights into the sales mix and risk behavior by product, insurer or even country.

DATA ANALYTICS SERVICES

SCOR helps clients unleash the value of data through the services provided on its Data Analytics Solutions Platform (DASP), which enables its data scientists and actuaries to deliver technical solutions that are ready to use and easily shareable. It facilitates the exchange of coding and knowledge between experts and uses the cloud to make its services directly available. From product design to the delivery of technical solutions, SCOR's Data Analytics community is focused on producing high-quality, off-the-shelf services that can be easily integrated into various systems. SCOR's Data Analytics community also delivers artificial intelligence-based services that are ready to use and fully adapted to SCOR's clients' needs.

CREATING VALUE FROM CONSUMER INSIGHTS

ReMark – a SCOR subsidiary – is SCOR's digital solutions provider, covering the full consumer journey and helping clients to understand and engage their consumers. It specializes in finding new ways to create value for insurers, by engaging their audience and increasing their sales through personalized, multi-channel marketing campaigns, and tailored tech solutions. ReMark's annual Global Consumer Study is a key tool for improving its understanding of consumer attitudes toward risk and other trends. It has one overarching aim: to help insurers empower consumers by creating sustainable, mutually beneficial and long-lasting relationships with the people they serve. The 2022 study was based on responses from 12,728 consumers in 22 key insurance markets around the world. In 2022, the scope of the study was expanded to include Property and Casualty (P&C) risk for the first time, in addition to Life and Health (L&H) insights (see 2022 Activity report for further information).

6.3. CLIMATE LEADERSHIP

Research on climate risk management, particularly on climate risk modelling techniques and climate risk transfer mechanisms, is part of SCOR's core expertise and contributes to a better understanding of and adaptation to climate change challenges.

This institutional commitment to climate change adaptation is backed at the highest level of the Group. SCOR's Chairman has co-chaired the Geneva Association's Extreme Events and Climate Risks working group since May 2015. He is also a member of the Steering Committee of the Insurance Development Forum, a partnership led by the reinsurance industry supported by the United Nations, the World Bank and several other international bodies. Additionally, SCOR is a member of the InsuResilience Global Partnership for Climate and Disaster Risk Finance and Insurance Solutions, an initiative more specifically designed to provide insurance solutions to the most economically vulnerable populations.

P&C ACTIVITIES

The natural catastrophe modelling teams within the Group's P&C business unit are working to factor the latest usable scientific knowledge into the models they use. The natural catastrophe modelling tools used to assess insurance risks take account of climate risk both implicitly (e.g. claims activity being used as the basis for calibrating models) and explicitly (e.g. using current estimates of rising sea levels to assess the risk of coastal flooding rather than long-term averages). As a result, current changes in the frequency and severity of the natural risks that SCOR underwrites, whether or not they are related to climate change, are taken into account in the pricing of contracts (see also section 8.4 / P&C and L&H underwriting activities/ Catastrophe modelling and pricing) .

Furthermore, SCOR is one of the earliest supporters of OASIS, a not-for-profit organization funded by private stakeholders developing an open-source risk modelling platform designed to provide a better understanding of the impact of climate change on extreme events. Leveraging the latest scientific knowledge for modelling purposes, the Group has implemented internal OASIS model for forest fires in California and developed new flood modelling mechanism in China.

The Group has also partnered with Climate-KIC, one of the largest public-private partnerships founded to combat climate change and has joined the European Insurance and Occupational Pensions Authority's working group to discuss how currently observed trends can be factored into current natural disaster modelling techniques.

LIFE & HEALTH ACTIVITIES

On the Life & Health side, a dedicated L&H working group was created in 2020 to develop the L&H insurance industry's position on climate change and its impacts on the sector. Its purpose is to increase awareness, knowledge and understanding across the organization about the long-term impact, both direct and indirect, of climate change on human health and business. The group, comprising medical doctors, actuaries, risk management professionals and others from all geographies, continues to dedicate time and expertise to examine the future of morbidity and mortality risks caused by climate change.

In 2022, as part of the UNEP FI (United Nations Environmental Programme for Financial Institutions), the United Nations Principles for Sustainable Insurance (PSI) group published the first L&H insurance underwriting guide to take ESG risks into account. SCOR's position was represented by a member of the climate change working group, providing the opportunity to contribute to a ground-breaking publication entitled "Managing environmental, social and governance risks in life & health insurance business". The underwriting guide was developed to raise awareness of the complex and evolving range of ESG considerations in underwriting – the process of evaluating, defining and pricing insurance risks – and how industry participants can address ESG risks.

Leveraging the effort of the working group, SCOR continues to identify opportunities to share its climate change expertise with society. In 2022, SCOR published two "Expert Views" papers that evaluate the future of climate change and its impact on human health, entitled "The Relevance of Climate Change for Life Insurance – Part 1: The Risk Manager's View" and "The Relevance of Climate Change for Life Insurance – Part 2: The Medical Director's View". These publications addressed the impact of climate change, explaining which are the most relevant expected long-term aspects from an insurance perspective and how the human body copes with and reacts to them. This knowledge has also been made widely available during industry conferences, expert panel discussions, actuarial events and external publications

Chapter 7.

SUSTAINABLE OPERATIONS

SCOR is committed to operate the business in an environmentally responsible manner, to reducing greenhouse gas emissions related to its operations as much as possible and to reaching net zero emissions by 2050 at the latest. The Group strives to limit the environmental impacts stemming from the management of its operational processes, which include the operation of the buildings it occupies, business travel, office equipment supplies and waste management, among others. It thereby focuses both on the reduction of greenhouse gas emissions and the preservation of biodiversity.

7. 1. MEASURING SCOR'S OWN EMISSIONS

Since 2009, SCOR reports and monitors its carbon emissions linked to the operations of the buildings it occupies, its vehicle fleet, its business travels and office equipment supply (for paper only).

To get a more holistic picture and to better monitor the carbon footprint from operations, the reported scope was enlarged in 2022. Both organizational and operational boundaries were extended by the following additions to the reporting scope:

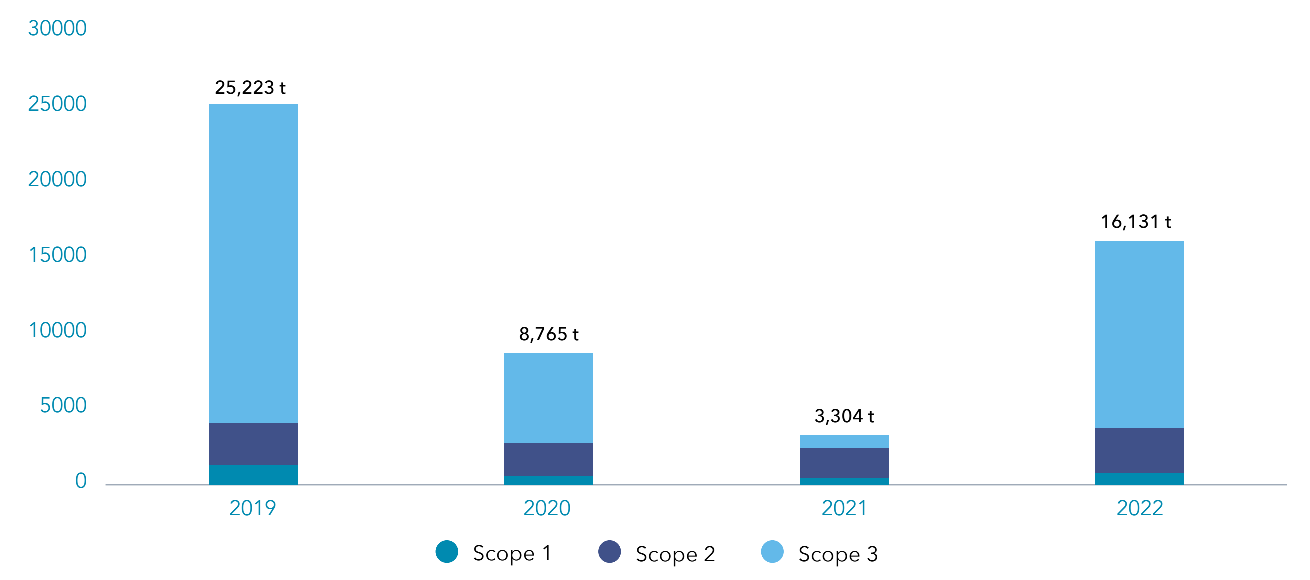
– Scopes 1 and 2:

- Inclusion of small office locations to cover all of the offices and the majority of the Group's employees
- Inclusion of fugitive emissions

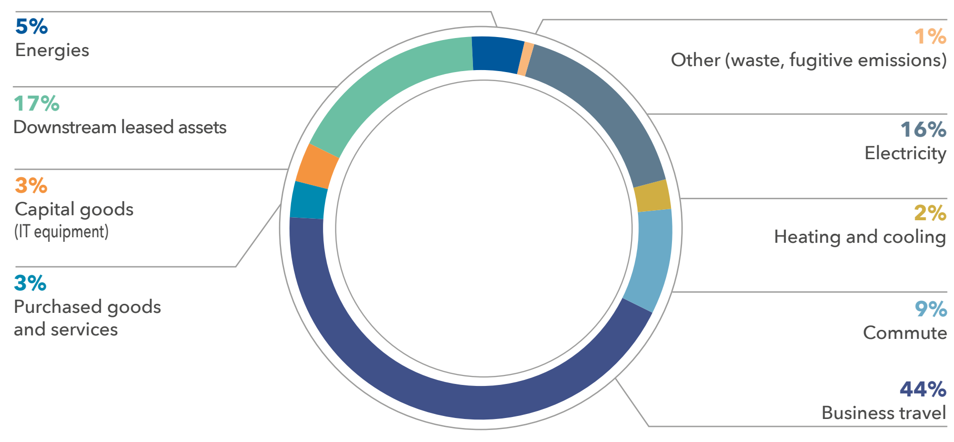
– Scope 3:

- Inclusion of emissions related to employee commuting
- Inclusion of emissions related to waste
- Inclusion of emissions related to purchased goods and services (external data centers, cloud, applications in SAAS and water)
- Inclusion of emissions related to capital goods (IT equipment)
- Inclusion of leased assets

ANNUAL BREAKDOWN OF GHG EMISSIONS BY SCOPES



BREAKDOWN OF GHG EMISSIONS BY SOURCE 2022



Purchases goods and services includes paper, external data centers, cloud, applications in SAAS and water.

For the year 2022, SCOR reports 16,131 tCO_2eq emissions. Despite the above-mentioned extension of the reporting scope in 2022, a significant decrease of the operations carbon footprint is observed compared to 2019 (-36%). 2019 is taken as a reference year since it was the last year before Covid-19 impacts.

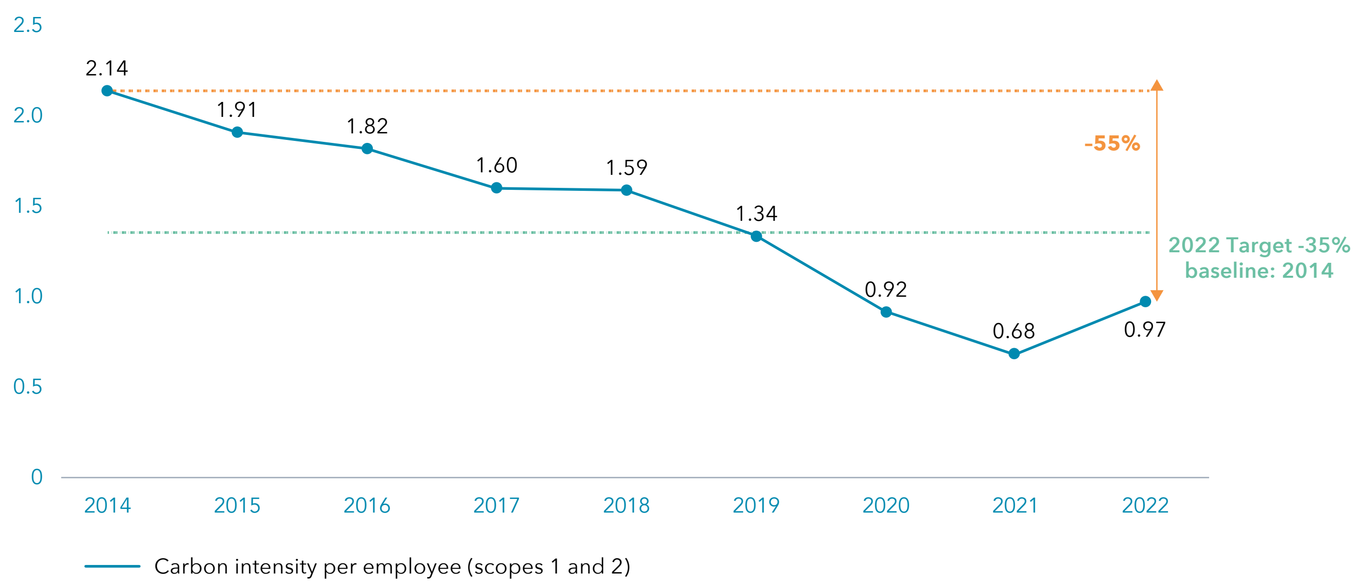
This is mainly attributable to the decrease in business travel (-66% vs 2019). While the first half of 2022 was still impacted by Covid-19, travel activity gradually accelerated throughout the second half of the year.

7.2. SETTING TARGETS

In its ambition to reduce the environmental footprint related to its operations, SCOR had set a target to reduce its scope 1 and 2 greenhouse gas emissions related to operations per employee by 35% in 2022 compared to 2014.

With an effective reduction per employee of 55%, the Group met this objective in 2022. Greenhouse gas emissions per employee amounted to 0.97 tCO_2eq.

CARBON INTENSITY PER EMPLOYEE



The 2023 target is to keep a reduction of 55% on scopes 1 and 2 compared to the baseline of 2014, considering the full recovery post Covid.

7.3. ACTIONS TO FURTHER REDUCE THE ENVIRONMENTAL FOOTPRINT

For each category or source of emission an action plan has been established to further reduce the environmental footprint related to SCOR's operations:

Buildings

With physical locations in approximately 30 countries, SCOR conducts its operations from office buildings that it either owns or rents.

The Group factors environmental considerations into its extension or relocation projects. It opts for sustainable and eco-responsible construction and is attentive to obtaining energy efficiency and environmental certifications, whether for design and construction or for renovation.

The Group also promotes eco-responsible operations by rolling out environmental management systems where possible. In that sense, the Group's office buildings in Paris and in various other large office locations are certified under ISO 14001 or similar for environmental management. In addition, the office buildings in Paris were certified under ISO 50001 for energy management in 2022.

At the end of 2022, 63.9% of the Group's employees falling within the scope of the certified environmental reporting process were covered by an environmental management system (59.5% in 2021).

55%
of the Group's employees falling within the scope of the reporting process covered by an EMS

Energy consumption

The energy consumption of SCOR's buildings, including all offices and internal data centers, resulted in greenhouse gas emissions of 3,143 tCO_2eq in 2022.

Around 68% of the energy consumed by our offices worldwide is electricity.

SCOR favors purchasing electricity from renewable sources whenever it is possible and available. In 2022, 63% of the Group's electricity consumption stemmed from renewable sources. SCOR's objective is to reach at least 70% by 2025.

Amid a global energy crisis, SCOR has implemented a series of initiatives to reduce energy consumption, such as limiting heating and cooling in office space and internal data centers (without creating operating risks), reducing lighting at night and weekends.

SCOR also encourages employees to adopt sustainable practices to reduce their individual energy consumption.

70%
of renewable energies in electricity purchases

Mobility

SCOR promotes low emission transport for its employees by various means, mostly by subsidizing public transport in the different office locations. In France, a free bicycle maintenance is offered to employees commuting by bicycle. For those employees who are still dependent on commuting by car, electric charging stations have been installed in various locations.

In various locations, SCOR also offers its employees the rental of electric bicycles for short-distance travel free of charge.

Business travel

Business travel is the main source of carbon emissions related to SCOR's operations. It accounts for 43% of the total emissions with 7,010 tCO_2eq in 2022 and 21.6 million kilometres travelled.

As travel activity is gradually resuming following the Covid crisis, SCOR pays particular attention to sensitize its employees of the environmental impacts of business travel by various means and encourages them to consider alternatives to physical trips, such as virtual meetings etc.

The Group's travel policy has been updated to promote sustainable travelling. As an example, the use of the train instead of the plane will become mandatory for certain regional segments, mostly within Europe.

The train's share of the total kilometers travelled has already increased to 6% in 2022 from 4 % in 2019.

Consumables

Paper
SCOR encourages its employees to reduce the usage of paper. In 2022, paper accounts for 15t. Many offices have implemented a printing policy that includes reducing the number of printers and installing a badge system to collect all printed documents.

At the same time, 85% of the paper purchased comes from recycled or labeled paper (vs 75% in 2019).

Plastic free policy
The Group has launched a program to stop using single-use plastics in several of its offices, particularly the largest ones in terms of staff and size, such as Paris, London, Cologne, Zurich and Singapore. This includes water and drinking bottles, single use plastic cutlery, plastic cups etc.

SCOR wants to extend this policy to the majority of its offices.

100%
of directly owned offices adopting a plastic-free policy by 2025

Waste

Even if waste accounts for a very limited part of SCOR's emissions (less than 1%), SCOR is committed to reducing and recycling waste as much as possible.

Among all the waste monitored, SCOR pays particular attention to paper used and sent to recycling (office paper, archived paper, newspapers and cardboard). In addition, SCOR recycles plastic, glass, electronic waste, batteries, CDs and polystyrene.

The total waste disposed of in 2022 was 362.1 tonnes, of which 30% was recycled. This includes 72.6 tonnes of recycled paper.

Sustainable sourcing

As a member of the United Nations Global Compact, SCOR is committed to supporting and applying, within the Group's sphere of influence, the fundamental principles relating to human rights, working standards, the environment and the fight against corruption.

SCOR expects its suppliers and subcontractors to comply with all applicable laws and regulations and to behave responsibly and ethically. When selecting suppliers and subcontractors, SCOR shares with them the "Sustainable Development Charter between SCOR and its suppliers and subcontractors", presenting the ten principles of the United Nations Global Compact.

7.4. SCOR'S RESIDUAL EMISSIONS – FROM OFFSETTING TO REMOVAL

Since 2019, the Group offsets all residual carbon emissions from operations through carbon credits stemming from two forest conservation projects in Brazil and Ethiopia that are both certified under Verified Carbon Standard (VCS) and the Climate, Community and Biodiversity Standards (CCB Standards). These carbon credits are not deducted from the reported greenhouse gas emissions. In its journey towards net zero emissions, SCOR is currently contemplating alternatives to conventional carbon offsets with the goal to gradually shift from carbon offsetting to carbon removal

Chapter 8.

IMPACTS, RISKS AND OPPORTUNITIES IDENTIFICATION AND MANAGEMENT

8.1. IDENTIFICATION AND ASSESSMENT OF IMPACT, RISK AND OPPORTUNITIES

A ROBUST ERM FRAMEWORK

SCOR conducts regular reviews of the risks that could have a material adverse effect on its activity, its financial situation, or its results (or its capacity to meet its objectives). Section 3 – Risk factors and risk management mechanisms in the 2022 Universal Registration Document outlines the current assessment of SCOR's main risks and the main risk management mechanisms currently in place. If the risks disclosed in section 3 were to occur, they could potentially have a significant impact on SCOR's business, present and future revenues, net income, cash flows, financial position, and potentially, share price.

The risks to which SCOR is exposed are identified and assessed through various enterprise risk management (ERM) mechanisms, applied to each risk in a relevant and appropriate manner:

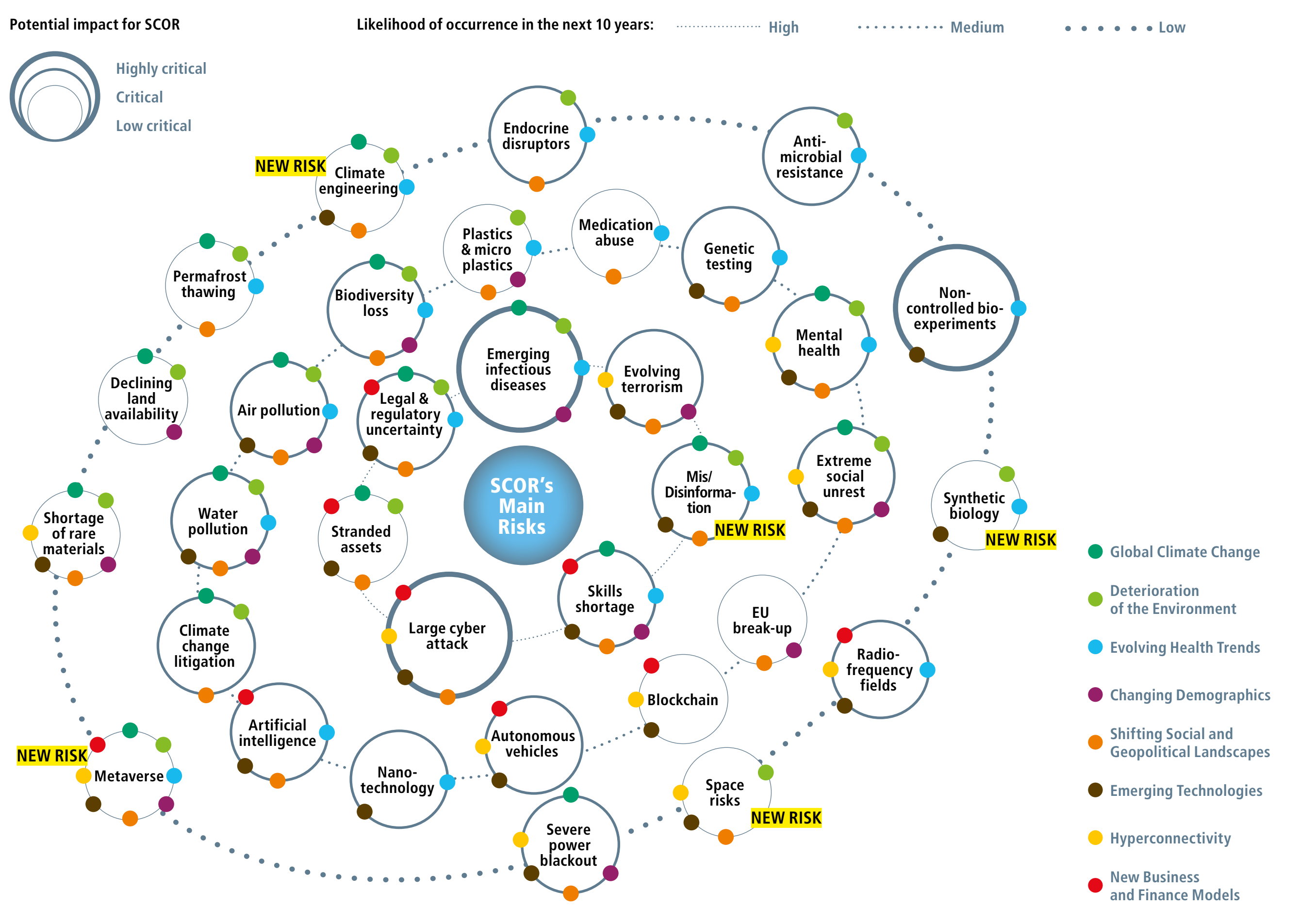
SCOR's ERM framework is described in Section 3.3 – Internal control and risk management procedures of the 2022 Universal Registration Document. It is composed of various risk management mechanisms, which help to ensure that the risk profile is dynamically optimized while remaining aligned with the risk appetite framework. These mechanisms are adapted to business units and legal entities when appropriate. Some mechanisms are only relevant at Group or business unit level and are not implemented specifically at the legal entity level, in line with materiality principles.

SCOR is also exposed to other risks which, given their nature, are not modelled or are only implicitly modelled within the internal model. SCOR may be exposed to emerging risks, which include new threats or constantly changing current risks with a high degree of uncertainty (see next section).

EMERGING RISKS

A key part of SCOR's ERM framework, the Emerging Risk Process identifies new and rapidly changing risks and assesses their impacts on SCOR's business (P&C and Life & Health underwriting) and investments. Assessments are also made in relation to the impact of identified risks on the Group's operations and reputation.

SCOR'S EMERGING RISKS RADAR 2023



Impact and likelihood based on the worst-case scenario assessed

As part of this process, SCOR has identified "Global Climate Change" and "Deterioration of the Environment", which are two of eight "Trends" that are clearly linked to Sustainability Risks. A number of emerging risks associated with these trends have been identified and assessed to date, including Emerging Infectious Diseases, Mis/Disinformation, Biodiversity Loss, Plastics and Microplastics, Air and Water Pollution, Climate Change Litigation, Extreme Social Unrest, Permafrost Thawing, Shortage of Rare Materials and Climate Engineering (see SCOR's Emerging Risks radar in this report for more details).

The findings related to the impact assessments of the most topical or potentially impactful emerging risks are reported to the quarterly local, business unit, Group and Board Risk Committees via SCOR's local, business unit and Group Risk Dashboards. SCOR's Emerging risks radar updates are presented in the 2022 SCOR Activity Report.

SUSTAINABILITY MATERIALITY ANALYSIS

The identification of significant sustainability impact, risks and opportunities complements the regular ERM mechanisms used by the Group to assess its main risks and opportunities. It consists in an analysis of the main relevant sustainability matters from both the financial and the impact from various stakeholders' perspective, implementing the "double materiality" approach. The concept of double materiality covers both risks and opportunities of sustainability matters for SCOR's business model (outside-in dependencies) as well as the potential impacts of SCOR's activities on the environment and people (inside-out impacts).

The sustainability materiality analysis is one of the key element of SCOR's sustainability ambition. It enables to assess the current landscape from different lenses and addresses several stakeholders' concerns:

- identify and prioritize sustainability matters based on stakeholders' expectations and the business outlook to set an adequate sustainability ambition for SCOR;
- meet the expectations of SCOR's main stakeholders, including investors, regulators and ESG rating agencies, using the materiality matrix as a basis for non-financial information;
- identify the impact of SCOR's business on stakeholders and ecosystems, whether on internal ecosystem, its value chain or more globally on environment or people.

Approach to assessing sustainability impacts, dependencies, risks and opportunities

The approach used for assessing the double materiality is based on interviews and surveys conducted with internal and external stakeholders, covering a broad range of sustainability-related matters. The assessment followed three phrases.

- Preparation: SCOR identified sustainability matters that were classified under the environmental, social and governance pillars as well as according to cross-cutting issues (sustainability strategy, risk management and digital transformation) based on existing regulations, best practices and literature. SCOR selected stakeholders to be interviewed and surveyed, both internal (employees and senior executives) and external (clients, investors and banks).
- Dialogue: during the interviews and surveys, stakeholders were asked to prioritize and assess the materiality of the sustainability matters selected. Additionally, each sustainability matter prioritized during the interviews and surveys was attributed a zone of influence for its potential impact: (i) impact on SCOR itself, (ii) impact on its value chain, and (iii) impact worldwide. A group of internal experts discussed and assessed SCOR's impact on the sustainability matters identified.
- Communication: the findings and key takeaways were communicated to internal stakeholders and reviewed by the Group Sustainability Committee. The results of the sustainability risk assessment were then discussed and validated by the Board of Directors following the recommendation of the Sustainability Committee.

8.2. UNDERWRITING ACTIVITIES

Climate risk is at the heart of SCOR's P&C business, and the Group has developed a long-lasting expertise in assessing, modelling, and pricing climate-related physical risks. Climate change has been identified by SCOR as an emerging risk for years and it has been also highlighted as one of the most material sustainability matters in the materiality analysis conducted in 2022. Climate change may impact P&C business in various lines of business in different time horizons, and according to physical risks, transition risks and litigation risks.

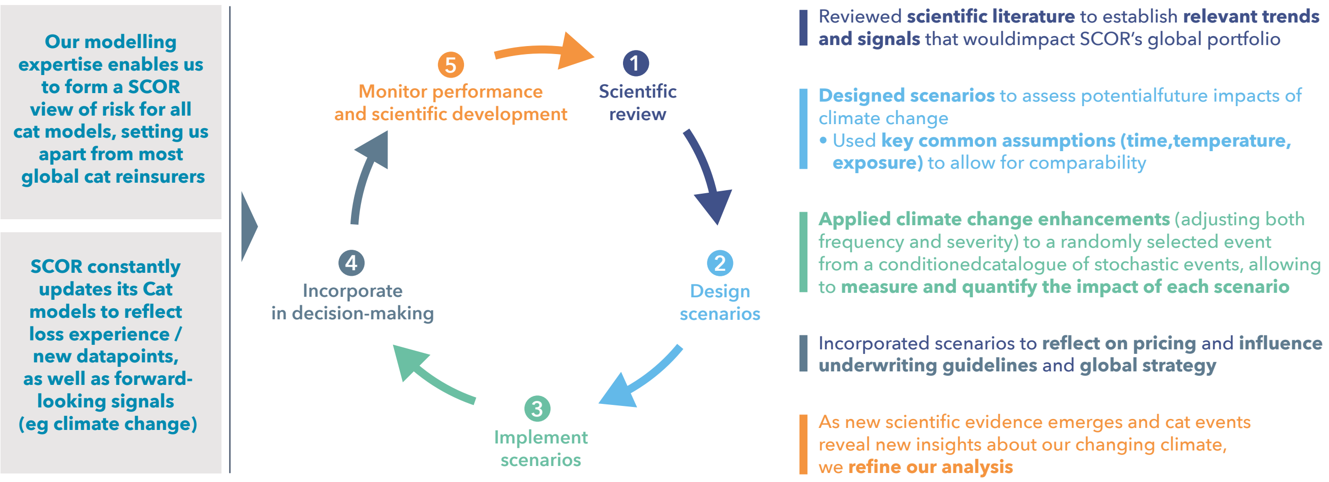
Climate change may also have impact on the L&H business in a much longer time horizon.

ASSESSMENT OF PHYSICAL CLIMATE RISKS ON P&C BUSINESS

Through its Treaties activities, the Group participates in improving the resilience of societies by offering capacities for recovery after natural catastrophes and extreme events. SCOR constantly improves its expertise to embed new developments and most recent scientific knowledge in its modelling capabilities.

After reviewing scientific literature to establish relevant trends and signals that would impact SCOR's global portfolio, SCOR designed scenarios to assess the potential future impacts of climate change (using key common assumptions to allow for comparability). Climate change enhancements are then applied to a randomly selected event from a conditioned catalogue of stochastic events, allowing to measure and quantify the impact of each scenario. Scenarios are considered to reflect on pricing and influence underwriting guidelines and the global strategy. The performance monitored and when new scientific evidence emerges and cat events reveal new insights, the analysis is refined.

PHYSICAL CLIMATE RISK – IMPACTS FOR P&C



Through its climate change study framework, SCOR P&C has factored-in forward looking signals into our assessment of Cat

Leveraging upon this framework, SCOR has conducted an extensive scenario-based study to quantify the impact of climate change on SCOR's risk profiles and those of its clients. The aims were to assess the impacts of physical climate risks that are most relevant for SCOR's Property and Agricultural business lines over a 5-10-year time horizon. Its results were presented internally to SCOR's Board of Directors and are progressively shared externally through a series of five technical newsletters entitled "Modelling climate change for the (re)insurance industry". The first newsletter was published in November 2021 and serves as a practitioner's guide to extreme event scenario analysis. The second one was published in March 2022 and deals with the impacts of climate change on agricultural (re)insurance and in particular, crop insurance in India and Brazil.

SCOR has also been actively involved in the work of the Geneva Association on Climate Change risk assessment. The Group has participated to a series of 3 research reports, addressing the methodologies (February 2021), regulatory approaches (June 2021) and decision-making processes (September 2022) associated to the risk assessment of climate change for the insurance industry. Together these reports represent a significant effort to understand, anticipate and adapt to the consequences of climate change and its subsequent impacts on the risk landscape.

TRANSITION RISK AND P&C BUSINESS: INTEGRATING ENVIRONMENTAL ISSUES INTO SCOR'S SPECIALTY INSURANCE AND REINSURANCE TREATIES

As a global (re)insurer, SCOR is exposed to the risks linked to the transition to a low carbon economy. The shift of its clients' and insureds' business models may impact its own business and the Group has already taken mitigation actions to monitor and address those risks in its P&C single risk activities.

When claiming to become Net Zero by 2050, the Group intends to accompany the global shift of the economy to a more sustainable world, protect its own business model and take advantage of opportunities stemming from the risks of tomorrow. Better selecting clients based on environmental, social and governance performance, anticipating the shift from fossil to low carbon energies, reallocating capacities toward new risks form part of the Group strategy to address the transition.

Fossil energies have been identified as one of the most material risks for single risks business lines. The Group has taken measures on coal since 2015 and regularly updates its analysis to other fossil energies, paying specific attention to non-conventional fossil energies. These measures aim at addressing the double lenses of materiality, as a way to better manage SCOR's business and to limit negative impacts of its business on environment.

In order to submit all projects to a more rigorous selection process, SCOR Specialty Insurance has adopted an internal assessment procedure for environmental, social and governance (ESG) criteria for operations closely linked to coal, starting with the energy most at risk in terms of business perspective, reputation for SCOR, and potential negative impact on environment. A specific scoring grid has been developed for each activity subject to this assessment:

- Coal extraction: the thresholds are expressed as a percentage of company revenue and has an absolute value in terms of thermal coal produced each year. Other criteria such as coal quality, coal mining trends, compliance with industry standards and ESG rating are also taken into account.
- Electricity generation: the threshold is expressed as a percentage of GWh generated from the use of thermal coal. Other criteria are also examined, such as the technology used, type of coal, ESG rating and the purpose and location of the plant in question.
- Coal-fired power plants: SCOR decided to phase out from coal-fired power plants without capture and storage of CO_2 emissions by 2030 in OECD countries and by 2040 for the rest of the world. This commitment, which includes SCOR's portfolio of reinsurance treaties, began with the strengthening of SCOR's underwriting guidelines in 2022 to screen for all reinsurance treaties with a coal-related premium above 10%.

Lastly, drawing on its experience in sustainable investments, SCOR is testing various techniques designed to assess the overall ESG quality of the business portfolio (e.g. by licensing third-party ESG data services such as ISS-ESG and S&P).

ASSESSMENT OF PHYSICAL CLIMATE RISKS ON LIFE & HEALTH BUSINESS

SCOR is continuously improving its approach for assessing the potential impacts of climate change on its Life and Health businesses. This includes a close monitoring of relevant literature especially in the medical and actuarial spaces, in addition to insurance industry risk management bodies such as the CRO Forum, public health authorities such as the Centers for Disease Control and Prevention (CDC), international entities such as the World Health Organization and from other players in the life and health insurance sector.

Building adverse scenarios: the example of U.S. heat

In its "Expert views" papers mentioned in section 6.3 – Climate leadership, SCOR addresses the impact of climate change, building its own adverse scenario, for example focusing on the impacts of extreme heat in the U.S. This scenario was discussed with internal actuarial, medical and risk management experts from across SCOR. It reflects SCOR's significant engagement in the U.S. life insurance market and the fact that, among the various climate change-driven perils, extreme heat is one of the most relevant for the insured population in the U.S. It was decided against using the current baseline of around 600-1,300 officially recorded heat-related deaths in the U.S. per year as a starting point for the scenario. Instead, SCOR looked to modify the general mortality with a suitable factor that would reflect indirect causations as well. Beyond aggravating cardiovascular and pulmonary diseases, there is also, for instance, a clear relationship between increased temperatures and suicide numbers. Searching in the medical literature yielded estimates on the relative increase in daily mortality during heat waves as a function of temperature increase for various regions of the U.S.. Building on the IPCC scenario "RCP 8.5", which is a very adverse future development, SCOR projected the number of additional hot days per U.S. region until 2060. Before applying the additional heat-related mortality burden to the projected U.S. population, SCOR modified the impact to allow for adaptation of the population over time. This was driven by the insight that heat is a relative concept, and that already hotter regions of the U.S. are currently observed to be more resilient to heat waves compared to temperate regions. Heat-related mortality risk is higher in the Northeast and Midwest than in the South, yet the South has the highest number of heat days. It is to be expected that over time and with increased incidences of extreme heat and heat waves, there will be various adaptation measures such as adapting outdoor behavior, installing more air conditioning, and making cities and homes more resilient. Humans can also biophysically adapt, and have the option to migrate to other, less impacted parts of the country. At this step in the scenario, SCOR projected the expected number of additional deaths in the U.S. population caused by the higher future number of hot days under the adverse RCP 8.5 scenario over a period of four decades, splitting the results by region, age, and gender. Extreme temperatures increase heat-related illness and mortality risk, especially for vulnerable groups such as older adults, infants and young children, pregnant women, lower socioeconomic classes, and outdoor workers. For example, death rates for age groups 65+ were observed to be around six times that of the general population in the past, and non-Hispanic Blacks were twice as likely to die from heat. The fact that SCOR's portfolio has a lower-than-average exposure to these parts of the population was considered, when applying the future additional heat-related mortality rates to the projected claims. The calibration of this factor will always be company dependent and subject to expert judgement. Indications can be taken for instance from the different observed mortality between the general and the insured population during the Covid-19 pandemic. Based on the outcome of this study, SCOR was in a position to estimate its exposure to climate change driven additional U.S. heat mortality under an adverse scenario and over a time horizon of several decades. This is allowing the management to assess the related exposure and to take suitable actions.

8.3. INVESTMENT ACTIVITIES

TOOLS AND PROCESSES

For the investment portfolio, SCOR has developed a robust risk management toolkit to address both financial and non-financial risks as well as double materiality. Depending on data availability and methodologies maturity, the Group uses different approaches. Some are qualitative, others are more quantitative. As maturity evolves and methodologies become more robust, the Group improves its awareness and understanding of sustainability issues and increases internal expertise. Partnering with external data providers and consulting firms speeds up the journey from awareness to understanding and decision making. As SCOR continuously challenges itself to explore unknown territory, it often starts with exploratory and very preliminary results that may not be robust enough to take sound investment decisions. However, it helps the Group fine-tune its approach and better anticipate next challenges.

Models and simulations
Two main quantitative tools are used to assess climate-related risks.

- Nat cat modelling tools: the natural catastrophe modeling tool is SCOR's proprietary tool developed internally for pricing natural catastrophe business. Based on scenarios validated by the Group's modeling teams, this model estimates potential losses from natural catastrophes. It enables to calculate damage rates which provide estimates of the potential losses physical assets may suffer in the event of different perils such as Japan earthquakes, Europe wind, US hurricanes, etc. Intensity and frequency of perils are provided by zip codes, enabling a granular assessment of the risks borne by each physical asset of the portfolio.
- CRREM: the Carbon Risk Real Estate Monitor is a tool using science-based decarbonization pathways aligned with the Paris Agreement to measure the (mis)alignment of direct real estate investments with a 2°C and a 1.5°C pathways. It enables to assess the risk of write-downs due to change in market regulations and consumer behavior depending on current levels of consumption linked to national determined contributions. It fits quite well with SCOR's real estate investment portfolio mainly located in France.

Scenario / stress testing: for liquid and listed securities, usually government and corporate bonds as well as equities, stress tests have been developed based on IPCC or IEA climate scenarios. They intend to translate the consequence of "temperature scenarios" into macro-economic variables, enabling to project the value of investment portfolios in a certain time-horizon under certain rates, credit spreads and equity level assumptions. The higher the temperature scenario, the higher the physical risk. The lower the temperature scenario, the higher the transition risk. SCOR recognizes the limitation of the approach as the superposition of assumptions (climate scenarios, NDCs realization, macro-economic consequences, expected positioning of the portfolio in the future, mitigation actions) may limit conclusions. However, SCOR sees a lot of benefits in running those scenarios. It raises awareness internally at every level of the company from Group Sustainability teams to Executive and Board Committees. It fosters fruitful discussions on the level of maturity and demonstrates constant improvement and involvement on the topic. It fastens processes when data and methodologies become robust enough to start and use the results to amend the Sustainability Policy and drill it down into the investment strategy. The transition from experimental to usable information smoothens with experience and comparison of results under different scenarios.

Foot printing
As for the P&C business, foot printing is an attempt to assess the "inside out" impact of investments. It can be also considered as a preliminary assessment of future risks as negative impacts may in turn harm the portfolio in a longer time horizon.

- Carbon footprint: Despite a lot of attempts to foster transparency and comparability, carbon foot printing is a complex exercise as it relies on a large amount of data, a lot of which being either not available or not robust. When related to past information on GHG emissions, data may be criticized for being backward looking. When trying to assess forward looking foot printing as for implicit temperature rise, data may be based on assumptions of company's future behavior or pathway, with all the surrounding uncertainties. There is no ideal metric nor solution, but this should not refrain from acting to better align the investment portfolio.
- Combining both carbon footprint and implicit temperature rise provides an indication on how a company is engaged in its transition to a low carbon economy and how it delivers on its own targets. Tracking both backward and forward-looking information helps select best in class companies and provides a benchmark to regularly reassess their progress.
- Biodiversity footprint: Assessing the impact of investments on biodiversity requires natural capital indicators and meaningful methodologies. Several approaches to measure impacts and dependencies on ecosystem services and biodiversity are being developed. For the time being, no standard has emerged because of the complexity of the topic: dependencies on nature are not the same for different sectors and hence for different companies. Moreover, each ecosystem is sensitive to different pressures.

Portfolio screening
Portfolio screening is useful as a first attempt to assess materiality of a nascent topic. The Group usually uses it on a top-down basis, isolating sectors that may be at risk for a specific sustainability topic. Such analysis enables to assess how much of the portfolio may be at risk. It needs to be complemented by a bottom-up approach as non-financial risks may be mitigated at company level. Such an approach has been used in the past when trying to assess how much of the corporate bonds and equity portfolio could be exposed to carbon pricing transition risk. It has been tested again in 2022 when trying to assess the materiality of deforestation risk and plastic pollution risk within SCOR's investment portfolio.

Taxonomy: As a member of the Technical Expert Group on Sustainable Finance, SCOR has participated to the design of the taxonomy and considers the value of the screening criteria. Activities falling into the taxonomy are likely to be less exposed to environmental risks and the "Do No Significant Harm" factor ensures minimum safeguards that addressing one environmental objective is compatible with the protection of environment as a whole. Applying the taxonomy to investment portfolios provides a robust assessment of the opportunities provided by the transition to a sustainable economic model.

ESG rating and controversies: Sustainability encompasses a lot of aspects and climate change is only one broad topic among others that need to be considered. SCOR relies on data providers for ESG rating on most liquid asset classes. It provides additional information on the potential adverse impact of its investments. Controversies complements individual screening and contribute to a more robust monitoring of positions within the portfolio. It can also support decisions to ban a specific issuer.

The integration of ESG criteria is measured primarily by assessing the quality of the asset portfolio. Given the extremely high level of diversification of its investments, the Group works with the independent, non-financial ratings agency ISS-ESG to assess its portfolio's standard instruments. The agency assesses mainly government bonds, corporate bonds and listed equities. For debt instruments, particularly infrastructure and real estate debt, the Group relies on the expertise of its subsidiary SCOR Investment Partners, a recognized leader in the European debt instrument management industry. Issuers with the lowest ratings may be on a watchlist, and investment managers may be asked to provide rationale for selecting or keeping the position. SCOR does not apply systematic exclusions based only on ESG rating but favors a pragmatic approach. The Group aims to reconcile risk control with profitability and solvency targets. Like all reinsurers operating in multiple jurisdictions, SCOR is subject to multiple regulatory and business constraints. The main growth drivers are in Asia, where national law often requires that assets be owned and held locally. In those locations, to optimize its capital allocation, the Group focuses primarily on its core business and often refrains from allocating capital to market risks. Investments in those countries are strictly designed to back liabilities and address ALM constraints. Consequently, the bulk of the portfolio is invested in government bonds in the riskiest countries. This asset class has been growing steadily in line with the expansion of SCOR's Asian business. At the same time, the Group is mindful of any local initiatives, especially on sovereign green bonds.

Sustainability is still evolving and there is no one size fits for all type of assessment. Assessing and managing sustainability risk is a combination of those different tools and methodologies and the selection of the most relevant risk / impact assessment approach depends on maturity and materiality. There is not one single holistic way of tackling sustainability within investment and the multi-dimensions of sustainability deserve agility, reactivity, and adaptability. As the robustness of tools increases and their understanding allows for more reliance on the output, they provide better material for internal discussions, raising awareness, risk management and investment decision support.

ASSESSING COMPANIES TRANSITION PATHWAYS

In 2021, SCOR decided to study the transition plans of its portfolio companies to understand the existing gap between its decarbonization commitments and portfolio expected trajectory. Two sources were used: commitments to the SBTi (Science Based Target initiative, that assesses GHG emissions reduction targets of voluntary companies against science-based pathways) and grades in Climate Action 100+ (CA 100+) Net Zero Benchmark (NZB). The NZB helps to compare the credibility of transition commitments from the world's largest corporate GHG emitters.

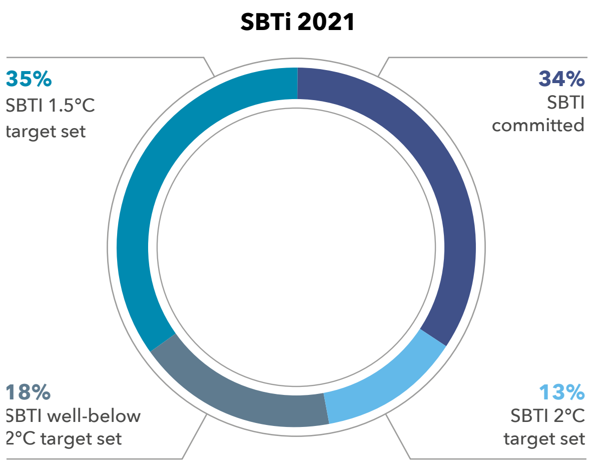
The results of this study had notably helped to update SCOR Sustainability policy on upstream oil & gas. In particular, the NZB results were used to determine which companies had to be prioritized for engagement, and, for the companies engaged, to focus on the most pressing topics (sub-indicators 1 to 5 on decarbonization).

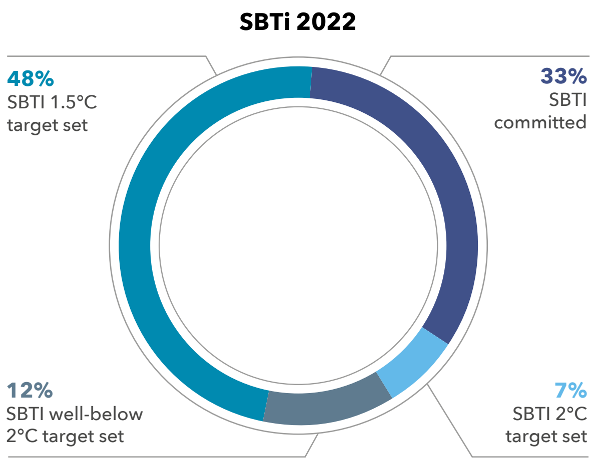
SCOR updated this study in May 2022 for the same purposes on the fixed income and equity sub-portfolio (73% of total investment portfolio).

SBTi results

For this sub-portfolio, SBTi coverage increased from 22% to 29%. This increase arises mostly from new commitments taken by companies that were already present in the 2021 portfolio. The SBTi targets have increased in ambition: share of 1.5°C aligned targets increased from 35% to 48%.

SBTI COMMITMENTS PER CATEGORY

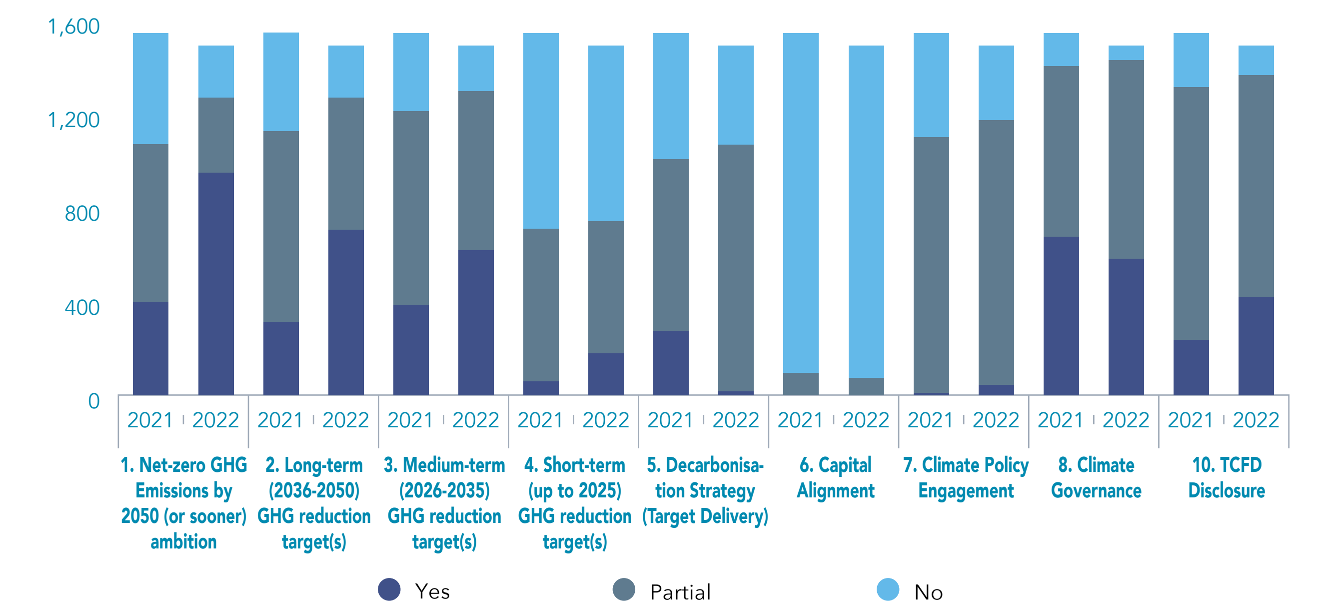




CA100+ NZB results

The share of companies studied in the NZB is constant (9%). Overall, the performances displayed in the chart below are better in 2022 than in 2021, but like in 2021, two criteria receive the lowest grades: the CAPEX allocation (indicator 6) and the short-term decarbonization target (indicator 4).

NZB ASSESSMENT PER INDICATOR



SBTi and CA100+ NZB results per sector

As in 2021, the results vary widely depending on the sector. The distribution trend has not evolved much:

- As CA 100 + NZB focuses on the largest emitters, the carbon intensive sectors of SCOR portfolio are the most covered.
- For SBTi, sector coverage is different because participation in the SBTi is voluntary and indicates a strategy to decarbonize operations. Overall, increased participation to the SBTi is visible for all sectors, except for energy (new 2022 SBTi guidelines introduced more strict expectations for oil & gas companies, therefore excluding companies that previously had committed and couldn't meet the new criteria) and utilities (sector bucket decreased).

SCOR sector	2021 % SBTi	2021 % CA 100+	2021 % SBTi and CA 100+	2022 % SBTi	2022 % CA 100+	2022 % SBTi and CA 100+
Consumer, Cyclical	53%	46%	26%	71%	45%	31%
Consumer, Non-cyclical	58%	21%	21%	69%	21%	21%
Communications	59%	0%	0%	62%	0%	0%
Basic Materials	44%	36%	22%	49%	27%	15%
Industrial	29%	32%	6%	47%	26%	3%
Utilities	54%	45%	37%	43%	36%	30%
Technology	29%	0%	0%	29%	0%	0%
Financial	22%	0%	0%	24%	0%	0%
Energy	21%	60%	0%	3%	57%	0%
Total	**22%**	**9%**	**5%**	**29%**	**9%**	**6%**

These results have been used to set a 2030 decarbonization target for the corporate bonds and equity sub-portfolio and to update the Sustainability policy on upstream oil & gas.

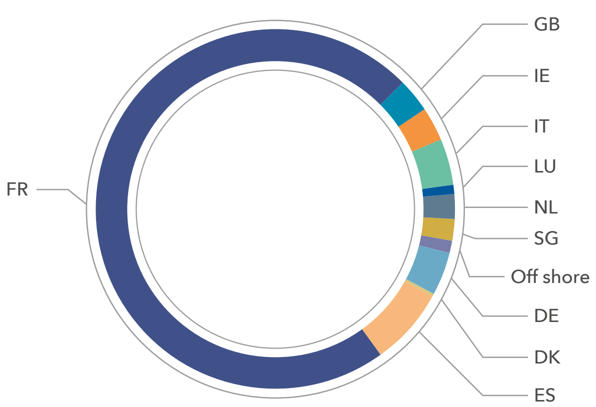
Increased participation to the SBTi is positive as it indicates an intent to decarbonize activities in line with science-based trajectories. However, more progress needs to be accomplished so that SCOR fixed income and equity sub-portfolio can improve its alignment to the trajectory of the Paris agreement. This aim has driven SCOR 2022 engagement efforts, within collaborative initiatives such as CA 100+ or CDP (SCOR signed the CDP letter asking companies to set SBTs and to disclose to CDP in 2022).

ASSESSING ACUTE RISK ON PHYSICAL ASSETS

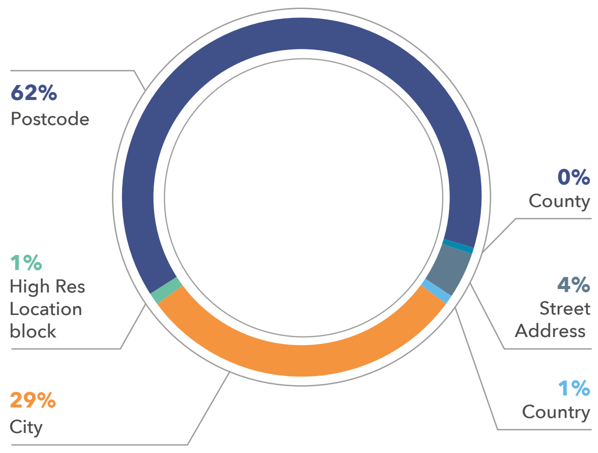
SCOR uses internal modelling capabilities to assess "acute" physical risks which could affect its portfolio of real estate debt, infrastructure debt and direct real estate investments. 72% of the real estate and infrastructure debt portfolio is located in France.

The "acute" physical risks are assessed using SCOR's internal model for simulating natural catastrophes. Based on scenarios validated by the Group's modelling teams, this model estimates potential losses from natural catastrophes. Depending on the geographical location of the investments, the model calculates damage rates, which provide estimates of the potential losses that these investments may suffer in the event of a natural catastrophe. The modelling is run at the highest level of granularity available to ensure maximum accuracy of the results. 62 % of the portfolio feeds into the model at postcode level and some positions are even modelled at street address level.

BREAKDOWN BY COUNTRY

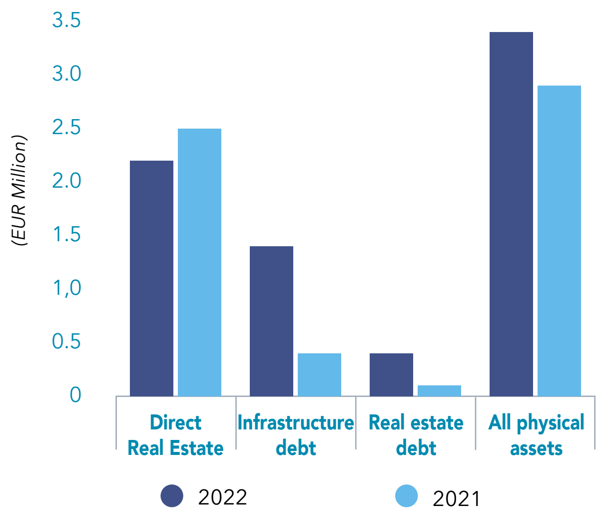


GRANULARITY IN THE MODELLING TOOL

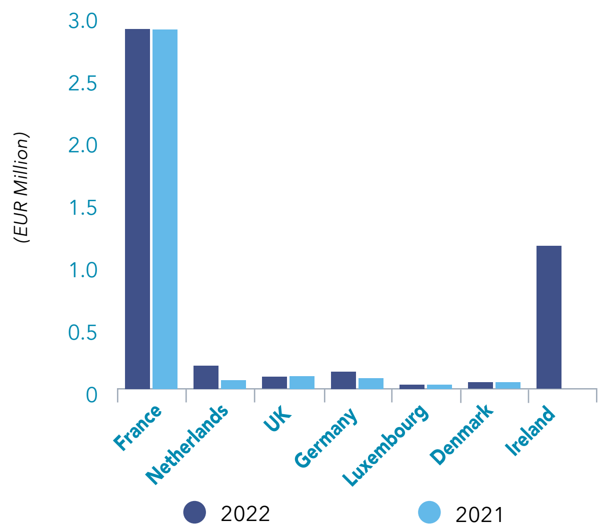


Given the portfolio profile, SCOR has calculated the risk exposure of storms in Europe, its most significant climatic event. To date, the metric remains indicative: one limitation is that the climate models underpinning SCOR's modelling are based on various assumptions. The path of climate change will depend on the actions taken by governments and their willingness to deliver on their National Determined Contributions. Another limitation is the insurance coverage of physical assets, which works as a mitigant of potential losses and is not taken into account by SCOR's model. The results are shown on the graphs below. As in previous years, the physical asset portfolio benefits from its geographical location, mainly in Paris for direct real estate investment and in Europe for real estate and infrastructure debt investments. Its resilience to the risk of extreme climate events is reinforced by a very selective investment process. Thus, the loss (around EUR 3 million) remains very modest compared with the size of the investments (around EUR 2 billion)

EURO WIND: BREAKDOWN BY ASSET CLASS



EURO WIND: BREAKDOWN BY COUNTRY



DIRECT REAL ESTATE INVESTMENT PORTFOLIO RISK ASSESSMENT WITH CRREM TOOL

In 2021, CRREM (Carbon Risk Real Estate Monitor) was used for the first time to assess the transition risk of the direct real estate owned and operated by SCOR. In 2022, SCOR continued this study on its direct real estate investment portfolio given that reliable consumption data could be collected for most of the buildings in the portfolio.

SCOR's direct real estate investment portfolio (EUR 593 million as of year -end 2021) is entirely located in France and consists only of commercial buildings. The portfolio alignment was measured against decarbonization pathway aligned to 1.5-degree scenario assessed in CRREM tool. The study showed good energy-efficiency performance of the portfolio, the projection of the portfolio's GHG intensity is aligned with the Paris Agreement by 2030, however further improvements are required to achieve net zero by 2050.

Additionally, a "sub-portfolio" real estate target within the second edition of the Target Setting Protocol of the Net Zero Asset Owner Alliance was required. SCOR has articulated this target in operational carbon intensity ($kgCO_2eq/m^2/yr$, scope 1 +2) for the direct real estate investment portfolio in terms of total gross floor area. It consists of diminishing this metric by 50% by year-end 2029 comparing to year-end 2020.

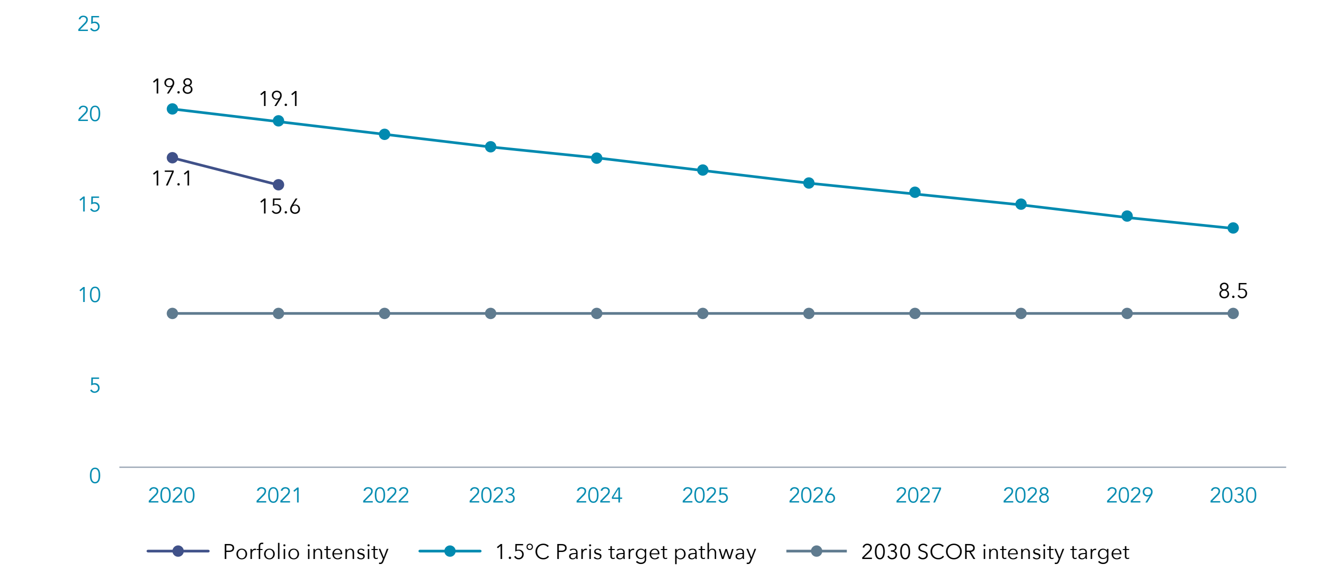
Consumption data availability
The key challenge for the portfolio was to gather reliable data. As for 2020, taken as base year, the consumption data was available for most of the portfolio. In this case the estimated data for some of the buildings from ISS-ESG was considered and non-operational buildings (for example buildings in a construction phase) were taken out of scope.

Furthermore, the consumption data was corrected for lockdowns and for the occupational rate.

Levers to achieve the decarbonization
As all buildings are in France, the "Décret tertiaire" will help to collect information, as well as encourage to improve the energy efficiency and/or decrease the energy consumption. The "Décret tertiaire" which applies to landlords and tenants entered into force in October 2019 and requires at least a 40% decrease of energy consumption between a reference date after 2010 and 2030, 50% between this reference date and 2040 and 60% between this reference date and 2050. Even if energy consumption is not equivalent to GHG emissions, it remains one of the drivers to reach Net Zero.

The main lever to achieve the target is an electricity decarbonization grid and projections for energy mix/sources at country level and per type of building considered in CREEM 1.5°C pathways. The retrofit assumption was taken for one building where the renovation started in early 2022.

GHG INTENSITY EVOLUTION

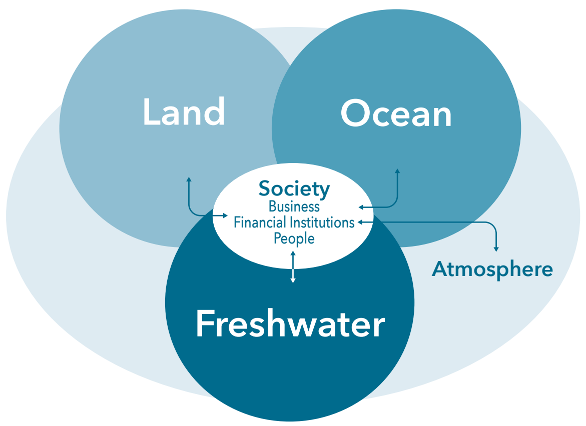


Update

At the end of 2022, CRREM has released new 2020 baseline year pathways. Comparing to previous 2018 pathways the new ones are steeper and demand faster decarbonization of the sector. Some of the driving factors can be mentioned: remaining global anthropogenic budget has reduced by 10% and the real estate sector has shown more consumption than projected from the 2018 baseline year. The application of the new 2020 pathways to SCOR's portfolio will be studied further on.

NATURE

As stated in section 5.7, SCOR has started to embed Nature and biodiversity in its investment strategy. Most of the topics are still nascent but preliminary analyses are conducted to constantly stay at the forefront of new sustainable finance development. Different themes are being considered, summarized in the following graph designed by the Task Force on Nature-related Financial Disclosures:



It sets the scene to present the direction of travel and introduce to the various analyses that are being disclosed in the following sections.

IMPACTS AND DEPENDENCIES ON NATURE

ENCORE

ENCORE was developed by the Natural Capital Finance Alliance (NCFA) and the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) to visualize the double materiality link between economic sectors and biodiversity.

ENCORE definitions

"**Natural capital assets** are specific elements within nature that provide the goods and services that the economy depends on."

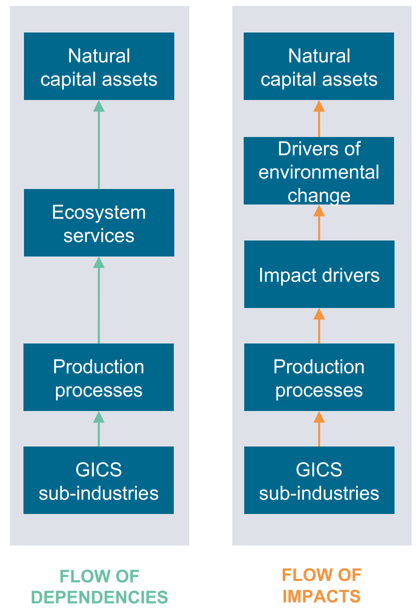
"**Drivers of environmental change** are natural or man-made pressures that can affect natural capital assets and their ability to continue providing goods and services."

"A single **impact driver** may be associated with multiple impacts. **Impacts** are changes in the quantity or quality of natural capital that occurs as a consequence of an impact driver."

"**Ecosystem services** are the links between nature and business. Each of these services represent a benefit that nature provides to enable or facilitate business production processes."

"Each sector's potential dependency on ecosystem services and potential impacts on natural capital assets were assessed (...) to determine **materiality**". These appreciations were transformed (5 notches from Very High to Very Low to grades from 5 to 1).

THE PRINCIPLE OF DOUBLE MATERIALITY



In 2021, SCOR performed the analysis at GICS sector level on 57% of its investment portfolio. The following results were obtained: the natural capital assets linked to the largest number of dependencies on ecosystem services were habitats, species and water. The natural capital assets most impacted were not as easy to identify as all natural capital assets were affected by the same number of impact drivers (except ocean geomorphology) with a high or very high materiality.

Based on those results, SCOR prioritized the subjects of deforestation, plastics and water. Such subjects also benefitted from the results obtained per sector:

- The sectors most dependent on ecosystem services were consumer staples, materials and consumer discretionary. Consumer staples, then materials and utilities stood out with the largest materiality[1] of dependencies.
- The sectors responsible for the largest number of impact drivers with a high or very high materiality on natural capital assets were consumer staples, then industrials, energy, utilities, and materials. Industrials, consumer staples and energy had the most material impact.

(1) The materiality score per sector was obtained by multiplying the materiality grade with the number of dependencies on ecosystem services or the number of impact drivers per sector.

Following the same objective, SCOR reiterated this study in 2022 and obtained a coverage of 64%. Results per sector remained the same (no change in ENCORE methodology) but were refined through a sub-industry view.

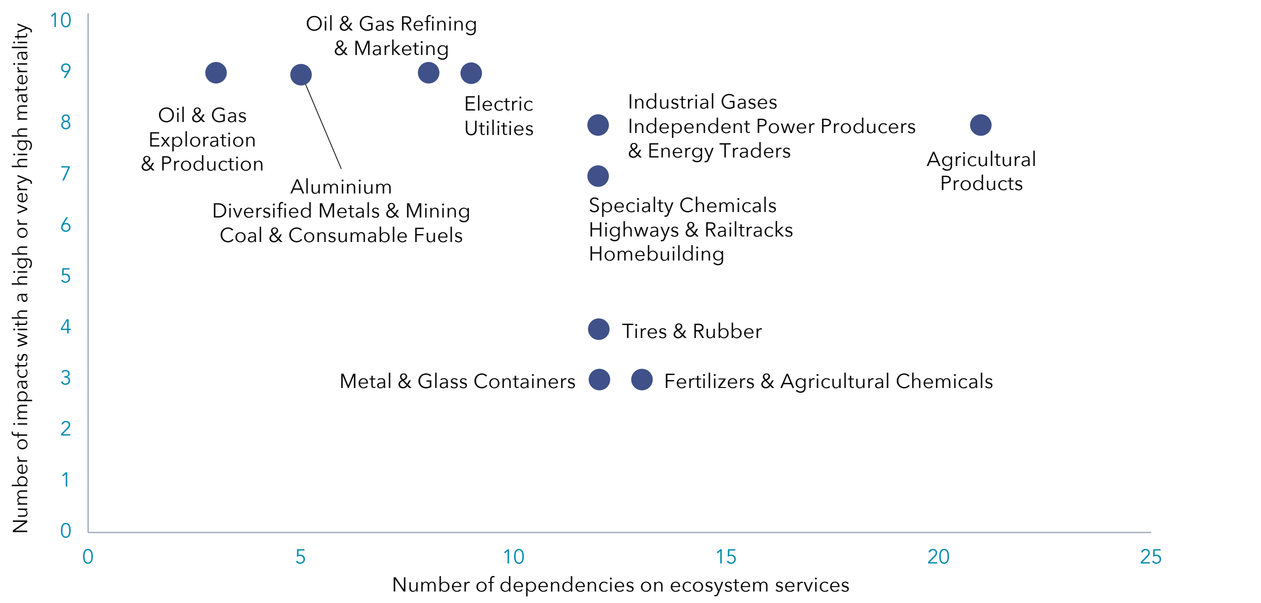
Overall, results per sub-industry were aligned with results per sector: most dependent sub-industries came from the materials, industrials or consumer sectors and most impactful sub-industries came from the energy, materials, utilities and industrials sectors.

The sub-industry view confirms some orientations taken, such as focusing on:

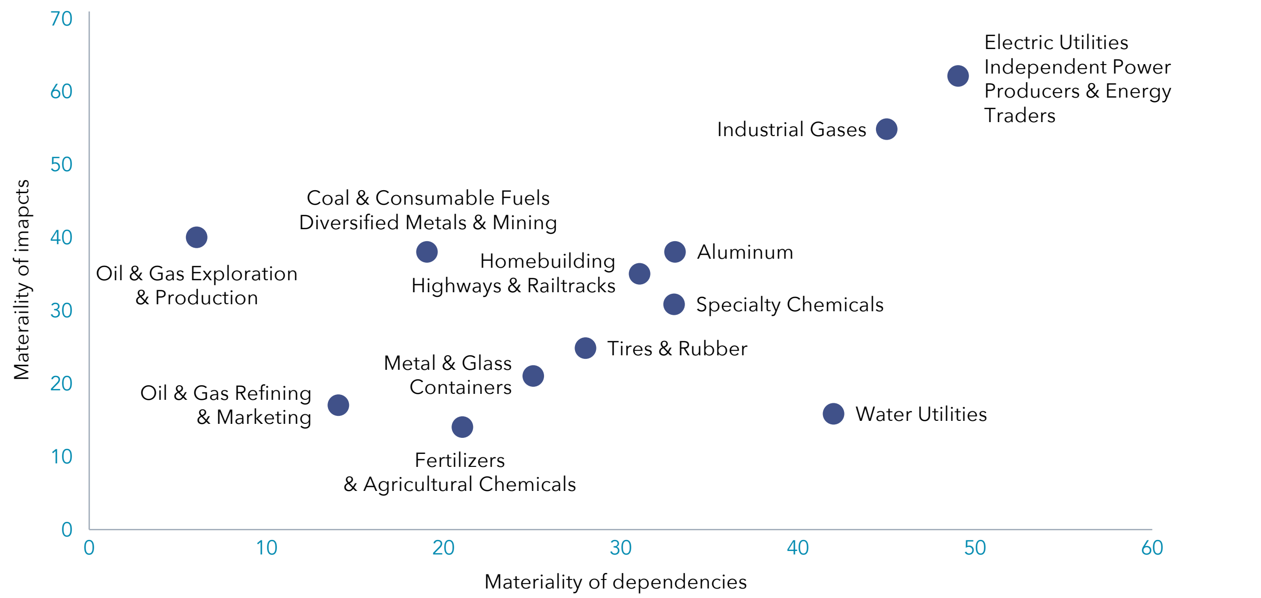
- Chemical pollution and water matters through engagement, as industrial gases and specialty chemicals have a large number of dependencies and impacts;
- Decarbonization targets for power producers, as electric utilities have a significant impact materiality;
- Deforestation from agricultural commodities, as agricultural products stand out as being the most dependent sub-industry and one of the most impactful.

The results are displayed below for the sub-industries with the largest number of impacts and dependencies.

NUMBER OF DEPENDENCIES AGAINST NUMBER OF IMPACT DRIVERS



MATERIALITY OF DEPENDENCIES AGAINST MATERIALITY OF IMPACT DRIVERS[1]



(1) "Agricultural products" is not represented here for clarity; the materiality of its dependencies is at 192 and the materiality of its impacts at 56.

TNFD pilot

To complement the 2021 and 2022 ENCORE studies and the exploration of metrics, SCOR participated to a TNFD pilot led by I-Care leveraging data from Iceberg Data Lab (IDL). One of the main objectives was to test the beta version of the TNFD framework to assess its practicality and potential areas of improvement. The results of the pilot are summarized below.

The study was conducted on 123 agrifood companies. 30 of these companies are in SCOR's portfolio, representing 84% of SCOR agrifood portfolio.

Impacts

Impacts are calculated using the Corporate Biodiversity Footprint (CBF) in km²MSA[1] (see details in section 10.1 – Selected metrics), which considers four environmental pressures: land use, air pollution, water pollution and GHG emissions (covering scopes 1 to 3).

On average, 97% of the portfolio's impact is related to land use (most especially scope 3 upstream land use). Food manufacture and food service activities sectors have the largest impact (normalized by turnover), above wholesale and retail sectors. Among the food manufacture sector, companies with the largest impact are related to either meat or cereals production.

Dependencies

Dependencies were calculated based on ENCORE data and expert opinion. Only scope 1 (direct dependencies on ecosystem services of an economic activity) is covered.

The most dependent sectors in SCOR's portfolio are animal farming and food manufacture, both linked to high water dependence (for production and transformation processes, in quantity and quality), mass erosion control, flood, and storm protection. The food service activities sector is also highly dependent on water supply, but also on cultural services (diets vary largely according to geographies and depend on nature supplies). Retail appears as the least dependent sector given the focus of this study on scope 1 dependencies[2].

Overall, the portfolio has 6 large dependencies to provisioning services[3] (ground water and surface water) and regulating services[4] (flood and storm protection, mass stabilization and erosion control, water flow maintenance and water quality). Generally, dependencies to cultural services[5] are low.

Transition risks

Deforestation, overfishing, and water pollution were used as proxies for the three following main direct drivers of biodiversity loss identified by the 2019 IPBES assessment: land use change, overexploitation of natural resources and pollution.

13 out of 30 portfolio companies were found to be linked to deforestation in deforestation-sensitive countries, including 7 companies that source a large quantity of at least one of the commodities[6] from deforestation-sensitive countries. Given these results and companies' grades and response to CDP forests questionnaire, SCOR's portfolio exposure to deforestation transition risks is considered low to medium.

24 out of 30 portfolio companies use fish products as an input. Based on both the absolute and relative amounts of fish inputs, 3 of those 24 companies are deemed to have a medium exposure to overfishing-related transition risks. Hence, the overall overfishing-related risk of SCOR portfolio is considered low.

As 4 of the 5 most impactful companies have a relatively low absolute impact (measured in km²MSA), the water pollution-induced transition risks of the portfolio are deemed low. Since water pollution is largely location specific, additional geographical data on companies' activities would be required to assess the risks more precisely.

Physical risks

One of the conclusions of the dependencies' analysis is that water-related dependencies are crucial for the agrifood industry. Hence, a first-level analysis of risks related to water stress was performed, based on type and origin country of commodities per company. This information was mapped against most water-consuming commodities (according to the Water Footprint Network) and medium to extremely high-risk countries (according to the WRI Aqueduct Country Ranking).

8 out of 30 portfolio companies use large or very large quantities of water-intensive commodities in countries experiencing a medium to very high level of water stress. Three companies are deemed highly exposed to water stress-related physical risks. Due to the share of companies using very high quantities of water-intensive commodities, the use of very high absolute quantities of water-intensive commodities by a few companies and average CDP Water grades, the overall risk profile of the portfolio is considered medium. It should be noted that, depending on regional location and the absolute quantity of commodities, additional companies could have a water stress risk.

For other dependencies a default analysis was led. The most important ecosystem services for the sample were compared to the state of each ecosystem service as documented in the IPBES 2019 Global Assessment. Among potential consequences of strong dependencies to endangered services are operational risks. This includes the interruption of provisioning (such as no availability of water or wood), perturbation of local environment of the company (such as storm events or erosion) or perturbation of local environment in

(1) Mean Species Abundance
(2) Sector distribution is distinct in dependencies and impacts assessment: in the former, each company is attributed a share of sector dependency proportional to the weight of its turnover in said sector. In the latter, each company belongs to the sector representing its largest share of turnover.
(3) The ability of humans to obtain products from ecosystems, such as food, water and resources.
(4) Any benefit obtained from the natural processes and functioning of ecosystems.
(5) Non-material benefits that people can obtain from ecosystems.
(6) Cattle, soy, palm oil, cocoa, coffee, rubber, and wood fiber.

the suppliers' value chains (such as disappearance of pollinators). Market risks, such as increased costs of inputs due to rarefication of inputs were also identified. To refine this study, more precise geographical data on portfolio activities would be required.

Conclusion and next steps

This pilot confirmed that the beta version of the TNFD framework gives useful guidelines to assess the impacts, dependencies, risks and opportunities related to nature. This pilot also went further than the SCOR ENCORE study, which did not analyze most relevant ecosystem services or pressures, did not differentiate between types of ecosystem services (provisioning, regulating, cultural) and attributed each company to one industry only. The pilot also included a very preliminary study on opportunities, divided in three fields by order of priority: mitigating impact, avoiding negative impact, and creating positive impact.

SCOR's choice to prioritize freshwater and deforestation among other potential biodiversity research topics is validated by this pilot. Results are slightly different due to different samples and metrics (see section 8.3 – Investment activities, Impacts and risks from deforestation and section 8.3 – Investment activities, Freshwater: preliminary mapping). This is particularly noticeable for deforestation, which is categorized in this study as a lower risk than in previous evaluations by SCOR.

I-Care concluded this study with a set of recommendations for SCOR regarding its investment policy around biodiversity.

IMPACTS AND RISKS FROM DEFORESTATION

SCOR realized a study on deforestation within its portfolio in 2020 and 2021. In both cases, a large set of data sources was used to understand which data points were useful to follow closely to assess deforestation risk:

- The ranking of Forest 500, which focuses on the top 350 corporates and 150 financiers driving most of tropical deforestation;
- The forest questionnaire of CDP, which is sent to companies representing the largest deforestation risk;
- The controversy monitor tool RepRisk;
- Trade Finance, which assesses the effective deforestation caused by commodity traders.

In 2021, SCOR signed the Financial sector commitment letter on eliminating commodity-driven deforestation (FSDA) from Race to Zero (RtZ). In 2022, SCOR worked on designing a deforestation policy and choosing the companies it was willing to engage with within the FSDA (Finance Sector Deforestation Action) initiative. Thus, SCOR realized another deforestation study on its corporate bonds and equity sub-portfolio covered by both Forest 500 and CDP, which represents 15% of the corporate bonds and equity sub-portfolio.

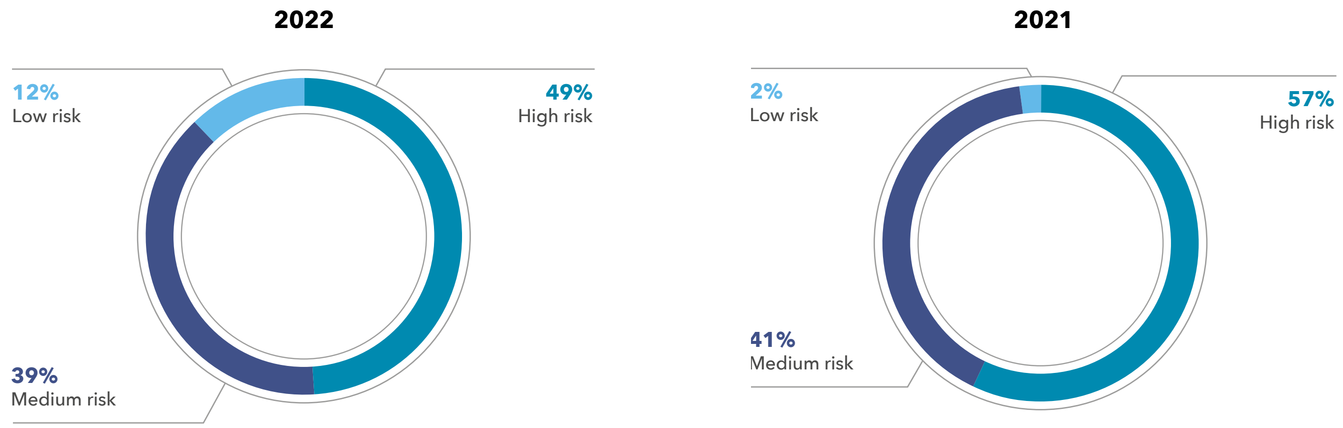
It was decided to focus on Forest 500 grade, as it considers the quality and completeness of the deforestation policy, its social considerations and its reporting and implementation. In average (weighted by investment value), SCOR found that its portfolio reached a grade of 44 out of 100.

On quality and completeness of the deforestation policy, the following results have been obtained:

An improvement is visible from 2021 to 2022 on this indicator.

Expecting investee companies to set no deforestation targets by no later than 2025 is desirable. Given the results above, this request is ambitious and will require significant collaborative investor engagement efforts as well as company will to change practices. The adopted European Union legislation to fight against deforestation in imported products will help in this regard, as well as the proposed United States (US) and United Kingdom (UK) legislations on the same topic. To show support for those regulations, SCOR signed a letter shared by a member of the Finance for Biodiversity foundation supporting 3 bills against imported deforestation in the US.

DEFORESTATION RISK LEVELS



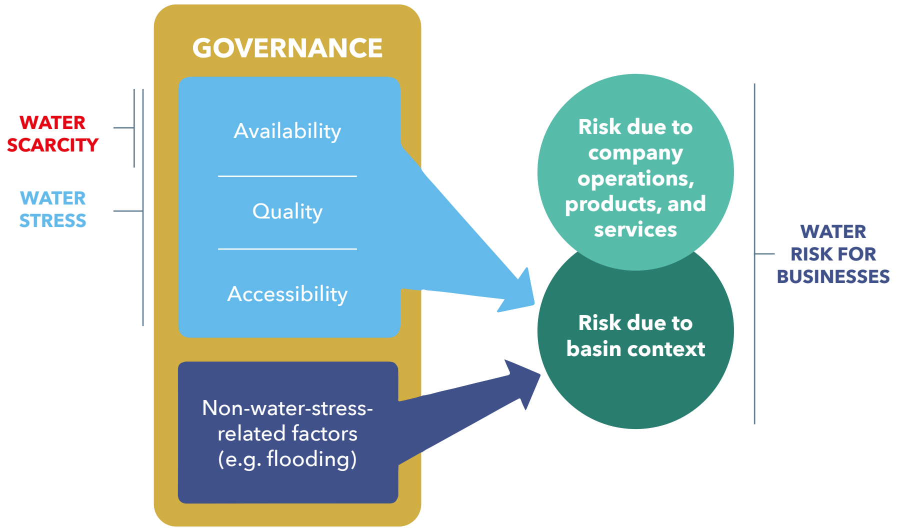
FRESHWATER: PRELIMINARY MAPPING

In 2022, the Task-force on Nature-related Financial Disclosures (TNFD) published several versions of its beta framework where nature was defined as the construction of four realms: freshwater, ocean, land and atmosphere. Besides, the ENCORE study realized by SCOR pointed at water as the third natural capital asset linked to the largest number of dependencies on ecosystem services after habitats and species.

Hence, SCOR decided to make a preliminary attempt at understanding freshwater risk and impact linked to its portfolio companies.

The study presented below encapsulates:

- Impacts businesses have on freshwater **(inside-out business impacts)**, arising from *wastewater treatment*, *water withdrawals* and *water pollution*.
- Freshwater risks businesses face **(outside-in business impacts)**, as represented in the graph below from the UN Global Compact CEO Water Mandate:



Water scarcity (volumetric availability of water), is one of the components of *water stress* (ability to meet human and ecological demand for freshwater) with quality and accessibility. *Governance* of the risks may reduce or increase overall water risk level. All risks mentioned may occur in company's operations or value chain and translate into physical, reputational and regulatory risks.

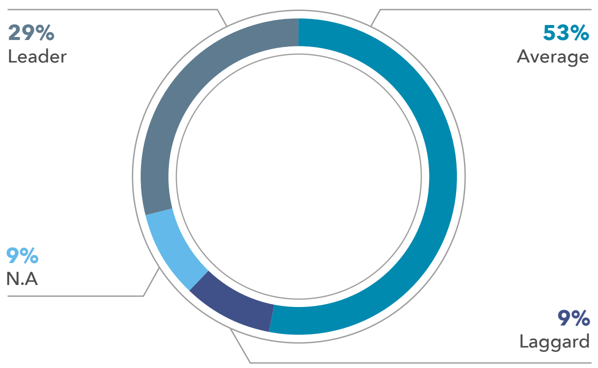
SCOR's sectors of choice were influenced by Actiam's sector analysis[1] of exposure to water quantity and water quality risks: agriculture, food & beverage, metals & mining, oil & gas, semiconductors, electric utilities, pharmaceuticals, apparel and chemicals. Such industries represent 8% of the end 2021 portfolio.

Indicators were sourced from:

- The CDP water questionnaire completed by companies, which is sent to companies representing the largest water risk;
- Water-related data based on companies' disclosures provided by ISS-ESG;
- The controversy monitor tool RepRisk;
- Water risk management in the food and beverages sector from the Ceres Feeding Ourselves Thirsty report;
- ChemScore grades on reduction of chemical footprint from top 50 chemical producers by the NGO ChemSec.

(1) Source : Actiam water policy, October 2021

ASSESSMENT OF COMPANIES IN HIGH RISK INDUSTRIES



The final company scorings result in grades from Leader to Laggard:

- Leader: the company is on a good path to mitigate water risks within its business practices. The company has taken some commitments to reduce water use and to innovate in water recycling practices and is part of corporate initiatives regarding water.
- Average: the company has taken steps regarding the water problematic; either by joining water-related initiatives, by setting some targets resulting in positive evolution in water use or by having adequate governance in place regarding water. The water related risks faced by the company are likely to be moderately limited and its impacts are monitored.
- Laggard: the company has demonstrated little consideration for the water problematic. The company has a high water impact, faces increasing risks with little governance in place to manage them and close to no effort has already been made.
- N.A.: no sufficient information was available to conclude.

In order to leverage those results and to decrease portfolio companies' risks and impacts, SCOR joined in 2022 the Ceres' Valuing Water Investor Working Group. Its purpose is notably to foster collaborative engagement.

Ongoing work on plastics, a great factor of water pollution, is intertwined with freshwater problematics and is a way to tackle the water issue as well.

PLASTIC: SCORING TO RAISE AWARENESS

Plastics is widely used in our economy. It is used for packaging but can be found in finished goods. It represents a cheap material with many advantages, but it is linked to negative externalities through pollution, namely on health and on the environment. For this reason, concerns are increasing around its role in our economy. Plastic production has surged over the past 50 years, from 15 million tonnes in 1964 to 311 million tonnes in 2014 and is expected to double again over the next 20 years, as plastics come to serve increasingly many applications.

Outside-in business impacts are numerous: brand-damage (especially in consumer-oriented sectors), transition risks, etc.

The Plastic Treaty signed in Nairobi in March 2022 by 175 nations has confirmed the importance of tackling the plastic pollution crisis on the international level. The Intergovernmental negotiating committee (INC) established by UNEP started working sessions in the end of 2022 in order to develop and adopt a legally binding instrument on plastic pollution by the end of 2024. This treaty would "reflect diverse alternatives to address the full lifecycle of plastics, the design of reusable and recyclable products and materials, and the need for enhanced international collaboration to facilitate access to technology, capacity building and scientific and technical cooperation".

To support the development of the Plastic treaty and align the visions from across the plastics value chain, financial institutions and NGOs, a Business Coalition for a global plastics treaty was convened by Ellen MacArthur Foundation and WWF.

In 2021, SCOR conducted an in-depth research on plastics with the aim to better understand its role in the environmental landscape and how it may affect investment decisions before performing a first assessment of SCOR's invested assets positioning vis-a-vis plastics. The study and its results were presented to Executive Committee members and to the Sustainability Committee of the Board of Directors of SCOR. Plastic represents both threats and opportunities along the value chain. The plastic value chain can be divided between three categories: raw-material producers (oil and petrochemical companies), plastic users and manufacturers (retail, food, pharmaceuticals, etc.), and plastic recyclers.

In 2022 SCOR continued monitoring the controversies and the progress of plastic users and manufacturing companies in its investment portfolio.

Screening methodology

The study focuses on plastic users in order to highlight SCOR involvement in plastic consumption issues, as this part of the value chain is deemed responsible for a significant part of the plastic pollution. The objective is to map SCOR portfolio exposure regarding plastic and to classify companies of sectors potentially concerned (among plastic producers and manufacturers) in four categories, using a proprietary scoring methodology:

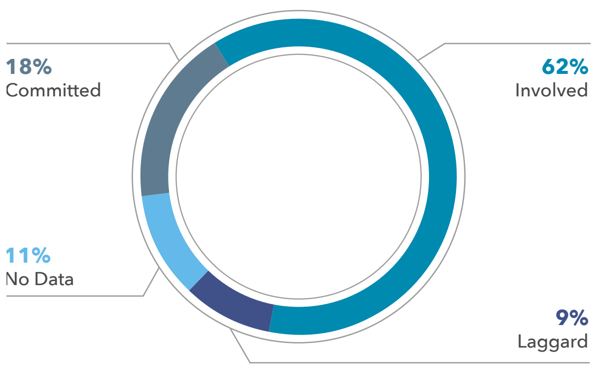
- Leader: The company is on a good path to translate circular economy principles into business practices regarding plastic. The company has taken some commitments to reduce plastic use and to innovate in material sourcing. The company is part of corporate initiatives regarding plastic. Not only the company is in a position to avoid plastic-related sustainability risks but also will likely be able to capture benefits from the transition to a circular economy model.
- Committed: The company has shown some efforts regarding the plastic problematic; either by joining plastic-related initiatives or having set some targets resulting in positive evolution in plastic consumption. The plastic impact of the company is likely to be limited.
- Involved: The company has demonstrated little consideration of the plastic problematic. The plastic impact of the company is limited, and efforts can be noticed.
- Laggard: The company shows really limited consideration of plastic-related problematics. The plastic impact of the company can be considered significant, or the company doesn't disclose enough plastic-related data.

SCOR has used various data sources that rate companies on an annual basis:

- The Ellen MacArthur Foundation (EMF) is a UK registered charity which promotes the circular economy. The foundation launched in 2018 the Global Commitment as part of their work "The New Plastics Economy". The objective is to gather corporates, investors and governments in order to encourage a transition to more sustainable plastic practices. The foundation publishes every year a report tracking companies progress towards predefined goals.
- As You Sow is an American non-profit dealing with shareholder advocacy founded in 1992. Its goal is to promote environmental and social corporate responsibility through shareholder advocacy, coalition building, and innovative legal strategies. As You Sow ranks main relevant corporations on plastic packaging pollution.
- ISS-ESG data on criteria related to plastics such as current percentage of recycled materials, strategies to reduce the impact of packaging, the total waste intensity, and many others.

Mapping used for raising awareness
As of Q4 2022, a screening of relevant positions is performed, and the following breakdown is obtained:

PLASTIC RISK LEVELS



- The coverage is deemed satisfactory since "NO DATA" category has a limited size.
- Most of the exposure is classified under the "INVOLVED" category.
- No company belongs to the "LEADER" category

Monitoring controversies relating to plastic
To complete the above analysis, a controversies screening about plastic is performed on the SCOR portfolio using the RepRisk platform. This tool provides a timely and effective reality-check about what is happening on-the ground, i.e., how a company conducts its business where it operates around the world. It is designed to detect quicker potential controversies than traditional controversies providers.

Conclusion
The 2022 study showed an overall steady scoring comparing to 2021. The plastics data gap is still important to analyze laggards and companies with no data in the portfolio. To overcome this gap, SCOR monitors the new releases of data from different providers.

As example, CDP plans to add questions related to plastics in their 2023 questionnaire, covering the entire plastic value chain including production, use, and disposal. This initiative will include food retailers, pharmaceutical companies, and fashion brands. The draft questionnaire released for consultation in 2022 indicated that companies would need to disclose the occurrence of plastics in their whole value chain, including upstream activities like logistics, and disclose on reduction, reuse, and recycling.

SCOR is currently analyzing the possibilities to join some collective engagements and initiatives on plastics.

SOCIAL ISSUES: SOCIAL SCREENING AND SCORING

The societal pillar is gaining momentum in the sustainability agenda, in line with the Sustainable Development Goals. SCOR has already identified them as the next key topic in its sustainable investment roadmap.

During the first half of 2022, SCOR completed in-depth research on how social issues may impact investment decisions. The objective was to better understand the social risks and impacts of the companies in SCOR's corporate investment portfolio by scoring them based on available data, especially in a context of a much needed, just transition.

Preliminary results: around 700 companies have been assessed in the study. The analyses allow conclusions to be drawn on each company but also by sectors with several levels of granularities. They allow SCOR to highlight the social concerns that remain and that stand out in the portfolio companies.

Social impact through value chain
Social impacts are as important as environmental impacts but are not well tackled by companies yet. Social issues in the value chain arise from the direct and indirect impact of a company's activities on society. These include human rights violations, labor practices, product safety, community relations, and diversity and inclusion. They may manifest in the form of workplace discrimination, child labor, forced labor, trafficking, corruption, and many others. Human rights are at stake throughout the value chain.

Addressing social issues in the value chain requires a holistic approach that considers the impact of company's activities on its stakeholder, including employees, customers, communities, and suppliers.

Monitoring social issues in the value chain is critical to identifying risks and opportunities for improvement.

The SCOR study can be summarized in the 4 following steps. Firstly, a cartography was established highlighting the social issues that sectors and companies in SCOR's investment portfolio are exposed to. Secondly, available social data was collected from different providers and initiatives. Thirdly, a scoring system was created, that allowed to choose the companies for a final (4th) step: case by case assessments across all sectors was done to understand the positive and negative practices of specific companies and sectors overall.

Scoring system
To consider the social risks and impacts of companies in the Q4 2021 portfolio, a scoring system that gives a total social score was created.

The total social score is broken down into 4 categories, that are equally weighted:

❶ *Compliance with Human Rights:* measuring how companies act on respecting human rights in general: discrimination, equal opportunities, gender-inequality, human rights policies …

❷ *Promoting Labor Rights:* measuring how companies act on rights at work: freedom of association and collective bargaining, discrimination in employment, poor employment conditions, health and safety at work, work-life balance …

❸ *Affected Communities' Rights:* measuring how surroundings communities are impacted by a company's activities: community's involvement, company's responsibility, free prior and informed consent of populations …

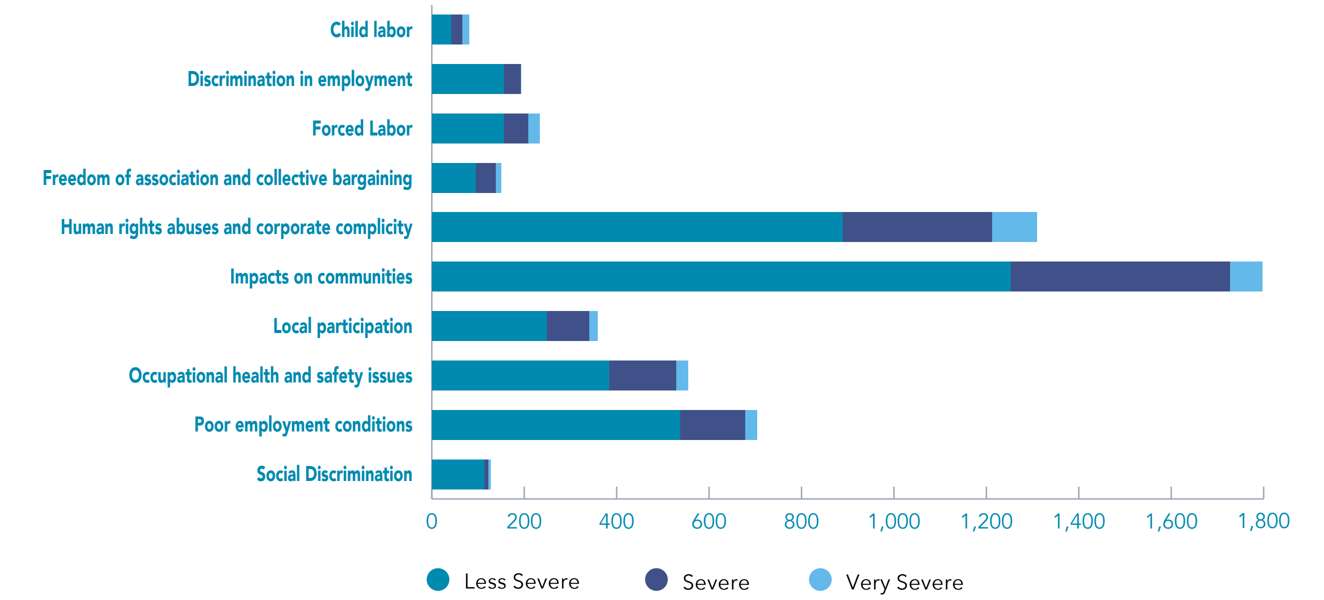
❹ *Career Management:* in a context of transitions, measuring how a company manage its employees' career reorganization: formation, retention …

Providers and initiatives
To feed the social indicator categories, following providers and initiatives were used: ISS-ESG, Reprisk, WBA, Forest500, Finance for Tomorrow and As You Sow.

ISS-ESG scores companies on many non-financial topics, including social themes that provide consistency to the scoring, but also scores on European financial regulations such as the Principal Adverse Impacts of the Sustainable Finance Disclosure Regulation and the Minimum Social Safeguards of the European Taxonomy.

The social controversies from Reprisk give a good overview of the social problematics. Controversies occurred in 2021, covering 10 social issues, were integrated to the scoring. The number of controversies in the 2022 serves as a comparison tool throughout the analysis.

NUMBER OF CONTROVERSIES FOR THE 2021-YEAR REGARDING REPRISK SOCIAL ISSUES



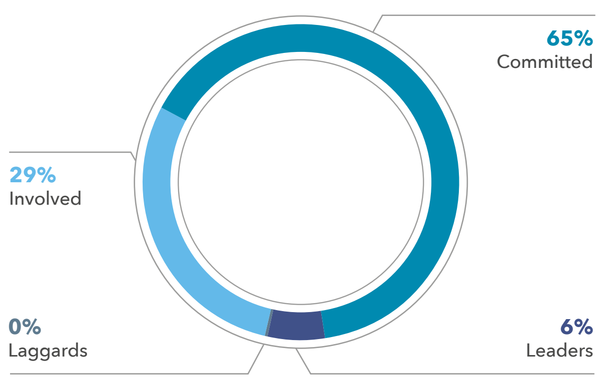
Just transition
A second scoring system was created to explore the data needed for a just transition. It uses a subset of the data that was taken for Social overall scoring.

The concept of a just transition, which strikes the right balance between the needs to decarbonize on the one hand and to respect the rights of workers and communities on the other, is however relatively new and still evolving. The International Labor Organization has defined a just transition as *"Greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities, and leaving no one behind"*. **Ensuring decarbonization goes hand in hand with a just and equitable transition.** Investing in a just transition is set to be the best way to manage the strategic risks and opportunities that flow from the shift to a prosperous, low-carbon, resilient and inclusive global economy.

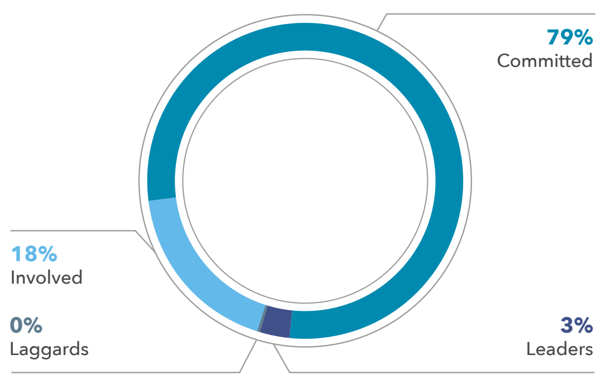
Further study needs to be performed to couple the companies decarbonization efforts with their social rank. Several initiatives work on creating metrics for this definition.

Results
The scoring has permitted to classify the companies into 4 categories: leaders, committed, involved and laggards. The majority of the portfolio has fallen into committed and involved groups with no laggards and few leaders. The lack of social data and transparency from companies remains significant and inconvenient to ensure relevance of the scoring, however this scoring could be a first attempt to understand the social problematics that are present in SCOR corporate bonds investment portfolio.

SOCIAL OVERALL SCORE



JUST TRANSITION SCORE



Next steps
It comes as no surprise that engagement with investees will be key to switch to more sustainable social practices. Further work on social issues is ongoing.

As next step, joining Advance, a UN PRI Collective Engagement Initiative for Human Rights and collective work on social risks, will enable SCOR to make progress on the topic of social issues in its investment portfolio. SCOR will also follow further potential development of EU Social Taxonomy.

8.4. MANAGEMENT OF SUSTAINABILITY IMPACTS, RISKS AND OPPORTUNITIES

STRATEGY

Risks related to legal and regulatory developments
Sustainability is a fast-evolving topic, and its framework is being shaped by regulation, but also soft laws and groups of influence. Recent developments, including anti-ESG movement in the US and competition around sustainability frameworks across jurisdictions show the lack of stability of the legal and regulatory landscapes. This creates uncertainties around potential impacts of sustainability on SCOR's business and ability to conduct its activities in alignment with its commitments vis-à-vis international objectives. This is particularly true for climate change but may also be the case for biodiversity.

To manage these risks, SCOR has a team dedicated to monitoring all regulatory requirements that it needs to fulfil in order to conduct its business legally, fairly and ethically. Adhering to any future restrictions in terms of future business development would be no exception. In addition, the introduction of any major changes in regulations around underwriting in environmentally sensitive sectors could reasonably be expected to occur gradually and in consultation with the insurance industry as a whole. Furthermore, being strongly engaged in the public debate through various working groups dedicated to sustainability issues enables SCOR to better anticipate such potential changes in regulation and thus adapt its activities accordingly. SCOR also relies on its legal team to assess potential legal and reputational risks linked to its sustainability ambition and commitments.

Risks related to the competitive environment
Due to possible future pressures on certain carbon-intensive sectors to either reduce or suspend their operations, because of their impact on global carbon emissions linked to climate change, the demand for (re) insurance of these sectors could decline in the future. Committed to building its reputation as a sustainable reinsurer, SCOR constantly develops new capabilities to address the risks of tomorrow and adapt to the transition to a net zero economy. It also and for new business relations to replace potential loss of revenues and keep its competitive advantage in relation to market peers. Priorities relevant to climate change include working towards understanding and incorporating the effects of climate change into the company's catastrophe models, supporting the energy transition through participation in the Net-Zero Insurance Alliance and the Net-Zero Asset Owners Alliance, building expertise and further developing business in renewable energy sectors and working towards the protection of biodiversity though e.g. participation in "Act4Nature".

P&C AND L&H UNDERWRITING ACTIVITIES

Management of physical risks:
SCOR has a number of risk management mechanisms in place to manage the Group's exposure to its main risks, including peak natural catastrophe risks that could be impacted by climate change. For example:

- SCOR carefully monitors and manages the accumulated gross exposures to ensure that the company is not overly concentrated in certain locations;
- SCOR's system of limits facilitates the management of SCOR's net exposure to its main risks, which include natural catastrophes such as North Atlantic Hurricane and European Windstorm. It includes a risk driver system, that monitors and manages SCOR's annual aggregate net exposure to its main risks and an extreme scenario system that monitors and manages exposure to the occurrence of a range of extreme events;
- to ensure that SCOR's net exposure remains within these agreed limits, SCOR has put in place a Capital Shield Strategy, which is designed to provide a range of protection measures against extreme events including the use of traditional retrocession, capital market solutions, a solvency buffer and a contingent capital facility;
- footprint scenario assessments – SCOR has developed a number of specific extreme events (both imagined and historic) that are run regularly on the current in-force business portfolio to stress-test the ability of the company as a whole to withstand such events.
- Use of data providers for additional data on ESG ratings and GHG emissions

Catastrophe modelling and pricing
For the P&C business, models that are used to price natural catastrophe business are calibrated using recent claims data, as well as other inputs such as results from recent scientific studies (e.g. relating to current estimates of rising sea levels). In this way, changes in the frequency and severity of the natural perils that SCOR underwrites, whether related to climate change signals or not, are taken into account in the pricing of contracts. In addition, the Catastrophe Modelling team carries out assessments to understand how climate change could impact the perils that are most material to SCOR in the short-medium term.

SCOR is also committed to improving the quality of the catastrophe models and techniques that are used to assess and price the perils that are likely to evolve in a changing climate.

Management of transition risks:
To reduce its exposure to carbon-intensive sectors which could become obsolete in the future, SCOR has various exclusion policies in place that encompass the coal, oil and gas sectors. As a member of the Net Zero Insurer's Alliance SCOR is committed to transitioning all operational and attributable greenhouse gas emissions from its insurance and reinsurance underwriting portfolios to net zero by 2050. Initially limited to Single Risk most emitting activities, the protocol will progressively extend the scope to reinsurance treaties and Life & Health business as methodologies and data become available. For example, SCOR relies on data providers for the ESG ratings of its underwriting portfolio. It provides additional data on its clients, like GHG emissions, ESG ratings and controversies. This contributes to a more robust monitoring of clients within the portfolio.

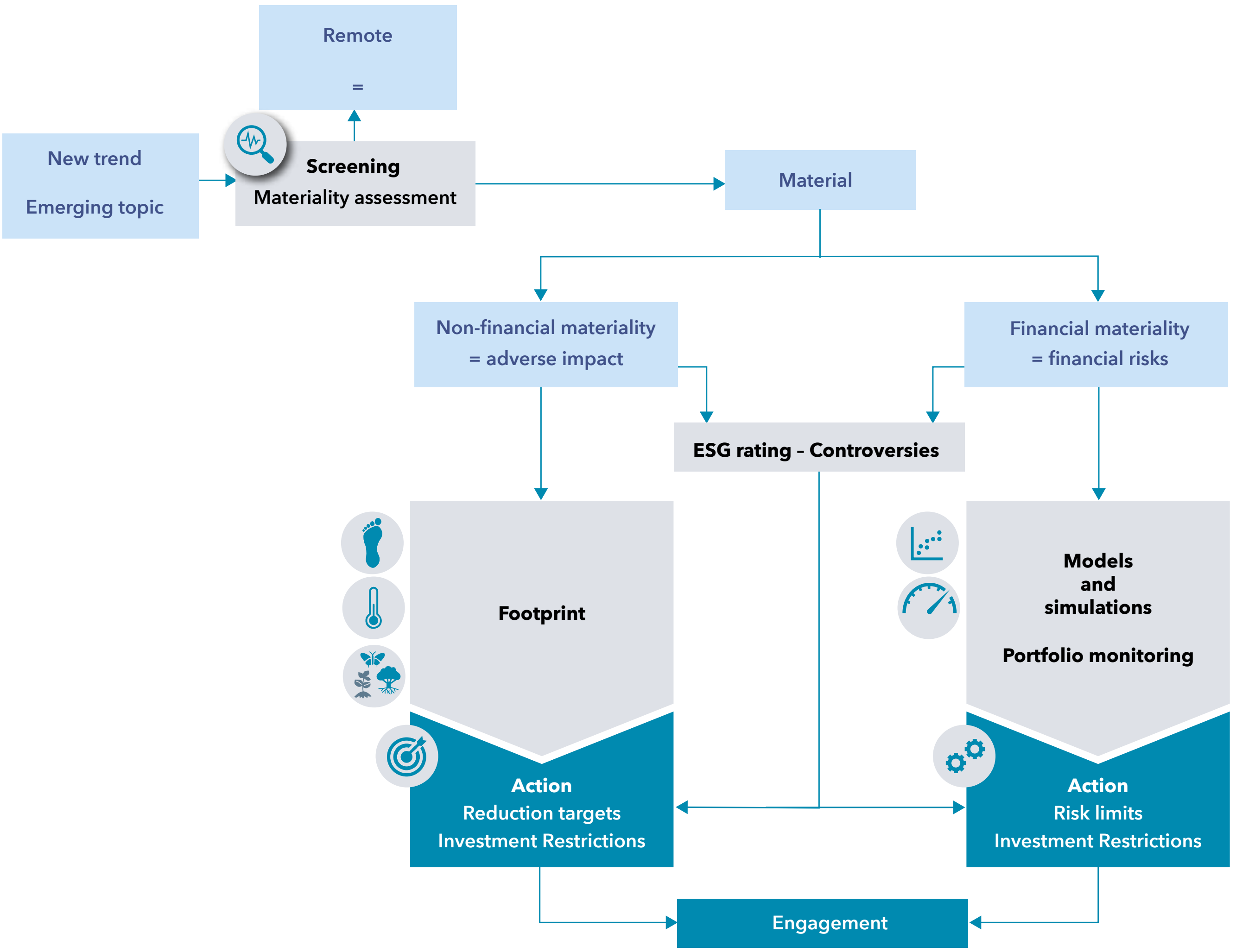
In addition, an ESG underwriting guide covers ESG issues relevant to specific activities that may present ethical issues related to health (e.g. manufacture and distribution of opioids, animal testing), the environment (e.g. palm oil production, dam construction) and human rights (e.g. textiles and forced labor).

Such exclusion policies and underwriting guidelines are combined with developing underwriting expertise in technologies that support the energy transition (e.g. offshore wind and Hydrogen). For example, the P&C business unit has strengthened its underwriting teams in the field of renewable energy and has identified strategic markets for growth during the current strategic plan. The P&C business unit is also developing new strategic partnerships with start-ups offering novel insurance products in renewable energy.

INVESTMENT ACTIVITIES

SCOR Sustainability strives to actively follow sustainability trends on investments by constantly watching initiatives and news-flow, and stimulating debates with peers, regulators, professional associations. New trends are analyzed from the two materiality lenses and when considered material, they enter the double process of risk management and impact assessment. Depending on the maturity of methodologies and availability of data, results can lead to internal discussions, or amendments to the investment strategy.

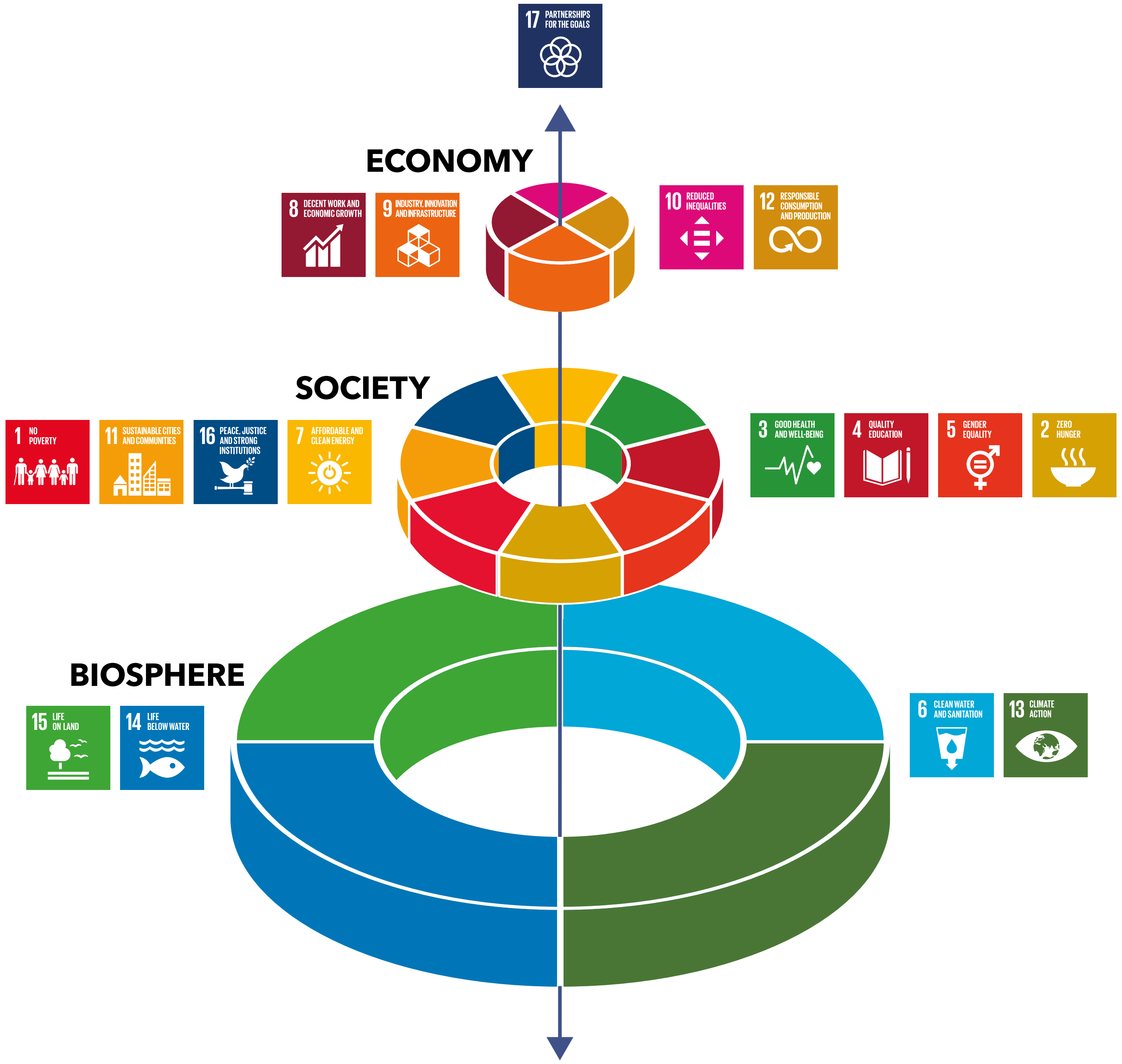
RISK MANAGEMENT AND IMPACT ASSESSMENT PROCESS FOR INVESTMENT ACTIVITIES



Outcomes of the process can be summarized as follows:

		Risk / Opportunities assessment	Impact assessment	Asset classes	% of coverage (in% of Total AUM)
Models and simulations	Nat catmodelling tool	Climate physical risk		SCOR's physical assets	10%
	CRREM	Climate transition risk		SCOR's direct real estate for investment	In 2021: – 2% of total AUM – 85% of direct real estate for investment asset class
	Climate stress testing	Climate transition risk Climate physical risk		Fixed Income Loans	In 2021: 85%
Foot printing	Carbon emissions	Climate transition risks	Pathway to reach carbon neutrality by 2050 including interim targets by 2025 and 2030	Government bonds Corporate bonds Listed equities Real assets Real assets loans Corporate loans	79% (on enterprise value or debt)
	Implied Temperature Rise (ITR)	Climate transition risk		Government bonds Corporate bonds Listed equities Corporate loans	57%
	Biodiversity	Transition risk			Experimental
Portfolio screening	Taxonomy	Resilience of activities		Utilities	Not relevant - Experimental
	Biodiversity	Deforestation risk		Corporate bonds Listed equities	
	ESG rating	Identify most critical positions for monitoring	Limiting adverse impacts Enhancing positive impacts	All invested assets	73%
	Controversies			Liquid assets	Not relevant

LINKS BETWEEN SDGS AND THE DEPENDENCY OF SOCIETY ON THE BIOSPHERE



Source Stockholm Resilience Centre: This graph shows the links between SDGs and the dependency of societies on the biosphere.
By contributing to the achievement of SDGs 6, 13, 14 and 15, SCOR supports the wellbeing of the biosphere and therefore the sustainable development of societies.

MANAGEMENT OF PHYSICAL RISKS IN OPERATIONS

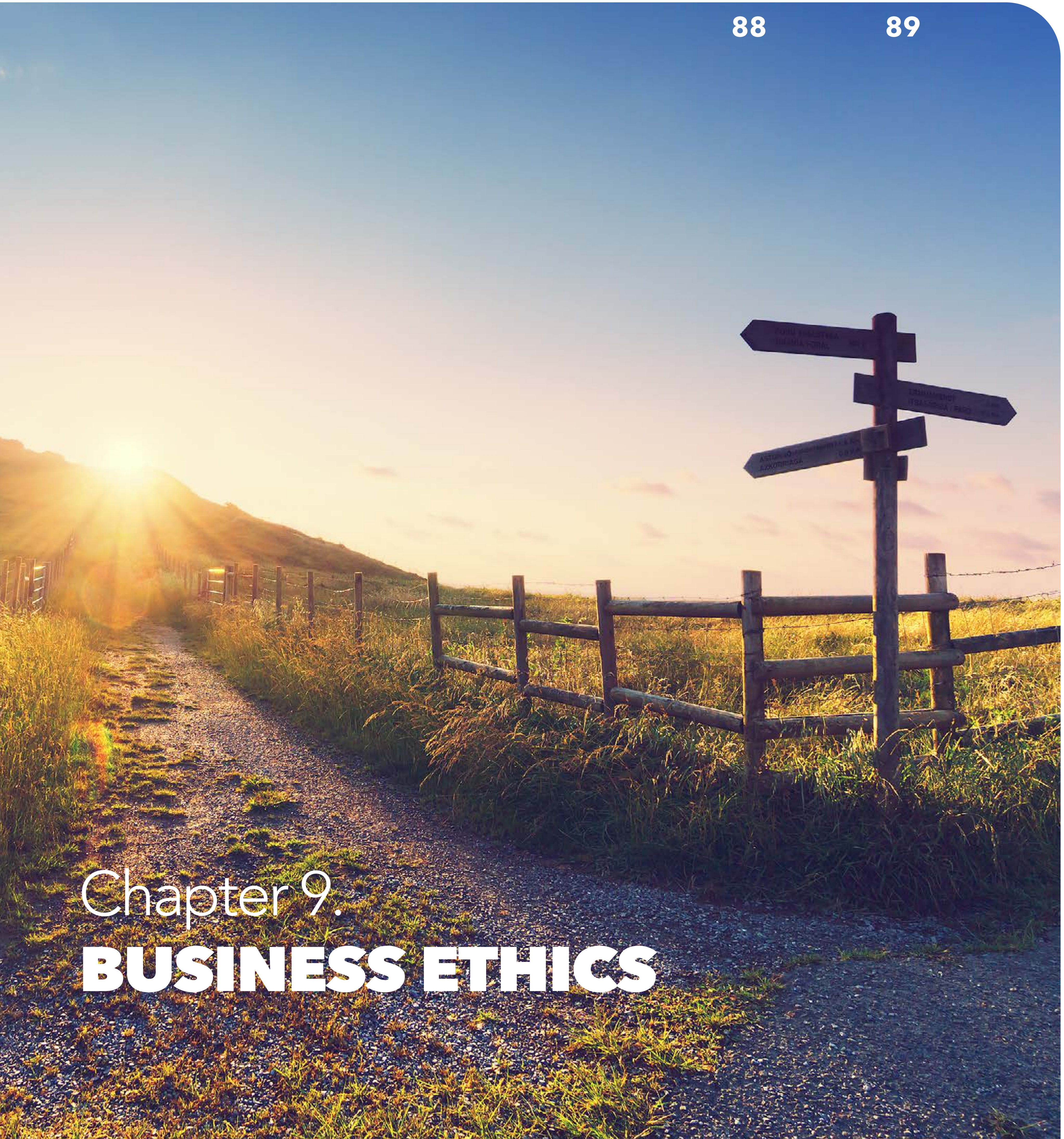
The exposure of SCOR's operations to acute and chronic physical climate risk is principally managed through the Business Continuity Plan (BCP). The BCP is in place to ensure the maintenance of SCOR's business activities during different kinds of events that could prevent staff from accessing office premises - potentially for a prolonged period of time. Such events include natural catastrophe events that could occur more frequently or with greater severity as a result of the changing climate (e.g. flood events, hurricanes). SCOR's BCP was most recently tested during the Covid-19 pandemic, during which staff were able to continue working remotely from SCOR's office premises, for several months. Another purpose of the BCP is to ensure an acceptable resilience to systems interruptions. For this reason, SCOR has moved most of its critical applications onto high standard and duplicated cloud systems, which provides SCOR with a high level of resilience in its ability to maintain operations during severe natural catastrophe events.

8.5. INTERNAL CONTROL ENVIRONMENT AND RISK MANAGEMENT PROCEDURES

The Internal Control System (ICS) is 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 local applicable laws, regulations or policies. ICS processes have been documented accordingly, focusing on those considered the most critical. ICS documentation is maintained across the Group and regularly reviewed for continuous improvement. The Group policy on ICS sets out the reference framework and describes the Group principles, the responsibilities of the various internal control stakeholders and the quality requirements.

The internal control and risk management systems are monitored 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.

For further information on the internal control environment see section 3.3 – Internal control and risk management procedures in the 2022 Universal Registration Document



Chapter 9.
BUSINESS ETHICS

9.1. HUMAN RIGHTS

As a member of the United Nations Global Compact, SCOR is highly committed to respecting human rights in the conduct of its business activities and does not want to be complicit in the violation, or potential violation, of human rights. Furthermore, SCOR in no way supports, condones or tolerates any form of discrimination, human abuse, servitude, forced labor, compulsory labor, human trafficking, child abuse, or slavery. These basic human rights violations are not tolerated within the company nor within any company with which SCOR is engaged in a business transaction. SCOR also supports freedom of association and the right to collective bargaining. This commitment is formally set out in:

- SCOR's Code of Conduct, which is publicly available;
- the Group Statement on Slavery and Human Trafficking, published on SCOR's website; and
- the Sustainable Development Charter between SCOR and its suppliers and vendors, which refers to the conventions of the International Labour Organization (ILO) as well as the UN Global Compact principles covering human rights, labor, environment and anti-corruption.

SCOR is improving the monitoring of its suppliers and vendors by rolling out a dedicated platform supporting the collection of the documents required by law (e.g. in relation to labor law, anti-corruption), notification of its suppliers' Sustainable Development Charter and questionnaires.

In addition, as a member of the Principles for Sustainable Insurance and the Principles for Responsible Investment, SCOR is strongly committed to factoring human rights issues into its insurance and investment activities. These commitments are formally set out in:

- the ESG underwriting guide (2019), which includes instructions to incorporate ESG considerations specific to certain activities that may present ethical human rights issues (e.g. in the textiles industry);
- the Sustainability Policy, which reflects SCOR's commitment to act as a sustainable investor and (re)insurer.

For further information on the respect of human rights within the workforce, see Sections 6.2.2 – Working well together program and 6.2.3 – Fostering social dialogue.

Finally, SCOR publicly reports on the implementation of the UN Global Compact's commitments through the Communication on Progress (CoP) on the UN Global Compact's website.

9.2. CODE OF CONDUCT & COMPLIANCE POLICIES

The Group Code of Conduct establishes the key areas of compliance with legal and ethical obligations and the best practices in these areas. It is incorporated into the Group's human capital management cycles, as well as through training provided to new employees and periodically to existing employees.

Failure to comply with the principles of SCOR's Code of Conduct may result in internal sanctions or disciplinary action, which could lead to criminal or regulatory proceedings in compliance with the applicable laws.

COMPLIANCE POLICY

The Group compliance policy, which goes hand-in-hand with the Group Code of Conduct, defines several principles to support the compliance framework. One of the major principles is a risk-based approach to compliance in accordance with the SCOR Group policy on risk management.

The Group compliance policy also defines the roles and responsibilities of key stakeholders, in particular the compliance teams. The compliance teams carry out regular risk assessment monitored at Executive Committee and Board of Directors levels.

The Group compliance policy, together with other compliance-related policies and guidelines, establishes minimum standards applicable throughout the Group. They are made available to all employees on SCOR's intranet. For more information on anti-corruption, sanction and embargoes, anti-money laundering and insider trading, refer to section 6.5.2 – Code of conduct and compliance policies in the 2022 Universal Registration Document.

DATA PROTECTION

The United Nations Global Compact, of which SCOR is a member, calls upon the Group to promote and respect the protection of international human rights law and to ensure that it is not a party to any human rights violations. In light of technological developments, the protection of personal data is a crucial component of the respect for fundamental rights, as illustrated in Article 8 of the EU Charter of Fundamental Rights.

As well as the processing of personal data relating to its employees, SCOR's activities may involve the processing of other personal data, which requires it to comply with regulations relating to personal data protection and privacy, a key component of SCOR's activities. The Code of Conduct defines the key principles related to the protection of personal data and privacy that are mandatory for all employees.

The General Data Protection Regulation (GDPR) (EU 2016/679), in force since May 25, 2018, constitutes the overarching regulation on data protection in Europe with the objective of making companies accountable for their processing of personal data. In addition, the Group also complies with other local data protection regulations outside of the European Union, where applicable.

The Data Protection Officer is responsible for building and maintaining a comprehensive data protection framework. He coordinates the governance and is responsible for the design and implementation of the annual action plan on data protection, embedded in the Group Compliance plan. Progress on the annual action plan is reported to the Data Protection and Privacy Committee co-chaired by two members of the Group Executive Committee (the Group Chief Sustainability Officer and the Group Chief Transformation Officer). This governance is also supported by various contributors across the organization including Regional Compliance Officers, local correspondents, legal counsel and IT security teams worldwide.

SCOR adheres to several guidelines and policies that relate to or impact some aspects of privacy and/or data protection:

- the Group data protection policy, which establishes a common minimum standard to be applied by SCOR for processing personal data;
- the Group data breach response guidelines, which establish a response process to help staff identify and escalate a potential data breach so as to ensure an appropriate and timely response from the company;
- the Group information security policy, which sets out SCOR's commitment to IT security and defines IT security governance.

These documents are owned by the Group Data Protection Officer and the Group Chief Information Officer, respectively.

Data protection is included in the training sessions conducted by the legal and compliance teams worldwide, as part of the global training program for employees. During these sessions, employees are trained on data protection obligations, the GDPR and any local obligations that may be applicable to participants. The training sessions are hands-on and include case studies to help participants identify the issues that may arise in the course of their work and the best practices to resolve them.

CYBERSECURITY

Aware of the expectations of its clients and other partners in terms of protection against cyber risks and their consequences, SCOR has developed and continuously maintains the SCOR Information security policy, supplemented by guidelines and procedures which are implemented across various levels of its organization.

A cyber security program is developed annually by the Group's Chief Information Security Officer to continuously address evolving risks. It is approved by IT and Senior Management and implemented with contributions from all the IT Department. The cyber security program is closely monitored and quarterly reports are made to Senior Management.

The Group regularly pays particular attention to security awareness and skills among its staff through regular Information Security alerting, yearly cyber security e-learning sessions including data protection recommendations aligned with legal and compliance training programs, and phishing simulations to help employees become familiar with signs of such activity, since these are the major vector of ransomware attacks. In June 2022, SCOR increased the frequency of the phishing campaigns from quarterly to monthly (eight campaigns in 2022 compared to four in 2021). In 2022, the Group sent 46,219 fake phishing emails to permanent and external employees and observed that an increasing number were reported to the IT department.

For further information on the cybersecurity program and data recovery, see section 6.5.1.2 in the 2022 Universal Registration Document

ARTIFICIAL INTELLIGENCE

SCOR's Code of Conduct serves as a reference for employees to understand their legal and ethical obligations toward SCOR's different stakeholders. This reference is also used for artificial intelligence as SCOR is committed to formally integrating these principles into its operations, based on the "ethical guidelines for trustworthy AI" published in April 2019, by the European Commission High-Level Expert Group on Artificial Intelligence.

An artificial intelligence policy was approved in 2021 to ensure compliance with these principles. For an effective and documented implementation, this policy is based on the risk management framework which includes a dedicated module.

9.3. TAX TRANSPARENCY

In the course of its activities, the Group does not engage in any artificial structure that lacks corporate purpose or economic substance. The use of tax havens for tax avoidance purposes for offshore business activities is not a practice adopted by the Group. The Group ensures that the pricing of SCOR's intragroup transactions complies with the OECD Transfer Pricing Guidelines and local regulations. Accordingly, SCOR pays its income taxes in the country where the business activities are performed.

Compliance with tax regulations is an integral part of SCOR's operating principles. It is Group policy to comply with the applicable tax laws wherever it operates.

The Group Tax Department ensures that the various Group entities comply with the applicable tax laws and regulations wherever they operate.

For further information see section 6.5.3 Tax transparency in the 2022 Universal Registration Document.

9.4. REPORTING CONCERNS

All employees are responsible for ensuring compliance with applicable laws, regulations and policies in their daily duties and for escalating any actual or suspected compliance breach, in line with the Group's guidelines on reporting concerns. Alerts can be raised internally and externally through a dedicated online platform. This enables secure and confidential reporting of concerns at any time and from any location with Internet access. The reporting channels allow users to include attachments to the report and also allow for anonymous reporting. All reports filed through these channels are confidentially routed to the Regional General Counsel, Regional Compliance Officer and to the Group Chief Compliance Officer, so that they are fully reviewed and investigated by the team assigned to the investigation.

9.5. LEGAL AND COMPLIANCE TRAININGS & AWARENESS RAISING

In order to ensure proper dissemination of the compliance requirements among SCOR employees, and to keep them informed about the latest development on those issues, training sessions for the underwriting, claims handling and accounting departments are regularly held across the Hubs. In total, four mandatory training courses on risk management and compliance issues were deployed in 2022: privacy & data protection, legal & compliance curriculum (covering areas such as anti-money laundering, sanctions & embargoes, anti-corruption and conflict of interest) and two training sessions on inclusion and preventing discrimination and harassment.

In total 13,463 hours of training on these topics was recorded, representing 27% of total training hours in 2022[1].

The Compliance Department also launched communication campaigns to raise awareness and provide reminders about processes related to fraud (four information emails), anti-bribery and corruption (two information emails), data protection (three information emails), competition (one information email) and anti-money laundering (one information email)

(1) See Section 6.9.1 – Note on methodology in the 2022 Universal Registration Document for more information on this indicator.

Chapter 10.

METRICS AND TARGETS

SCOR regularly monitors indicators to ensure that it will achieve the objectives set for the Group in its sustainability strategy.

10.1. SELECTED METRICS

UNDERWRITING ACTIVITIES

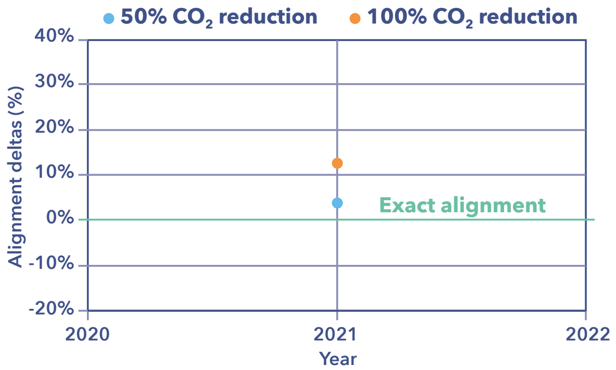
Poseidon principles for Marine Insurance
To support the net zero ambition of its direct international shipping policyholders, SCOR became a founding signatory of the Poseidon Principles for Marine Insurance in December 2021. Under this initiative, the Group has committed to assessing and disclosing the climate alignment of its hull and machinery portfolios, and to benchmarking them against two trajectories related to a 50% reduction in annual greenhouse gas emissions by 2050 compared to 2008, and a 100% reduction in emissions by 2050.

The graph below illustrates SCOR's portfolio climate alignment scores to achieve 50% CO_2 reduction as well as 100% CO_2 reduction. 0% represents "Exact Alignment" for both 50% and 100% CO_2 reduction trajectories respectively which is represented by the green line. The blue dot represents SCOR's climate alignment score against the 50% CO_2 reduction target while the orange dot represents alignment score against 100% CO_2 reduction target. A positive score indicates misalignment while a negative score indicates alignment.

As this is the first year of reporting, scores are depicted as points only. However, when data for at least two years is available, reported scores (historic and current year) will be accompanied by a trendline illustrating the future progression of SCOR's alignment based on historic data. Since SCOR's portfolios change every year, absolute comparison of alignment is impractical thus, this graph is aimed at depicting relative alignment to the annual target allowing for year-on-year comparison.

PORTFOLIO CLIMATE ALIGNMENT SCORES

50% CO_2 reduction: **4.2%**
100% CO_2 reduction: **12.1%**



Eligibility of SCOR (re)insurance activities under the European Taxonomy
In line with Article 8 of the Taxonomy Regulation (EU 2020/852) and associated Delegated Regulation, SCOR has assessed the share of its (re)insurance activities eligible under the European Taxonomy. In 2022, 57.6% of SCOR's activities were eligible, compared to 61.5% in 2021.

The ratio is based on non-life gross written premiums (GWP) and calculated on a Group consolidated basis as per the regulation:

- The numerator represents the sum of eligible gross written premiums;
- The denominator is the total sum of non-life gross written premiums.

Based on the methodology described above, as of December 31, 2022:

- Eligible gross written premiums amount to EUR 5,768 million;
- Total non-life gross written premiums amount to EUR 10,017 million.

This second year of eligibility disclosure continues the transition period, which will be concluded with the disclosure of Taxonomy-alignment in 2024. Only a subset of SCOR's eligible business may be considered "aligned" with the conditions of the Taxonomy Regulation and the Climate Delegated Regulation, i.e. "sustainable". While SCOR's eligibility ratio is based solely on SCOR's internal information about the business it underwrites, SCOR's future alignment ratio will need to incorporate information from its insurance partners collected specifically for the purpose of disclosures under the Taxonomy regulation.

For further information on the approach, please refer to section 6.3.1.2 in the 2022 Universal Registration Document.

INVESTMENT ACTIVITIES

Risks and opportunities

Exposure to fossil energies
The amount of investments in companies active in the fossil fuel sector as per Art 29 definition equals EUR 57 million as of end of 2022, including EUR 5 million exposed to thermal coal mining and EUR 24 million exposed to unconventional oil and gas.

Exposition (in EUR million)	2022	2021
Fossil energies	57	139
Unconventional hydrocarbons	24	75
Thermal coal mining(1)	5	5

(1) Exposures in run-off

In 2022, SCOR revised its sustainability policy, which includes a commitment to divest totally from companies generating revenues from thermal coal or unconventional oil and gas by 2030 worldwide.

ESG ratings per ISS-ESG methodology
The ISS-ESG rating methodology is based on the analysis of environmental and social ("E" and "S") factors, including governance criteria.

- Government bonds: For government securities, ISS-ESG assigns equal weighting to the two groups of E and S factors. At SCOR, Government bonds are used mainly for ALM purposes, backing the Group's underwriting commitments. Investing in other asset classes entails other risks and capital constraints that are not deemed relevant given SCOR risk appetite.
- Corporate bonds: The methodology developed by ISS-ESG to rate private companies is also based on the two groups of E and S factors, but their weighting depends on the business sector they relate to. Analyses are based on financial and non-financial data provided by the companies complemented with interviews with employees and external stakeholders.

ESG rating	Median ESG rating	ISS-ESG coverage ratio	% of total assets
Total portfolio	C	73%	100%
Government bonds		100%	28%
Covered bonds		100%	3%
Corporate bonds		95%	44%
Equity		100%	0.3%

The median grade in SCOR's portfolio is C, unchanged compared with the previous year. The coverage ratio is very different from one asset class to another but stands overall at 73 % of the total invested assets. As expected, government bonds and corporate bonds are the most widely covered. As they represent the bulk of SCOR's assets, the current assessment of the overall portfolio is deemed acceptable. Some asset classes like real assets are not meant to be covered by ISS-ESG ratings.

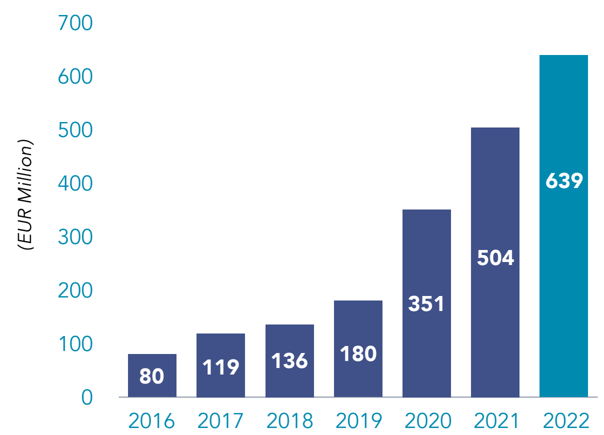
Transition and social bucket
Transition and social: SCOR defines "sustainable" assets depending on its internal taxonomy. The current limitations when applying EU taxonomy criteria advocate for keeping the same methodology until data availability and robustness have materially improved. Asset classes in SCOR's "transition and social bucket" include direct real estate investments, infrastructure and real estate debts, and green, social and sustainable bonds. To be eligible, real estate must be certified and infrastructure debt must finance the transition to a low-carbon economy. In addition, individual due diligence is performed on a line-by-line basis to assess the internal "green stamp".

As of Q4 2022, the transition and social bucket of SCOR's investment portfolio stands at EUR 1.9 billion including operating real estate. This represents 8.5% of SCOR's overall assets versus 7.5% at the end of 2021.

The green and sustainable bucket (transition and social bucket without the social bonds) represents 8.3% of SCOR's overall assets as of Q4 2022 (compared to 7.3% as of Q4 2021).

The green bucket (transition and social bucket without the social and sustainable bonds) represents 7.4% of SCOR's overall assets as of Q4 2022 (compared to 6.8% as of Q4 2021).

MARKET VALUE OF GREEN AND SUSTAINABLE BONDS (EUR MILLION)



As of December 31, 2022, nominal value of green and sustainable bonds is EUR 735 million.

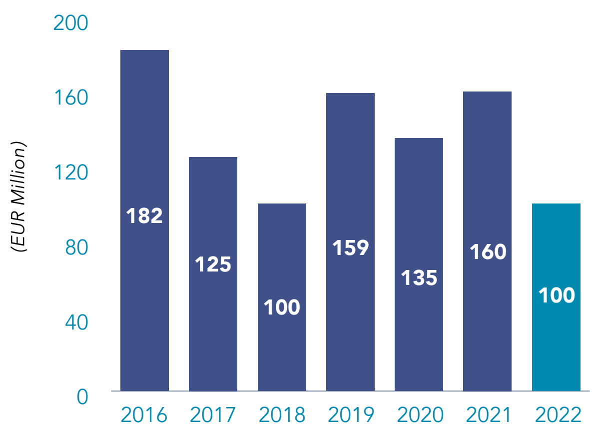
SCOR has set a target to increase the green and sustainable bonds bucket to:

- EUR 702 million in market value by 2024,
- EUR 850 million in nominal value by 2023,
- EUR 1,000 million in nominal value by 2024.

Insurance-Linked-Securities

SCOR invests in Insurance-Linked-Securities through funds managed by its subsidiary SCOR Investments Partners. SCOR gets return for taking climate acute physical risk when investing in this type of products. The bucket offers strong performance and diversification to its portfolio.

EXPOSURE TO INSURANCE-LINKED SECURITIES (EUR MILLION)



Impact

Carbon footprint

Table 1: Investment value in EUR millions as of 31.12.22

	2022		2021	
Asset class	**Invested value**	**% of total portfolio**	**Invested value**	**% of total portfolio**
Covered with carbon footprint data	**18,216.3**	**82%**	**18,764.9**	**82%**
Corporate bonds and equity	9,808.6	44%	10,037.9	44%
Sovereign debt and assimilated	5,858.8	26%	6,163.1	27%
Covered bonds	697.4	3%	739.7	3%
Corporate loans	499.8	2%	534.5	2%
Direct real estate for investment	700.6	3%	689.9	3%
Real estate debt	286.8	1%	260.9	1%
Infrastructure debt	364.2	2%	338.8	1%
Not covered[1]	**4,086.4**	**18%**	**4,104.0**	**18%**
Total	**22,302.7**	**100%**	**22,868.9**	**100%**

All emissions are provided by ISS-ESG, using either reported or estimated data. Due to methodology enhancements performed by ISS-ESG, mainly related to a better incorporation of scope 3 emissions, the financed emissions and carbon intensity prior to 2022 were restated to reflect these changes.

For private assets (real estate debt, infrastructure debt and direct real estate for investment), data is mostly estimated, which creates variability from one year to another.

(1) Asset classes not covered are cash, securitized products, funds, non-listed equities, insurance-linked securities.

Table 2: Financed emissions in tCO_2eq

	2022				2021			
Asset class	**Coverage by ISS[1]**	**Scopes 1 and 2**	**Scope 3**	**Scopes 1 to 3**	**Coverage by ISS[1]**	**Scopes 1 and 2**	**Scope 3**	**Scopes 1 to 3**
Corporate bonds and equity	95%	325,835	3,486,556	3,812,392	97%	457,374	4,199,773	4,657,148
Sovereign debt and assimilated	94%	1,888,107[2]	-	1,888,107	100%	4,116,225	-	4,116,225
Covered bonds	98%	219	30,228	30,447	98%	318	46,592	46,910
Corporate loans[3]	98%	52,021[4]	-	52,021	93%	76,906	-	76,906
Direct real estate for investment	85%	2,482	1,549	4,031	85%	4,881	2,162	7,043
Real estate debt	100%	2,129	617	2,746	100%	3,461	1,641	5,102
Infrastructure debt	100%	218,309	108,894	327,203	100%	19,195	66,423	85,618
Total	**79%**	**2,489,102**	**3,627,844**	**6,116,947**	**85%**	**4,678,360**	**4,316,591**	**8,994,952**

For equity, corporate bonds, covered bonds and corporate loans:

$$\textit{Financed emissions for a given issuer} = \frac{\textit{Market value}}{\textit{Enterprise value}} \times \textit{Issuer emissions}$$

with Enterprise value=market capitalization+outstanding debt (including cash)

For sovereign debt and assimilated:

$$\textit{Financed emissions for a given issuer} = \frac{\textit{Market value}}{\textit{Debt}} \times \textit{Issuer emissions}$$

For direct real estate for investment, real estate debt and infrastructure debt:

$$\textit{Financed emissions for a given project} = \frac{\textit{Market value}}{\textit{Project value}} \times \textit{Project emissions}$$

For real estate debt and infrastructure debt, project value is as of origination. For real estate debt, market value is outstanding debt (since 2022) whereas for infrastructure debt, market value corresponds to the initial amount of the loan.

So far, SCOR approach is aligned with PCAF's for corporate bonds, equity and real estate debt. SCOR is working to extend alignment with PCAF methodologies to other asset classes.

(1) Results in tables 2 and 3 are associated to portfolios studied by ISS, which are as of end November for internal organizational reasons. Difference with table 1 should be small.
(2) There is no breakdown between 1 and 2 and 1 to 3 emissions for this asset class.
(3) Estimated data. SCOR expects to have more precise data with CSRD entering into force in the coming years.
(4) There is no scope 3 data for this asset class.

Table 3: Emissions intensity in tCO_2eq per EUR million invested ($kgCO_2eq/m^2$ for direct real estate for investment)

	2022			2021		
Asset class	**Asset class coverage**	**Scopes 1 and 2**	**Scopes 1 to 3**	**Asset class coverage**	**Scopes 1 and 2**	**Scopes 1 to 3**
Corporate bonds and equity	95%	35	407	97%	47	477
Sovereign debt and assimilated	94%	342	342	100%	599	599
Covered bonds	98%	0	41	98%	0	63
Corporate loans	98%	104	104	93%	143	143
Direct real estate for investment[1]	-	-	-	86%	15.6	-
Real estate debt	100%	7	10	100%	9	13
Infrastructure debt	100%	407	610	100%	55	246

For all asset classes except direct real estate for investment:

Carbon intensity by EV per EUR million invested for a given portfolio in tCO_2eq per EUR million invested =

$$\frac{\sum_i (\text{Financed emissions for a given issuer/project})_i}{\text{Portfolio Market value}} \times 1\,000\,000$$

For direct real estate for investment:

Carbon intensity by m^2 for this portfolio in $kgCO_2eq/m^2$ =

$$\frac{\sum_i (\text{Financed emissions for a given project})_i}{\text{Portfolio surface}}$$

In this case, financed emissions represent the yearly scopes 1 and 2 emissions of all buildings (ownership = 100%). This is the only class for which ISS-ESG data from table 2 is not used, in favor of CREEM data using energy consumption.

> The carbon intensity of a portfolio measured with enterprise value metrics is sensitive to portfolio allocation and to issuers data:
>
> - The higher the assets invested in carbon intensive companies, the higher the intensity
> - The higher the emissions, the higher the intensity
> - The lower the market capitalization, the higher the intensity
> - The lower the outstanding debt, the higher the intensity
>
> There is also a lag when computing the figures at portfolio level as issuers' data are dated as least one year at the time of the calculation. This lag is even more so visible that market capitalization is captured daily.

The decrease in corporate bonds and equity carbon intensity year on year is driven in part by the reduction of investments in carbon-intensive sectors, especially the oil and gas sector, notably because of the strengthening of the sustainability policy. The second factor is the Covid crisis that reduced emissions in carbon-intensive sectors in 2020, year of the emissions used.

The decrease in sovereign bonds and assimilated carbon intensity year on year is explained by debt amounts growing faster than carbon emission levels.

Implied Temperature Rise

The Implied Temperature Rise is a forward-looking metric used to try and measure the alignment of the portfolio or of an asset class with the Paris agreement to limit global warming well below 2°C by 2100 compared to preindustrial levels. As already explained in the past, the data lacks robustness and is still being adjusted with models and methodologies improving regularly. More than the absolute level, SCOR prefers to consider the trend.

(1) Data as of 2022 is not yet available.

As in the past, SCOR has selected Carbone 4 for this assessment. The measure is quite stable year on year at 3.2°C.

Implied Temperature Rise	2019	2020	2021	2022
Previous methodology	2.8°C	2.8°C	-	-
2021 methodology / metrics	3°C	3°C	3.3°C	3.2°C

Eligibility under the European Taxonomy

SCOR has reassessed the proportion of its invested assets that are Taxonomy-eligible. As of December 31, 2022, the mandatory eligibility ratio amounts to 10.6% and voluntary eligibility ratio amounts to 16.9%.

Calculations are presented below.

- SCOR has performed a qualitative assessment to identify its eligible investments among real assets. Real assets are buildings acquired for investment purposes or own use and assets from real estate debt funds and infrastructure debt funds. The assessment has been performed at the position level, based on data provided by the investees.
- SCOR has also used data provided by ISS-ESG for fixed income and equities. ISS-ESG provides the share of revenue and capital expenditure eligible for each company. When this information is provided by ISS-ESG based on mandatory KPIs reported by companies subject to the NFRD, it was included in SCOR mandatory KPI. Otherwise, it was included in SCOR voluntary KPI.

As of December 31, 2022	Invested value in EUR millions[1]	% total assets	% assets covered
Total assets, including:	**23,377.3**	**100%**	
Central governments, central banks and supranational issuers	5,023.3	21.5%	
Assets covered[2], including:	**18,354.1**	**78.5%**	**100%**
Assets in undertakings not subject to the NFRD[3]	9,070.5	38.8%	49.4%
Assets in undertakings subject to the NFRD[5]	1,685.9	7.2%	9.2%
Other assets for which NFRD subjection could not be determined, including:	7,597.7	32.5%	41.4%
Derivatives	246.0	1.1%	1.3%
Cash and cash equivalents	1,704.5	7.3%	9.3%
Assets eligible to the mandatory KPI:	**1,946.3**	**8.3%**	**10.6%**
Direct real estate invested - in the European Union (EU)	559.2	2.4%	3.0%
Direct real estate for own use - in the EU	539.8	2.3%	2.9%
Infrastructure debt - in the EU	246.4	1.1%	1.3%
Real estate debt - in the EU	286.8	1.2%	1.6%
Fixed income and equities (revenue weighted)[4]	314.1	1.3%	1.7%
Assets non eligible to the mandatory KPI	**16,407.8**	**70.2%**	**89.4%**
Assets eligible to the voluntary KPI, including:	**3,093.1**	**13.2%**	**16.9%**
Assets eligible to the mandatory KPI	1,946.3	8.3%	10.6%
Fixed income and equities (revenue weighted)[5]	977.8	4.2%	5.3%
Direct real estate for own use - outside the EU	147.1	0.6%	0.8%
Infrastructure debt - outside the EU	21.9	0.1%	0.1%
Assets non eligible to the voluntary KPI	**15,260.9**	**65.3%**	**83.1%**

(1) Market value
(2) Assets covered = total assets - exposures to central governments, central banks and supranational issuers.
(3) As estimated by data provider ISS-ESG based on the following criteria: EU country of incorporation and more than 500 employees and revenue higher than EUR 40 million and either in a regulated stock exchange in the EU or in the following sectors: social security activities, Insurance, reinsurance and pension funding, financial service activities.
(4) Provided by ISS-ESG for reported mandatory KPIs.
(5) Provided by ISS-ESG for reported KPIs of companies not subject to the NFRD or estimated by ISS.

The mandatory KPI would amount to 11% if the fixed income and equities eligible weighted by revenue were replaced by the fixed income and equities eligible weighted by capital expenditure. The voluntary ratio would then reach 12.4%.

Biodiversity footprint
In 2020, SCOR partnered with Iceberg Data Lab in its preliminary attempt to understand methodologies and how they can contribute to understand the challenges and find remediation actions when possible. In the 2020 Sustainable Investment Report, SCOR provided a complete description of Iceberg Data Lab methodology CBF (Corporate Biodiversity Footprint) and a first assessment of this metric applied to its investment portfolio.

Since 2021, SCOR has continued the partnership with Iceberg Data Lab which improved data accuracy, added pressures, and extended coverage.

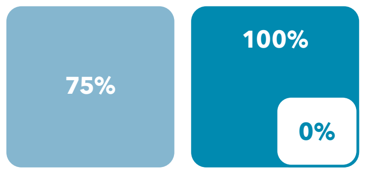
Biodiversity indicator: MSA and km²MSA

The Mean Species Abundance (MSA) is used to describe biodiversity changes with reference to the original state of ecosystems. It is defined as the average abundances of originally occurring species relative to their abundance in the undisturbed ecosystem.

The km²MSA indicator is the expression of the MSA on a specific surface.

For example, a 1km² of an intensively cultivated field (10% MSA) has the value of 1*10%=0.1km²MSA. Also, the MSA change from 100% to 75% on a 1km² field means a loss of (100% - 75%)*1=0.25km²MSA. Of course, this means that a MSA change from 100% to 0% on a 0.25km² field will also have the value of 0.25 km²MSA loss.

Considering two fields of equal superficies and a MSA of 100%, the two different changes of MSA below would result in the same amount of km²MSA lost:



This metric is still in a development phase, but SCOR considers it provides valuable inputs to support the work of the Finance for Biodiversity Foundation and accelerates the approach to protect biodiversity.

Biodiversity footprint for a given issuer =

$$\frac{\textit{Market value}}{\textit{Enterprise value}} \times \textit{Issuer absolute biodviersity fooprint}$$

with Enterprise value=market capitalization+outstanding debt (including cash)

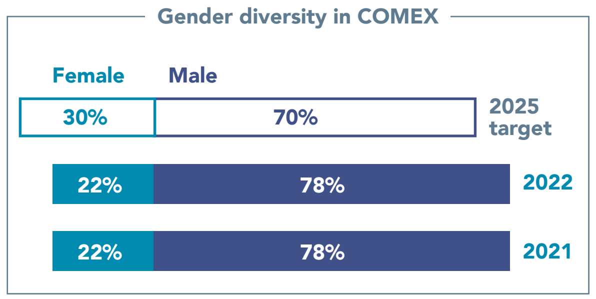
	2022	2021
SCOR biodiversity footprint (km²MSA per year)	458	231
Coverage of corporate bond and equities sub-portfolio (%)	84%	22%

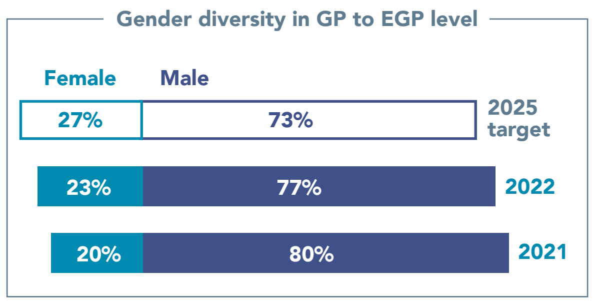
With a significant development of MSA metric, the coverage of portfolio has considerably improved. Hence, SCOR's biodiversity footprint raised in 2022.

10.2. TARGETS

GENDER DIVERSITY IN COMEX AND TOP MANAGEMENT

In 2021, the Board of Directors decided to set a target for women to represent 30% of the Group Executive Committee's members by 2025, up from 10% in 2020. It has also decided to set an additional target of 27% women at Global Partner (GP), Senior Global Partner (SGP) and Executive Global Partner (EGP) levels by the end of 2025, up from 23% today.





ACT4NATURE

In 2021, to demonstrate the rising concern of the Group on biodiversity, SCOR set some targets through the Act4nature international initiative. Act4Nature international is a pragmatic alliance initiated to accelerate concrete business actions in favor of nature and born by businesses and stakeholders, including NGOs, academic bodies and public institutions. Committed businesses have signed at CEO-level 10 common commitments and set SMART individual targets (Specific, Measurable, Attainable, Relevant and Time-bound). SCOR's targets and progress linked to underwriting and investment activities, as well as its operations, are disclosed on the Act4nature international website: SCOR-VF.pdf (act4nature.com)

UNDERWRITING ACTIVITIES

Driving underwriting portfolios towards net zero emissions
SCOR is committed to transitioning all operational and attributable greenhouse gas emissions from its insurance and reinsurance underwriting portfolios to net zero by 2050.

As part of the Poseidon Principles for Marine Insurance initiative, the Group has also committed to assessing and disclosing the climate alignment of its hull and machinery portfolios, and to benchmarking them against two trajectories related to a 50% reduction in annual greenhouse gas emissions by 2050 compared to 2008, and a 100% reduction in emissions by 2050.

Finally, SCOR targets to double its coverage[(1)] of low carbon energies by 2025 in Specialty Insurance[(2)]. This involves providing clients with insurance solutions for new and/or low carbon energies and developing or reinforcing expertise in new areas (carbon capture and storage, offshore wind, hydrogen, etc.).

INVESTMENT ACTIVITIES

Decarbonization sub-portfolio target
As member of the Net Zero Asset Owner Alliance, SCOR commits to set targets for decarbonization of its portfolio, using end 2019 as a baseline. The initial target set ran until end of 2024[(3)], the new ones run until end of 2029.

SCOR uses carbon footprint including scope 3 as it is more meaningful especially for carbon intensive sector. For these reasons and despite some weaknesses in the current data, SCOR has decided to set carbon intensity targets including scope 3 on its corporate bond and equities sub-portfolio based on enterprise value of issuers.

For the sake of transparency, SCOR will report on decarbonization progress on a yearly basis. However, figures should be read cautiously and only a longer-term trend provides reasonable information on the decarbonization achievements.

For its corporate bond and equities sub-portfolio, SCOR has set a target to reduce its carbon intensity by 27% by the end of 2024 and by 55% by the end of 2029. This will be achieved by combining a best-in-class selection and active engagement with investees to impact the real economy. The decarbonization path cannot be achieved by rebalancing most emitting sectors to least emitting ones with no consideration for supporting companies with credible path to decarbonization. Progress should be measured globally over the period, keeping in mind the lag of the data and the time it takes for companies to show visible results in their own decarbonization path.

Carbon intensity by Enterprise Value (EV) in tCO_2eq/EUR million invested	Scopes 1, 2 and 3 emissions		Change since 2019	2025 target	2030 target
	2022	2019			
Corporate bonds and equities	407	752 (273 prior to restatement)	-46%	-27%	-55%

Due to methodology enhancements performed by SCOR's carbon emissions information provider, mainly related to a better incorporation of scope 3 emissions, the carbon intensity base year was restated in 2022 to reflect these changes.

In 2022, corporate bonds and equities represented 45% of the SCOR total portfolio (compared to 43% in 2021). The carbon footprint data provided by ISS-ESG represented 95% of this corporate bond and equities sub-portfolio.

So far, the carbon intensity of the corporate bond and equities sub-portfolio is ahead of the planned decarbonization trajectory (-27% by December 31, 2024 (2025 target) compared to the December 2019 level), mainly due to the revision of the sustainability policy leading to divestment from some high-emitting issuers. SCOR's portfolio positioning and its selection of best-in-class companies in the highest emitting sectors will continue to support its approach to decarbonize with positive impact on the real economy.

For its direct real estate for investment sub-portfolio, SCOR has set a target to reduce the carbon intensity of the investment direct real estate sub-portfolio by 50% by end 2029 (base year end 2020). This will be achieved by improving the energy efficiency of buildings.

(1) For production, storage and transmission. Based on Estimated Gross Premium Income ("EGPI") for 2020.
(2) Specialty Insurance Single Risk: large industrial risks, underwritten on a risk-by-risk basis (as opposed to reinsurance treaties, underwritten on a portfolio basis by insurance companies).
(3) The AOA Target Setting Protocol requires to set target by 2025 and 2030, which respectively means as of December 31 of 2024 and December 31 of 2029.

There is a lag between emissions and data collection. Hence, the results available are as of 2021 (latest data available).

Carbon intensity per surface in $kgCO_2eq$ per m^2	**Scopes 1 and 2**		**Evolution since 2020**	**Target 2030**
	2020	**2021**		
Direct real estate for investment	17.1	15.6	- 9 %	- 50 %

86% of total gross internal area in 2021 of all the direct real estate for investment is covered by the study.

As part of the NZAOA membership, SCOR will work in the coming months with other members to extend targets to additional asset classes and set new decarbonization targets by 2030. This will enable to align with the mandatory requirements of Article 29 of the French Law for Energy and Climate.

Decarbonization sector target

As member of the Net Zero Asset Owner Alliance, SCOR commits to set targets for decarbonization for high-emitting sectors of its portfolio. Regarding the power utilities portfolio, SCOR has set a target to reduce the carbon intensity ($MtCO_2eq/PJ$) by 38% by end 2034 compared to end of year 2019. This will be achieved by combining a best-in-class selection and active engagement with investees to impact the real economy.

There is a lag between emissions and data collection. Hence, the results available are as of 2021 (latest data available).

Carbon intensity of power utilities in $MtCO_2eq/PJ$	**Scopes 1 and 2**		**Evolution since 2019**	**Target 2035**
	2019	**2021**		
Power utilities	0.048	0.041	-15 %	-38 %

The calculation of the carbon intensity covers 98% of power utilities producing power included in the 2021 Group portfolio.

Biodiversity target

The coverage of the existing tools has greatly increased since last year. However, the methodology is not stable enough to set biodiversity targets. This is a subject SCOR is currently monitoring closely

APPENDICES

Chapter 11.

SUSTAINABILITY-RELATED DATA

This section aggregates data presented in the sustainability report as well as additional data required by voluntary frameworks (e.g. SASB, Global Reporting Initiative)

11.1. DEDICATED PEOPLE

The consolidated human resources data presented cover the entire Group (SCOR SE and all its consolidated subsidiaries through full integration), which includes SCOR (3,176 employees including SCOR Syndicate), ReMark (187 employees), ESSOR (95 employees), AgroBrasil (54 employees), SIP UK Ltd (5 employees), MRM (5 employees), but does not include the employees of Château Mondot SAS (25 employees) and Les Belles Perdrix de Troplong Mondot EURL (24 employees). These entities, all wholly owned subsidiaries of SCOR SE, except MRM, of which SCOR SE holds 59.9% of the capital, are all managed independently from the Group in terms of human resources (HR policies, processes, rules and frameworks, etc.).

For more information on the approach to collect data, please refer to section 6.9.1 – Human resources data: methodology in the 2022 Universal Registration Document.

EMPLOYMENT

Breakdown of employees by Hub

Metric	Unit	2022	2021
EMEA	number	2,033	2,080
Americas	number	934	968
Asia-Pacific	number	555	542
Total headcount	number	**3,522**	**3,590**

Breakdown of employees by business unit

Metric	Unit	2022	2021
SCOR P&C	number	1,239	1,330
SCOR L&H	number	919	1,231
SCOR Investments	number	109	106
Group Functions and Support	number	1,137	923
Partners	number	118	-
Total headcount	number	**3,522**	**3,590**

Breakdown of employees by age(1)

	2022		2021	
	Number	%	Number	%
Under 30 years old	266	10%	274	10%
Between 30-50 years old	1,659	64%	1,700	65%
Over 50 years old	663	26%	648	25%

Breakdown of employees by gender

	2022		2021	
	Number	%	Number	%
Men	1,850	53%	1,857	52%
Women	1,672	47%	1,733	48%
Total	**3,522**		**3,590**	

Breakdown of employees by status (SCOR only)

	2022			2021		
	Men	Women	Total	Men	Women	Total
Non-Partners	1,068	1,236	**2,304**	1,015	1,227	**2,242**
Partners	589	283	**872**	572	260	**832**

Breakdown of employees by type of contract

	2022			2021		
	Men	Women	Total	Men	Women	Total
Permanent contracts	1,834	1,654	**3,488**	1,833	1,701	**3,534**
Fixed-term contracts	16	18	**34**	24	32	**56**
Total	**1,850**	**1,672**	**3,522**	**1,857**	**1,733**	**3,590**
Trainees	95	98	**193**	96	105	**201**
Total including trainees	**1,945**	**1,770**	**3,715**	**1,953**	**1,838**	**3,791**

(1) Due to local laws, the age of the employees working in the Americas Hub has not been taken into account in these figures.

Breakdown of employees by type of working time (by gender and by region)

	2022			2021		
	Men	Women	Total	Men	Women	Total
Full-time employees	1,798	1,544	**3,342**	1,806	1,587	**3,393**
Part-time employees	52	128	**180**	51	146	**197**
Total	**1,850**	**1,672**	**3,522**	**1,857**	**1,733**	**3,590**

	2022				2021			
	EMEA	Americas	Asia-Pacific	Total	EMEA	Americas	Asia-Pacific	Total
Full-time employees	1,863	931	548	**3,342**	1,896	965	532	**3,393**
Part-time employees	170	3	7	**180**	184	3	10	**197**
Total	**2,033**	**934**	**555**	**3,522**	**2,080**	**968**	**542**	**3,590**

Employee turnover rate (by gender, age, and region)

Metric	Unit	2022	2021(1)
Voluntary employee turnover rate (resignation)(2)	%	8.97	-
Turnover rate(3)	%	12.74	8.55
Men	%	12.95	-
Women	%	12.50	-
Under 30	%	18.82	-
30-50	%	11.82	-
Over 50	%	12.64	-
EMEA	%	11.37	-
Americas	%	16.12	-
Asia-Pacific	%	11.74	-

New hires (by gender, age, region and contract type)

Metric	Unit	2022	2021
New hires	-	455	488
Men	%	55	-
Women	%	45	-
Under 30	%	32	-
30-50	%	60	-
Over 50	%	8	-
EMEA	%	55	-
Americas	%	26	-
Asia-Pacific	%	19	-

Departures (by gender)

	2022			2021		
	Men	Women	Total	Men	Women	Total
Resignation	172	142	**314**	-	-	-
Mutual agreement	8	12	**20**	-	-	-
Dismissal	32	34	**66**	-	-	-
Retirement	25	20	**45**	-	-	-
Death	-	1	**1**	-	-	-
End of fixed term contract	13	20	**33**	-	-	-
Total	**250**	**229**	**479**	-	-	-

(1) This turnover rate only includes SCOR, SCOR Syndicate and ReMark.
(2) Number of permanent contract resignations during the year, excluding intercompany transfers as a proportion of the overall permanent contract headcount as at December 31, Y-1.
(3) Number of permanent contract departures during the year, excluding intercompany transfers as a proportion of the overall permanent contract headcount as at December 31, Y-1.

TRAINING AND SKILLS DEVELOPMENT INDICATORS

Training participation

Metric	Unit	2022	2021
Rate of participation to one training (excl. mandatory training)	%	76	70

Training spending and budget

Metric	Unit	2022	2021
Training budget	EUR million	1.2	1.5
Average amount spent per headcount on training and development	EUR	362.97	417.8

Breakdown of training hours by gender and management level

Metric	Unit	2022	2021
Total number of training hours (including mandatory trainings) per employee	Hours per employee	14.5	17(1)
Men	Hours	26,692	-
Women	Hours	22,528	-
"Partnership" level, GP to EGP (= management positions)	Hours	2,628	-
Management positions - junior	Hours	7,105	-
Non partners	Hours	39,388	-

Performance and career development reviews

Metric	Unit	2022	2021
Percentage of employees that participated in a regular performance and career development reviews	%	84	-
Men	%	85	-
Women	%	84	-
"Partnership" level, GP to EGP (= management positions)	%	72	-
Management positions - junior	%	86	-
Non partners	%	85	-

(1) This metrics includes the training hours of interns in 2021.

DIVERSITY AND INCLUSION

Metric	Unit	2022	2021
Proportion of women on the Board of Directors	%	42.8	42.8
Proportion of women on Executive Committee (= share of women in management positions - top)	%	22	22
Proportion of women at "Partnership" level, GP to EGP (= share of women in management positions)(1)	%	23	20
Share of women in management positions - junior (AP)(1)	%	38	38
Share of women at Non-Partner level(1)	%	54	55
Share of women in revenue-generating functions(1)	%	31	30
Share of women in STEM(2) related positions(1)	%	36	35
Proportion of women in leadership programs	%	58	-
Share of employees with disabilities	%	0.62	0.50

COMPENSATION (TOTAL AND GENDER PAY GAP)

Metric	Unit	2022(3)	2021(4)
SCOR average global compensation	EUR	143,391	132,587
SCOR average fixed compensation	EUR	114,389	106,331
SCOR average bonus	EUR	15,728	13,182
SCOR median annual compensation	EUR	110,000	101,424

Compensation breakdown by gender

Metric	Unit	2022	2021
The index of professional equality between men and women (France)(5)	/100	91	89

(1) Perimeter: SCOR only (including SCOR Syndicate for 2022).
(2) Science, Technology, Engineering and Mathematics.
(3) Excluding ReMark, ESSOR, AgroBrasil, SIP UK Ltd, MRM and SCOR corporate officers.
(4) Excluding SCOR Syndicate, Telemed, ReMark, ESSOR, AgroBrasil, SIP UK Ltd, MRM and SCOR corporate officers.
(5) The index of professional equality between men and women in France is based on 5 indicators : pay gap between men and women, gap in the distribution of pays rises between men and women, gap in the distribution of promotions between men and women, pay rises on returning from maternity leave and gender equality among the top ten earners.

UK Gender pay gap for SCOR Services UK limited

SCOR services UK limited publishes on a yearly basis in Gender pay gap report (se SCOR SERVICES UK LIMITED gender pay gap data for 2022-23 reporting year - GOV. UK - GOV.UK (gender-pay-gap.service.gov.uk)

Metric	Unit	2022	2021
Difference in hourly pay - mean	%	36.2	33.6
Difference in hourly pay - median	%	31.8	29.8
Women who received bonus pay	%	73.3	78.2
Men who received bonus pay	%	68.4	73.6
Difference in bonus pay - mean	%	59.9	63.1
Difference in bonus pay - median	%	35.8	39.3

EMPLOYEE ENGAGEMENT AND WELL-BEING

Employee engagement survey

In 2022, 60% of SCOR employees participated to the engagement survey (compared to 55% in 2021). The engagement score is calculated as an average score obtained for the questions "I am happy working at SCOR" and "I would recommend SCOR as a great place to work"

Metric	Unit	2022	2021
Employee well-being score	/100	66	69
Employee engagement score	/100	65	-
Men	/100	64	-
Women	/100	65	-
Under 30	/100	71	-
30-50	/100	63	-
Over 50	/100	66	-

Absenteeism rate

Metric	Unit	2022	2021
Absenteeism rate	%	4.30	3.03

COMMUNITY ENGAGEMENT

Metric	Unit	2022	2021
Number of community engagement days	-	475	189.5

Days relating to community engagement are calculated on a declarative basis. Within the SCOR for Good program, volunteer employees validate their participation in charity activities with their manager and report their "leave" in the Group's information system. Employees are not asked to provide any proof of their commitment.

SOCIAL DIALOGUE AND LABOR RIGHTS

Metric	Unit	2022	2021
Number of meetings with employee representatives	Number	67	50
Number of CECC(1) meetings	Number	5	4
Number of collective agreements signed	Number	7	12
Number of meetings with employee representatives to discuss local health and safety	Number	4	4

11.2. SUSTAINABILITY IN UNDERWRITING

EU TAXONOMY ELIGIBILITY

Training participation

Metric	Unit	2022	2021
Share of eligible activities under the European Taxonomy (underwriting)	%	58	62

(1) Common European Companies Committee.

11.3. SUSTAINABLE INVESTMENT ACTIVITIES

Metric	Unit	2022	2021	2020
Exposure to fossil energies	EUR million	57	139	461
Median ESG rating		C(1)	C	C
Financing transition bucket	% Total AUM	8.5	7.5	7.3
Implied Temperature Rise	°C	3.2(2)	3.3	3
EU taxonomy for sustainable activities				
Eligibility ratio (mandatory - revenue based)	%	10.6(3)	NA	NA
Eligibility ratio (voluntary - revenue based)	%	16.9(4)	16.4	NA
Biodiversity footprint (CBF)	km²MSA	458(5)	231	Not meaningful

(1) Coverage ratio: 73% of total AUM
(2) Coverage ratio 2022: 57% of total AUM
(3) Coverage ratio 2022: Assets covered by the Taxonomy represent 79% of total assets.
(4) Coverage ratio 2022: Assets covered by the Taxonomy represent 79% of total assets.
(5) Coverage ratio 2022: 37% of total AUM

11.4. SUSTAINABLE OPERATIONS

For information on the scope and methodology of data collection for sustainable operations see section 6.9.2-Environmental data : methodology in the 2022 Universal Registration Document.

ENERGY CONSUMPTION AND MIX WITHIN THE ORGANIZATION

Metric	Unit	2022	2021
Electricity	GWh	10.8	8.6
Of which conventional electricity	GWh	3.9	2.9
Of which renewable electricity	GWh	6.8	5.8
Fuel (non-renewable)	L	2,210	1,400
Gas	m³	46,620	52,084
Other heating	GWh	1.4	1.3
Other cooling	GWh	3.1	2.9
Total energy consumption	**GWh**	**15.8**	**13.4**

PAPER, WATER, WASTE

Metric	Unit	2022(1)	2021(2)
Total waste disposed	t	362.1	-
Of which sorted and recycled paper waste	t	72.6	37.5
Of which IT & electronic waste recycled	t	5.2	-
Of which other waste recycled	t	32.4	-
Purchased paper	t	15.1	-
Total water use	m³	36,274	31,610

(1) 99% coverage
(2) 91% coverage

BUSINESS TRAVEL AND EMPLOYEE COMMUTING

Metric	Unit	2022	2021
Distance travelled	km	21,589,848	-
Of which air travel	km	20,355,288	-
Of which train travel	km	1,234,560	-

Data is estimated based on an employee survey in 2022.

BREAKDOWN OF GHG EMISSIONS FOR OPERATIONS BY SCOPE

Metric	Unit	2022	Coverage	2021	Coverage
Scope 1	tCO_2eq	755	99%	403	91%
Scope 2	tCO_2eq	3,009	99%	2,000	91%
Scope 3	tCO_2eq	12,367	99%	902	97%
Related greenhouse gas emissions	**tCO_2eq**	**16,131**	**na**	**3,304**	**na**

BREAKDOWN OF GHG EMISSIONS BY SOURCES FOR SCOPE 3 IN OPERATIONS

Metric	Unit	2022	Coverage	2021	Coverage
Fuel and energy-related activities	tCO_2eq	130		87	
Waste	tCO_2eq	8		-	
Commute	tCO_2eq	1,464		-	
Business travel	tCO_2eq	7,010		-	
Purchased goods and services (Paper, external data centers, cloud, applications in SAAS and water)	tCO_2eq	527		-	
Capital goods (IT equipment)	tCO_2eq	498		-	
Downstream leased assets	tCO_2eq	2,732		-	
Total scope 3	**tCO_2eq**	**12,367**	**99%**	**902**	**97%**

ENERGY INTENSITY (GHG EMISSIONS/ EMPLOYEE)

Metric	Unit	2022	2021
GHG emissions from scope 1	tCO_2eq/employee	0.20	0.11
GHG emissions from scope 2	tCO_2eq/employee	0.81	0.56
GHG emissions from scope 3	tCO_2eq/employee	3.33	0.25
Of which CO_2 emissions from business travel /employee (flight and rail)	tCO_2eq/employee	1.89	0.23
GHG emissions/employee (scopes 1 and 2 excluding fugitive emissions)	tCO_2eq/employee	0.97	0.68

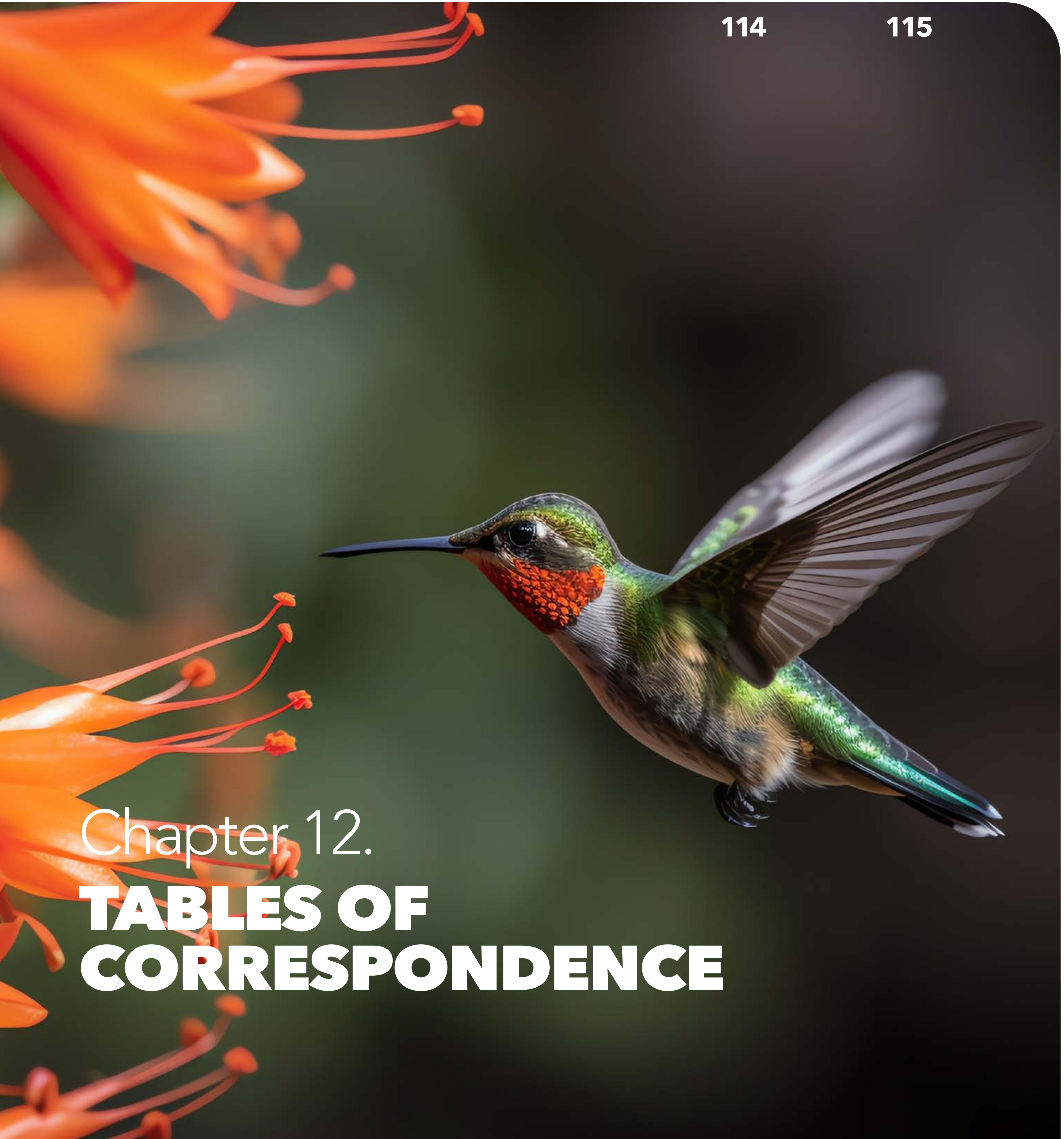
11.5. BUSINESS ETHICS

CYBERSECURITY

Metric	Unit	2022	2021
Number of fake phishing campaigns carried out	Number	8	4
Number of fake phishing emails sent	Number	46,219	-

COMPLIANCE

Metric	Unit	2022	2021
Number of hours dedicated to compliance training	Hours	13,463	11,738



Chapter 12.

TABLES OF CORRESPONDENCE

12.1. SASB MAPPING

The following correspondence table was drawn up at the request of some of SCOR investors and reflects SCOR's understanding of the well-known framework of the Sustainability Accounting Standards Board and more specifically the Industry Standards Version 2018-10 for the Insurance sector.

Code	Accounting metric	Unit of measure	SCOR source
Transparent Information & Fair Advice for Customers			
FN-IN 270a.1	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	Reporting Currency	No monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers. For more information on litigation associated with SCOR SE, see 2022 URD Section 4.6 Note 26 – Litigation.
FN-IN-270a.2	Complaints-to-claims ratio	Rate	Not applicable, as SCOR is a B2B business and does not have retail consumer complaints about mis-labeling for example.
FN-IN-270a.3	Customer retention rate	Rate	Not applicable, as SCOR is a B2B business.
FN-IN-270a.4	Description of approach to informing customers about products	n/a	No specific description of approach to informing customers about products and services as SCOR is a B2B business. For more information on business ethics at SCOR see 2022 URD section 6.5 – Business ethics and digitalization.
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory			
FN-IN-410a.1	Total invested assets, by industry and asset class	Reporting currency	For more information, see 2022 URD sections 1.3.5.4 – Net investment income and investment income on invested assets and section 4.6, Note 8. Insurance business investments.
FN-IN-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	n/a	Please refer to "1. SCOR's approach to sustainability" and "5. Sustainable investment activities" in this 2022 Sustainability Report. See also the Sustainability Policy available on SCOR's website. See 2022 URD / section – 6.3.2. Sustainable investment activities for more information on sustainable investment processes in which SCOR is involved.
Policies Designed to Incentivize Responsible Behavior			
FN-IN-410b.1	Net premiums written related to energy efficiency and low carbon technology	Reporting currency	Not available.
FN-IN-410b.2	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors	n/a	For more information on sustainable products delivered by SCOR SE, see section 4 – Sustainability in underwriting activities of this report.

Code	Accounting metric	Unit of measure	SCOR source
Environmental Risk Exposure			
FN-IN-450a.1	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	Reporting currency	Net estimated losses per natural catastrophes are disclosed in the 2022 URD section 1.3.5.2 – SCOR Global P&C/ Impact of natural catastrophes. Further information on weather-related risks and their management are also provided in the 2022 URD section 3.1 – Main risks and in section 3.2 – Management of main risks.
FN-IN-450a.2	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	Reporting currency	For more information on losses due to catastrophes, net of retrocession for the current and previous financial years, see 2022 URD section 1.3.5.2 – SCOR Global P&C.
FN-IN-450a.3	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	n/a	For more information on the incorporation of environmental risks at SCOR see 2022 URD section 3.1 - Main risks and section 4 – Sustainability in underwriting activities of this report.
Systemic Risk Management			
FN-IN-550a.1	Exposure to derivative instruments by category: (1) total potential exposure to noncentrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives	Reporting currency	For more information on total derivatives financial instruments per category see 2022 URD section 4.6 – Notes to the consolidated financial statements: Note 8.9 – Derivative instruments.
FN-IN-550a.2	Total fair value of securities lending collateral assets	Reporting currency	See note 8 - Insurance business invesments in 2022 URD for information on investments. For more information on restrictions on the use of capital at SCOR SE, see 2022 URD section 1.3.6.1 – Capital.
FN-IN-550a.3	Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities	n/a	For more information on liquidity risks at, see 2022 URD section 3.1.5 – Liquidity risks and section 3.2.6 – Management of liquidity risks.

12.2. ARTICLE 29 OF THE FRENCH ENERGY-CLIMATE LAW

The table below indicates where the information in line with the requirements of Article 29 of the French Energy-Climate Law can be found.

For simplification:

- "URD" refers to the 2022 Universal Registration Document available on scor.com
- "SR" refers to this 2022 Sustainability report
- "SP" refers to the Sustainability Policy available on scor.com

Art 29 decree no. 2021-663 of 27 May 2021 sections		Sources
III 1°	a) Entity's general approach b) Stakeholders' information c) Article 8 and Article 9 financial Section d) ESG criteria in the decision-making process e) Adherence to a charter, code, initiative and certifications	SR - 1 – SCOR's approach to sustainability SR - 2 – Good governance SR - 2.5 – Communication and transparency SR - 2.3 / The role of asset managers SR - 1.2 – SCOR's approach Also in: URD - 6.1 – Sustainability strategy and governance SP - 2 – SCOR's approach SP - 2.6 – Disclosing SP - 2.2/ Incorporating ESG criteria in business and investment decisions
III 2°	a) Internal resources and means	SR - 2.3/ Spreading knowledge on sustainability and development of internal expertise
III 3°	Governance a) Knowledge, skills and experience of governance bodies	SR - 2.1 – Board of Directors' oversight of sustainability-related issues Also in: URD - 6.1.2.2 – A governance dedicated to sustainability URD - 6.1.2.3 – Performance conditions on social and environmental issues
	b) Reinforcement of internal capabilities	SR - 2.3/ Spreading knowledge on sustainability and development of internal expertise
	Inclusion in remuneration policies	SR - 2.4 – Performance conditions on social and environmental issues Also in: URD - 2.2.1 – Compensation of executive corporate officers and the directors URD - 6.1.2.3 – Performance conditions on social and environmental issues
	c) Integration in the internal rules of the Board of Directors	SR - 2.1. Board of Directors' oversight of sustainability-related issues Also in: Internal regulations of the board of directors of SCOR SE - Partie 1/ Activities of the Board of Directors/ (1) Mission of the Board of Directors
III 4°	a) Scope of engagement strategy b) Voting policy c) Engagement strategy results d) Voting policy results e) Investment decisions	SR - 5.4 – Stewardship strategy Also in: SP - 2.3 – Engaging SP - 3.2 – Climate change/ Stewardship and Engagement with key stakeholders/ Investments URD - Section 6.3.2.1 – Responsible investment approach

Art 29 decree no. 2021-663 of 27 May 2021 sections		Sources
III 5°	European taxonomy & fossil fuels	SR - 10.1/ Eligibility of SCOR's (re)insurance activities under the European Taxonomy Also in: URD - 6.3.2.3/ Sustainable assets and eligibility under the European Taxonomy
III 6°	Alignment with the Paris agreement a) Targets b) Methodologies c) Results d) N/A e) Use in investment strategy f) Change in investment strategy g) Monitoring outcomes and changes h) frequency of updates	SR - 5 – Sustainable investment activities SR - 8.3 – Investment activities SR - 10.1/ Investment activities SR - 11.3 – Sustainable investment activities Also in: URD - 6.3.2.1 – Responsible investment approach URD - 6.3.2.3 – Achievements and next steps
III 7°	Alignment with long-term biodiversity targets: Compliance with Convention on Biological Diversity Analysis of contribution to the reduction of the main impacts on biodiversity Footprint	SR - 5 – Sustainable investment activities SR - 8.3 – Investment activities Also in: URD - 6.1.2.2 – A governance dedicated to sustainability URD - 6.1.2.3 – Performance conditions on social and
III 8° and III 8° bis	Identification, assessment, prioritization, management of ESG risks	SR - 1.2/ Identifying risks, opportunities, and impacts (IRO) SR - 8 – Impacts, risks and opportunities identification and management
III 9°	Improvement plan	URD - Section 6.3.2.3 – Achievements and next steps

12.3. TASK-FORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

SCOR supports the Task-force for Climate-related Financial Disclosures (TCFD) and the implementation of its recommendations. The table below identifies sections in this report and in the 2022 Universal Registration Document (URD) providing information aligned with those recommendations.

For simplification:

- "URD" refers to the 2022 Universal Registration Document available on scor.com
- "SR" refers to this 2022 Sustainability report
- "SP" refers to the Sustainability Policy available on scor.com

TCFD recommendation		Reference
Governance	a) Describe the board's oversight of climate-related risks and opportunities	SR - Section 2 – Good governance URD - 6.1.2 – Governance
	b) Describe management's role in assessing and managing climate-related risks and opportunities	URD - 2.1.3 – Board of Directors URD - 2.2 – Board of Directors and Executive Committee member compensation and share ownership
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	SR - 4 – Sustainability in underwriting activities SR - 5 – Sustainable investments activities
	b) Describe the impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	URD - 6.1.3 – Sustainability materiality analysis URD - 6.3 – Integrating environmental challenges into SCOR activities. URD - 3.1 – Main risks
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	URD - 3.1.1.2 – Risks related to legal and regulatory developments URD - 3.1.2.1 – P&C Business / Natural Catastrophes URD - 3.1.2.1 – P&C Business / Other P&C risks URD - 3.1.2.2 – L&H Business / Additional risks URD - 3.1.3 – Market risks URD - 3.1.4.1 – Credit risks related to cash and invested assets URD - 3.1.6.1 – Risks related to systems or facilities URD - 6.4.2 – Health and well-being solutions for society URD - 6.4.3 – Supporting risk research and risk-related knowledge-sharing
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks	SR - 8 – Impacts, risks and opportunities identification and management
	b) Describe the organization's processes for managing climate-related risks	URD - 6.1.3 – Sustainability materiality analysis URD - 3.2.2.1 – Management of underwriting risks related to P&C business
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	URD - 3.2.2.2 – Management of underwriting risks related to L&H business URD - 3.2.4 – Management of market risks URD - 3.2.5.1 – Management of cash and invested assets URD - 3.3.3 – Identification and assessment of risks URD - 6.3 – Integrating environmental challenges into SCOR activities
Metrics & Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	SR - 7 – Sustainable operations SR - 10 – Metrics and targets
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	URD - 6.1.2 – Governance URD - 2.2 – Board of Directors and Executive Committee member compensation and share ownership
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	URD - 6.1.3 – Sustainability materiality analysis URD - 6.3 – Integrating environmental challenges into SCOR activities

12.4. GLOBAL REPORTING INITIATIVE (GRI)

The correspondence table below identifies SCOR's disclosures in line with the requirements from the Global Reporting Initiative (GRI).

For simplification:

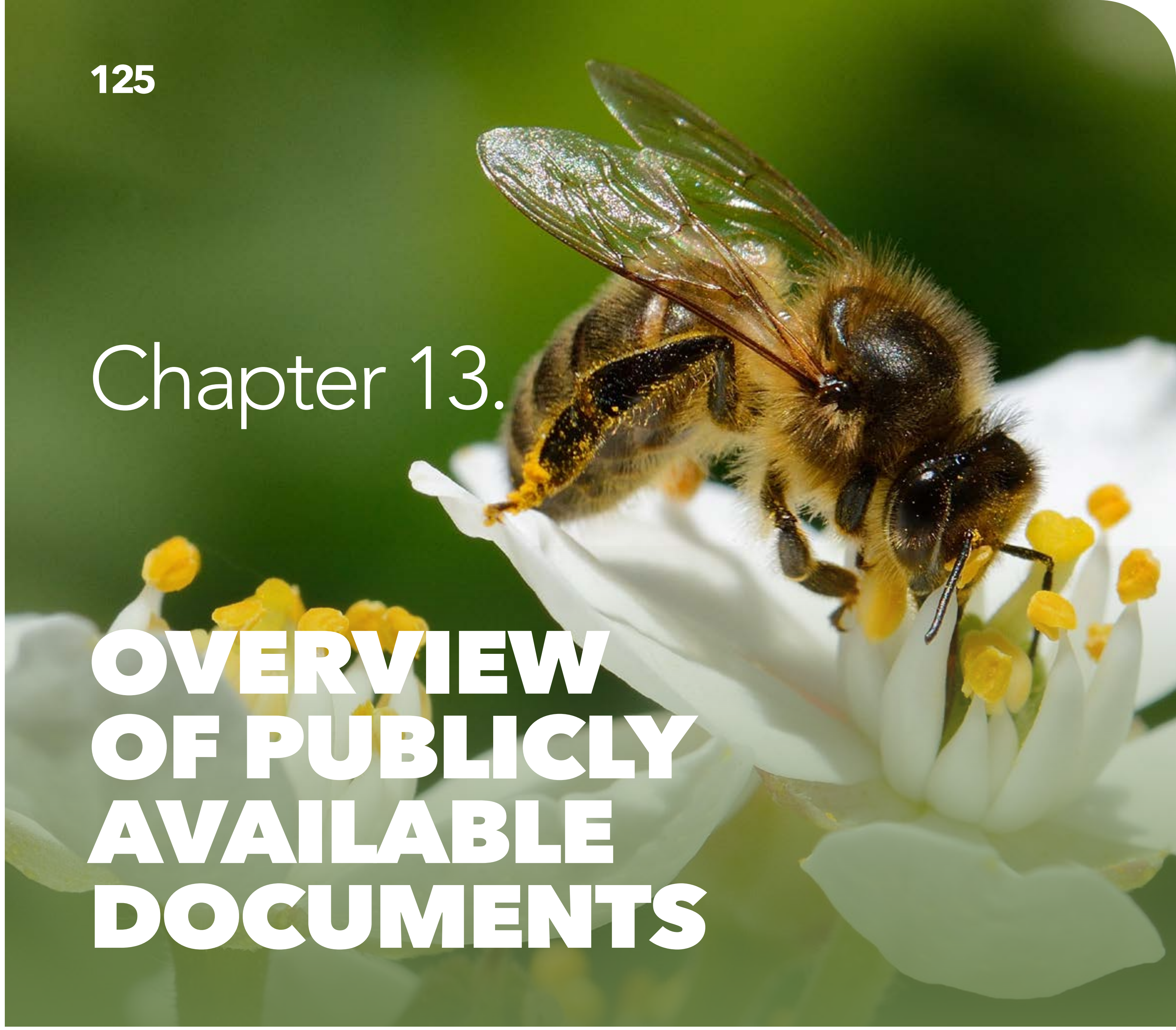
- "URD" refers to the 2022 Universal Registration Document available on scor.com
- "SR" refers to this 2022 Sustainability report
- "SP" refers to the Sustainability Policy available on scor.com

Disclosure	Information Source
GRI 2: General Disclosures 2021	
2-1 Organizational details	URD - 1.2 – Information about the SCOR Group URD - 3.3.1 – Internal environment URD - 5.3 – General Information
2-2 Entities included in the organization's sustainability reporting	URD - 3.3.1 – Internal environment URD - 6.9 – Note on methodology
2-3 Reporting period, frequency and contact point	URD - 4 – Consolidated financial statements URD - 6 – Non-Financial Performance statement URD - 6.9 – Note on methodology
2-4 Restatements of information	URD - 6.3.3.3 – Greenhouse gas emissions and voluntary offsetting URD - 6.9 – Note on methodology
2-5 External assurance	URD - 2.1 – Corporate Governance principles, shareholders' meetings, Board of Directors, Executive Committee, employees, and information required by Article L. 22-10-11 of the French Commercial Code URD - 6.10 – Report by the independent third party, on the consolidated non-financial statement included in the management report
2-6 Activities, value chain and other business relationships	URD - 1.2 – Information about the SCOR Group URD - 6.1 – Sustainability strategy and governance
2-7 Employees	URD - 2.1.7 – Number of employees URD - 6.9 – Note on methodology SR - 11.1 – Dedicated people/ Employment
2-9 Governance structure and composition	URD - 2.1 – Corporate Governance principles, shareholders' meetings, Board of Directors, Executive Committee, employees, and information required by Article L. 22-10-11 of the French Commercial Code
2-10 Nomination and selection of the highest governance body	URD - 2.1 – Corporate Governance principles, shareholders' meetings, Board of Directors, Executive Committee, employees, and information required by Article L. 22-10-11 of the French Commercial Code
2-11 Chair of the highest governance body	URD - 2.1 – Corporate Governance principles, shareholders' meetings, Board of Directors, Executive Committee, employees, and information required by Article L. 22-10-11 of the French Commercial Code
2-12 Role of the highest governance body in overseeing the management of impacts	URD - 2.1 – Corporate Governance principles, shareholders' meetings, Board of Directors, Executive Committee, employees, and information required by Article L. 22-10-11 of the French Commercial Code URD - 6.1 – Sustainability strategy and governance
2-13 Delegation of responsibility for managing impacts	URD - 2.1 – Corporate Governance principles, shareholders' meetings, Board of Directors, Executive Committee, employees, and information required by Article L. 22-10-11 of the French Commercial Code URD - 6.1 – Sustainability strategy and governance
2-14 Role of the highest governance body in sustainability reporting	URD - 6.1.2 – Governance URD - 6.1.3 – Sustainability materiality analysis
2-15 Conflicts of interest	URD - 2.1.3.5 – Prevention of risks of conflict of interest
2-16 Communication of critical concerns	URD - 6.5.2 – Code of conduct and compliance policy

Disclosure	Information Source
2-17 Collective knowledge of the highest governance body	URD - 2.1.3.6 – Meetings of the board of Directors URD - 2.1.3.7 – Training sessions for the Directors URD - 2.1.4.6 – The sustainability committee
2-18 Evaluation of the performance of the highest governance body	URD - 2.1.3.7 – Assessment of the board of directors
2-19 Remuneration policies	URD - 2.2 – Board of directors and executive committee member compensation, and share ownership
2-20 Process to determine remuneration	URD - 2.2 – Board of directors and executive committee member compensation, and share ownership
2-21 Annual total compensation ratio	URD - 2.2 – Board of directors and executive committee member compensation, and share ownership
2-22 Statement on sustainable development strategy	URD - 2.1.4.6 – The sustainability committee URD - 6.1 – Sustainability strategy and governance
2-23 Policy commitments	Sustainability policy
2-24 Embedding policy commitments	Sustainability policy
2-25 Processes to remediate negative impacts	URD – 3 – Risk management URD - 6.5.2- Code of conduct and compliance policies/ Reporting concerns
2-26 Mechanisms for seeking advice and raising concerns	URD – 3 – Risk management URD - 6.5.2- Code of conduct and compliance policies/ Reporting concerns
2-27 Compliance with laws and regulations	URD - 6.5 – Business ethics and digitalization
2-28 Membership associations	SR - 1.2 – SCOR's approach
2-29 Approach to stakeholder engagement	URD - 6.1.3 – Sustainability materiality analysis SR – 2.5 – Communication and transparency SR 3.2 / Community engagement SR – 4.2 / Engaging with clients and partners SR – 5.4 – Stewardship strategy
2-30 Collective bargaining agreements	URD - 6.2.3 – Fostering social dialogue
GRI 3: Material Topics 2021	
3-1 Process to determine material topics	URD - 6.1.3 – Sustainability materiality analysis
3-2 List of material topics	URD - 6.1.3 – Sustainability materiality analysis
3-3 Management of material topics	URD – 3 – Risk management URD – 6 – Non-Financial Performance statement
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	URD - 4 – Consolidated financial statements
201-2 Financial implications and other risks and opportunities due to climate change	URD - 1.3.5.2 – SCOR P&C URD - 3.1.2 – Underwriting risks related to the P&C and L&H businesses URD – 3.1 Main risks
201-3 Defined benefit plan obligations and other retirement plans	URD - 4.6. Note 15, 15.1 – Employee benefits and other provisions
GRI 203: Indirect Economic Impacts 2016	
203-1 Infrastructure investments and services supported	URD - 6.3.2 – Sustainable investment activities SR – 5 – Sustainable investment activities SR – 10 / Investment activities
203-2 Significant indirect economic impacts	URD - 6.3.1.2 – Developing products addressing specific environmental issues. URD - 6.4.2 – Health and well-being solutions for society URD - 6.4.3 – Supporting risk research and the risk-related knowledge-sharing

Disclosure	Information Source
GRI 302: Energy 2016	
302-1 Energy consumption within the organization	URD - 6.3.3.2 – Towards a more responsible corporate culture URD - 6.6 – Summary of the main metrics disclosed in the non-financial performance statement URD - 6.9.2 – Environmental data: methodology SR - 7.1 – Measuring SCOR's own operations SR - 11.4 – Sustainable operations
302-2 Energy consumption outside of the organization	URD - 6.3.2.3 – Achievements and next steps URD - 6.3.3.3 – Greenhouse gas emissions and voluntary offsetting URD - 6.9.2 – Environmental data: methodology SR - 7.1 – Measuring SCOR's own operations SR - 11.4 – Sustainable operations
302-3 Energy intensity	URD - 6.3.2.3 – Achievements and next steps URD - 6.3.3.3 – Greenhouse gas emissions and voluntary offsetting SR - 7.1 – Measuring SCOR's own operations SR - 11.4 – Sustainable operations
302-4 Reduction of energy consumption	URD - 6.3.3.3 – The Group's operations SR - 7.2 – Setting targets SR - 7.3 – Actions to further reduce the environmental footprint
GRI 304: Biodiversity 2016	
304-2 Significant impacts of activities, products and services on biodiversity	URD - 6.3.2.3 – Achievements and next steps SR - 8.3 – Investment activities/ Nature
GRI 305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	URD - 6.3.3 – The Group's operations SR - 11.4 – Sustainable operations
305-2 Energy indirect (Scope 2) GHG emissions	URD - 6.3.3 – The Group's operations SR - 11.4 – Sustainable operations
305-3 Other indirect (Scope 3) GHG emissions	URD - 6.3.3 – The Group's operations SR - 7.1 – Measuring SCOR's own operations SR - 10.1 – Selected metrics SR - 11.4 – Sustainable operations
305-4 GHG emissions intensity	URD - 6.3 – Integrating environmental challenges into SCOR activities SR - 7.2 – Setting targets SR - 10.1 – Selected metrics SR - 11.4 – Sustainable operations
305-5 Reduction of GHG emissions	URD - 6.3 - Integrating environmental challenges into SCOR activities
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	URD - 6.2.1.2 – Aligning stakeholder's interests and retaining talent through a merit-based compensation policy URD - 6.4.1 – Human rights at SCOR SR - 11.1 – Dedicated people/ Employment
401-3 Parental leave	Information unavailable
GRI 403: Occupational Health and Safety 2018	
403-1 Occupational health and safety management system	URD - 6.2.2.2 – Quality of life and well-being at work
403-3 Occupational health services	URD - 6.2.2.2 – Quality of life and well-being at work
403-4 Worker participation, consultation, and communication on occupational health and safety	URD - 6.2.2.2 – Quality of life and well-being at work
403-5 Worker training on occupational health and safety	URD - 6.2.2.2 – Quality of life and well-being at work SR - 3.1 – Developing skills and preparing for future needs SR - 11.1 – Dedicated people/ Training and skills development indicators

Disclosure	Information Source
403-6 Promotion of worker health	URD - 6.2.2.2 – Quality of life and well-being at work SR - 11.1 – Dedicated people/ Employee engagement and well-being
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	URD - 6.2.2.2 – Quality of life and well-being at work
GRI 404: Training and Education 2016	
404-1 Average hours of training per year per employee	URD - 6.2.1.1 – Developing skills and preparing for future needs URD - 6.5.2 – Code of conduct and compliance policy SR - 11.1 – Dedicated people/ Training and skills development indicators
404-2 Programs for upgrading employee skills and transition assistance programs	URD - 6.2.1.1 – Developing skills and preparing for future needs SR - 11.1 – Dedicated people/ Training and skills development indicators
404-3 Percentage of employees receiving regular performance and career development reviews	URD - 6.2.1.1 – Developing skills and preparing for future needs SR - 11.1 – Dedicated people/ Training and skills development indicators
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	URD - 2.1.3.3 – Composition of the board of directors URD - 6.2.2.1 – Promoting inclusion through diversity and equity SR - 11.1 – Dedicated people/ Diversity and inclusion
405-2 Ratio of basic salary and remuneration of women to men	SR - 11.1 – Dedicated people/ Compensation (total and gender pay gap)



Chapter 13.

OVERVIEW OF PUBLICLY AVAILABLE DOCUMENTS

Theme	Policy
Governance	• Internal Regulations of the Board of Directors • Corporate Governance Code • Articles of association as of 18 May 2022
Sustainable Development	• Sustainability policy (including the Sustainable Investment policy)
Human Resources	• UK & Australian modern slavery act
Business ethics	• Code of conduct • Group data protection policy and its related guidelines on data breach response • Group policy on anti-bribery and its appendix on corruption risk mapping • Group guidelines on sanctions and embargoes and its related guidelines on sanctions screening • Group guidelines on anti-money laundering, combating the financing of terrorism and Know-Your-Customer • Group guidelines on the management of inside information • Group guidelines on trading in SCOR's securities and other public securities • Group policy on conflict of interest • Group fit & proper policy • Group policy on outsourcing • Group antitrust policy • Group policy on Artificial Intelligence • Privacy/personal data statement

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