SUSTAINABLE BUSINESS REPORT

2024

SCOR
The Art & Science of Risk

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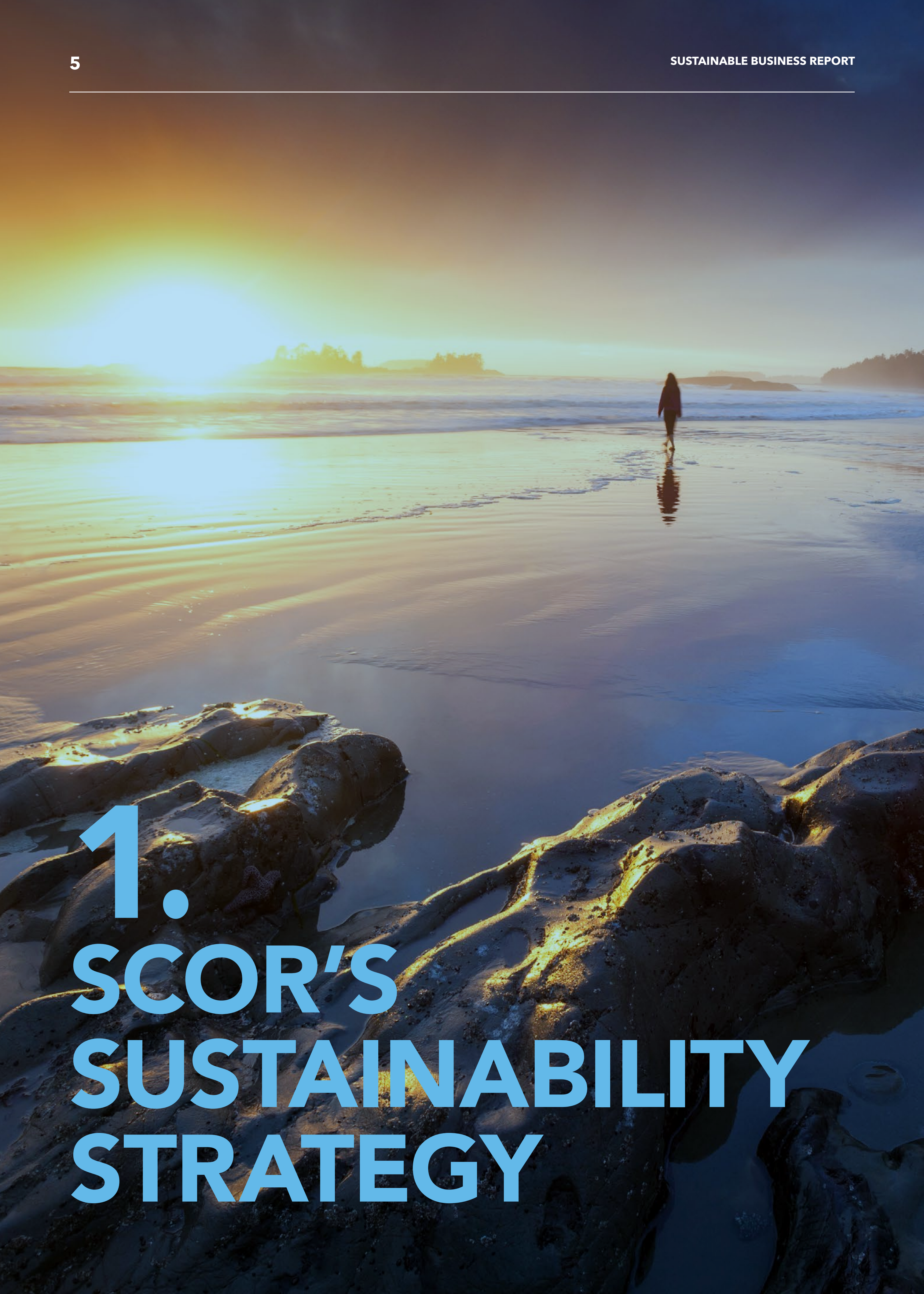
ABOUT THIS REPORT

This Sustainable Business Report provides further information on SCOR's sustainability strategy that was not disclosed in the 2024 sustainability statement for regulatory purposes. It focuses on the actions implemented by the businesses and is prepared on a voluntary basis. It details innovations and exploratory studies and provides evidence of SCOR's efforts to participate in advancing the sustainability agenda and building a more resilient future.

SCOR AT A GLANCE

As a leading global reinsurer, SCOR offers our 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 37 countries worldwide, the Group provides services to more than 5,000 clients in more than 150 countries. With leading knowledge, talent, and expertise across all lines of business, SCOR develops bespoke solutions centered around customer needs in an evolving insurance ecosystem.



1. SCOR'S SUSTAINABILITY STRATEGY

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. The Group's sustainability-related goals are directly linked to its core business and focus on:

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

SCOR aims to be Net Zero by 2050 for its activities, including P&C underwriting, invested assets portfolios and operations. To achieve this objective, SCOR uses the various levers of its Theory of Change:

- The reduction of GHG emissions intensity through:
  - exclusions related to the most emitting sectors applying to underwriting and investment activities, and
  - decarbonization targets applying to underwriting activities, investment activities and to operations.
- The engagement with clients, partners and investees to support their transition to a low carbon economy.
- The development of low carbon energies in underwriting activities and the investment in green activities.

SCOR is also a signatory of the Finance for Biodiversity Pledge, committed to contributing the reversal of biodiversity loss on investments by 2030. As ecosystems protection and restoration are a broad and fragmented topic, SCOR focuses first on deforestation and has implemented a deforestation policy for its investment activities.

Finally, SCOR manages its human capital through an ambitious roadmap to address talent acquisition and retention and a strong focus on own workforce working conditions.

For additional information about SCOR's sustainability strategy, please refer to URD 2024 Section 6 - Sustainability Statement and to SCOR's sustainability policy.

SCOR'S JOURNEY TOWARD SUSTAINABILITY

- G General
- E Environmental
- H Health
- S Social equality

2003

- G **Jun.:** SCOR joins the Global Compact initiative

2009

- E **Jul.:** SCOR SE signs the Kyoto Statement, a major insurance and (re)insurance initiative to combat climate change

2012

- G **Jun.:** SCOR is a founding member of the PSI

2015

- E **Nov.:** SCOR commits to the first French climate pledge

2016

- E **Dec.:** SCOR IP signs the United Nations Principle for Responsible Investment (PRI)

2017

- E **Mar.:** SCOR signs the Shift Project's "Decarbonize Europe Manifesto"
- H **May:** SCOR sponsors a global statement supporting stronger regulation around tobacco control
- E **Dec.:** SCOR signs the second French Climate Pledge

2018

- H **Sep.:** SCOR is a founding signatory of the tobacco-free finance pledge
- E **Dec.:** SCOR commits to protecting World Heritage Sites

2019

- G **Sep.:** SCOR signs the United Nations Principles for Responsible Investment (PRI)

2020

- E **May:** SCOR joins the Net-Zero Asset Owner Alliance (NZAOA)
- E **Jul.:** SCOR joins CDP Forest Champions
- E **Dec.:** SCOR signs the Finance for Biodiversity Pledge

2021

- E **Feb.:** SCOR signs the Climate Action 100+ initiative
- E **Mar:** SCOR joins CDP Water Champions
- E **May:** SCOR joins the PRI Sustainable Commodities Practitioners' Group (SCPG) ; SCOR joins the Finance for Biodiversity Foundation
- E **Sep.:** SCOR officially supports the TCFD ; SCOR joins the Taskforce on Nature-related Financial Disclosures (TNFD) Forum
- G **Sep.:** The Group appoints a Group Chief Sustainability Officer as member of the Executive Committee
- E **Oct.:** SCOR joins the Powering Past Coal Alliance (PPCA)
- E **Nov.:** SCOR sets target with Act4nature International ; SCOR signed a financial sector commitment letter on eliminating commodity-driven deforestation from Race to Zero
- E **Dec.:** SCOR is a founding member of the Poseidon Principles for Marine Insurance

2022

- E **Apr.:** SCOR signs Investor letters of support for Deforestation-free legislation ; SCOR publishes *The relevance of climate change for life insurance*
- E **May:** SCOR joins the CDP SBTi campaign
- S **Jun.:** SCOR joins the PRI Advance stewardship initiative on human rights and social issues
- E **Jun.:** SCOR signs a letter supporting an initiative by FAIRR for the agriculture and land use sector
- E **Jul.:** SCOR joins the Ceres Valuing Water Finance Initiative as an investor signatory
- E **Nov.:** SCOR signs a Private financial sector statement for COP15 from Finance for Biodiversity
- E **Dec.:** SCOR joins the Partnership for Carbon Accounting Financials (PCAF)

2023

- E **Feb.:** SCOR joins the Investor Initiative on Hazardous Chemicals (IIHC)
- E **Mar.:** SCOR joins the Business Coalition for a Global Plastics Treaty
- E **May:** SCOR joins IIGCC (Institutional Investors Group on Climate Change) ; SCOR joins the Net Zero Engagement Initiative (NZEI) of IIGCC
- E **Sep.:** SCOR joins Nature Action 100 (NA100)

2024

- E **Apr.:** SCOR signs the "Statement from the Private Financial Sector" addressed to governments, to call for an ambitious international legally binding instrument to end plastic pollution
- E **Jun.:** SCOR joins UNEP-FI Nature Positive Insurance Working Group
- G **Jun.:** SCOR joins PRI's Human Rights and Social Issues Reference Group

2. SUSTAINABILITY IN UNDERWRITING ACTIVITIES

2.1 SUSTAINABILITY IN P&C (RE)INSURANCE

SCOR aims to be net-zero in P&C underwriting activities by 2050 by reducing its negative indirect impact on the environment due to GHG emissions of its clients. This will be primarily achieved through portfolios reallocation relying on exclusions and best in-class strategy.

SCOR also engages with clients and partners to accompany them in their own transition and supports the broadening of best-in-class business. Finally, SCOR participates in fostering the transition by developing sustainable solutions.

OBJECTIVE	ACTION	OUTCOME	IMPACT
Aligning with the Paris agreement	• Emission reduction • Engagement with clients/partners • Re/insuring the transition	• Reduction of GHG emissions of underwriting portfolios and potentially of clients' activities • Development of solutions for climate adaptation and climate mitigation	• Contribution to Net-Zero by 2050 and reduction of GHG emissions in the atmosphere • Contribution to reducing the physical risk of climate change

Reducing SCOR's negative impact on the environment

The first lever to reduce SCOR's negative impact on the environment is the implementation of exclusions criteria regarding fossil energies (see 2024 URD – Section 6.2.2 ESRS E1 – Climate change - Exclusions criteria regarding fossil energies for more information). The second lever is the reduction of the carbon intensity of the underwriting portfolio. SCOR started measuring GHG emissions deriving from its underwriting portfolio and has set an overall target for its Property & Casualty direct insurance and facultative reinsurance books of business.

As part of the Poseidon's Principles for Marine Insurance, SCOR also discloses its climate alignment specifically for its hull and machinery portfolio.

Overall targets on P&C direct insurance and facultative reinsurance books of business

SCOR is actively participating in the Partnership for Carbon Accounting Financials (PCAF) to develop methodologies to measure GHG emissions in the (re)insurance business (i.e., Insurance-Associated Emissions, "IAE"). Measuring emissions associated with re/insurance activities is the starting point for financial institutions to manage transition risk, identifying opportunities associated with greenhouse gas emissions and beginning the journey towards decarbonization. Methodologies are still nascent and the complexity of insurance activities complicates their development. It is even more so true for the reinsurance industry which sits behind insurers in the value chain. To date, the coverage of SCOR's underwriting activities with relevant methodologies remains strongly limited. Unavailability of data creates further challenges to properly set and manage a decarbonization trajectory.

To monitor IAE and the alignment of SCOR's P&C direct insurance and facultative reinsurance books of business to Net Zero, SCOR has developed a proprietary GHG measuring tool within its underwriting process, founded on reported emissions and a proxy when there are no reported emissions. This allows us to monitor the alignment of the portfolio against the Net Zero Target as well as enabling underwriters to follow the progress of clients and select best-in-class players within their relevant industry.

To align with the Paris agreement and with the science-based trajectory of 1,5°C, SCOR has set its first interim target relating to companies having their headquarters in Europe for its Property & Casualty direct insurance and facultative reinsurance books of business (commercial lines as per the PCAF perimeter when reliable data is available) for which data is available directly from clients or can be properly modelled. Using the PCAF methodology (version 1 dated November 2022) and scopes 1 and 2 of its clients, SCOR aims to achieve a reduction of 23% in the intensity of the GHG emissions of this limited portfolio by 2030 versus the end of 2022.

SCOR will make all reasonable efforts to reach its interim target of -23% by 2030. Achieving this target, however, is highly dependent on externalities outside of SCOR's control. The actions and policies of different governments, and the transition of all stakeholders toward decarbonization of the real economy, are all crucial to aligning the world to the Paris Agreement. Other factors linked to climate science, political, geopolitical, economic and regulatory developments which are outside of SCOR's control may impact SCOR's ability to deliver on its target. Without decisive and global action by governments, SCOR will not be able to achieve its target, and the world will not be able to reach a 1.5°C trajectory.

SCOR's decarbonization target can be broken down into 3 main levers:

- **Decarbonization of clients – Projected decarbonization arising from the actions of insured clients to decarbonize their own activities. SCOR has limited influence over this lever beyond its engagement with its clients.**
- **Existing commitments including exclusions – SCOR's existing commitments when setting the 2030 target. These include increasing the coverage of low carbon energies business and stopping new coverage/reducing coverage of new oil & gas projects and oil sand operations, as well as thermal coal. For more details on SCOR's exclusion policies, please refer to the 2024 URD, section 6.2.2.3.**
- **SCOR best-in-class strategy –SCOR's P&C direct insurance and facultative reinsurance books of business reallocation depending on the carbon intensity of its clients relative to others in the same industry.**

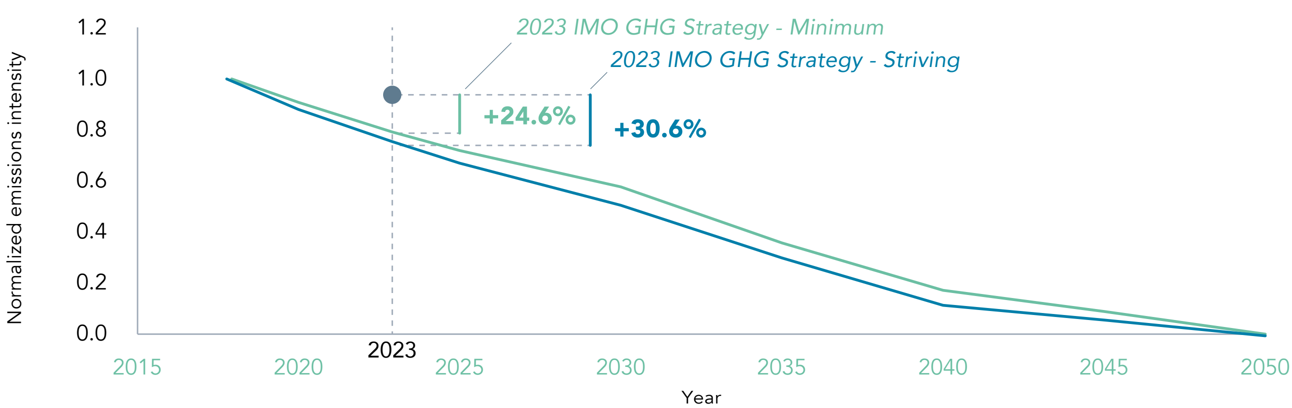
Disclosing the climate alignment of SCOR's hull and machinery portfolio

To support the net zero ambition of its direct international shipping policyholders, SCOR became a founding signatory of the Poseidon Principles for Marine Insurance (PPMI) 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 : the 2023 International Marine Organization (IMO) GHG Strategy striving and minimum. PPMI do not set targets. It is a measurement tool helping SCOR to support clients in their decarbonization journey. Signatories are recognized for contributing to an initiative that is ground-breaking in the spheres of shipping and insurance. As part of the PPMI initiative, SCOR engages with shipowners, clients, brokers, and business partners to collect and process the information necessary to calculate carbon intensity and to assess climate alignment. As a result, measuring CO_2 emissions is a prerequisite to deliver on SCOR's commitment to be Net Zero by 2050. The Group needs to collect more data to better steer its business, from analysis to pricing and underwriting guidelines. Engagement will be key to enhancing this part of SCOR's strategy.

PORTFOLIO CLIMATE ALIGNMENT SCORE

100% of data sourced using the Modelled Data Pathway Track
0% of data sourced using the Preferred and/or Allowed Pathway Track

Minimum	Striving
+24.6%	+30.6%



2023 data relate to 2024 year of publication

In 2024, the PPMI have changed their methodology. Previously, the alignment was calculated against the initial 2018 IMO GHG strategy (50% GHG reduction trajectory and 100% GHG reduction trajectory). As of 2024, the PPMI have updated the benchmarking to the new IMO trajectories adopted by the IMO in 2023. Therefore, alignment scores between 2023 and 2024 publications are no longer comparable. The new methodology is more comprehensive, namely with the inclusion of non-CO_2 GHG and the fact that emissions intensity must represent the total GHG emissions, covering a full lifecycle approach (well-to-wake). Hence, strict alignment will be harder to achieve compared to previous disclosures.

Engaging with clients and partners

As part of its Theory of change, the Group also actively supports its partners and clients in their own transition pathways, helping them attain a net-zero emissions business model. **This is the most powerful action to reduce GHG emissions in the atmosphere from a financial institution's perspective.** SCOR also supports coalitions or position papers with the objective to accelerate the journey of key stakeholders toward more ambitious sustainability-related goals.

As part of its strategic plan Forward 2026, SCOR has set an engagement plan with its (re)insurance clients to support their transition efforts, with a target to engage with clients representing at least 30% of Property & Casualty direct insurance and facultative reinsurance premiums[1] regarding their ESG commitments and their transition strategy, over the course of the new strategic plan. For more information see 2024 URD – Section 6.2.2 ESRS E1 – Climate change – Engagement with stakeholders in E1-3 and E1-4.

Developing sustainable solutions

SCOR is developing and supporting solutions helping its clients navigate challenges linked to climate change and damage to the environment.

Environmental impairment liability

The Group has developed strong expertise in the underwriting of environmental impairment liability (EIL) insurance through its Lloyd's syndicate and company platforms. EIL consists of providing insurance coverage for liabilities associated with environmental/biodiversity damage or pollution. SCOR Syndicate has developed a proprietary rating tool comprising 16 environmental indicators, which inform underwriters about the degree of environmental responsibility of the company seeking EIL coverage. This direct insurance product incentivizes the insured to 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 and biodiversity after damages by an insured's activities.

Parametric microinsurance and reinsurance

SCOR is committed to developing solutions that contribute to climate risk adaptation. In developing countries, there may be a significant protection gap and insufficient data to develop compensatory insurance schemes. 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. SCOR collaborates 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. Through these programs, the Group contributes to increasing insurance penetration and to improving the adaptability of insurance beneficiaries. Parametric insurance schemes offer a solution with financial protection for post-event reconstruction.

Unlike traditional insurance, which relies on assessments of actual damage, parametric insurance is a type of insurance that pays out benefits based on the occurrence of a predefined event, measured by an objective index. This index mirrors the financial loss to which an asset is exposed when facing a given risk. Risks covered by parametric insurance can include a wide range of hazards, such as weather events or other catastrophic occurrences. 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.

1. Representing 24% of total P&C premiums as of December 31, 2024

For example, since 2019, SCOR has partnered with local insurance companies to develop a parametric weather index microinsurance, launched for smallholder rice farmers in Cambodia, aiming to protect them against adverse weather events or natural calamities, while automating claims and making quick payment to the farmer. In 2022, this innovative solution was developed in Vietnam, in partnership with Igloo, a Singaporean insurtech providing insurance solutions based on parametric indexes. The weather index insurance for rice farmers has now covered over 6,000 hectares of rice fields in eight provinces, having protected many farmers from unpredicted weather conditions. Following the success of the weather index insurance for rice farmers, the solution has been expanded during 2023 to coffee farmers in Vietnam and to tea cooperative farmers in Rwanda, in 2024. This allows to provide affordable and accessible insurance for smallholder farmers, as well as protection from impacts of climate change on their livelihood. Since there is a quick indemnity payout, this reduces farmers' immediate dependence on the government for post-disaster relief: the parametric insurance will reduce the cost to individually verify claims and enabling faster payouts to farmers. The goal is to cover at least half a million smallholder-farm families in 10 years.

Support to low carbon energies

In 2022, SCOR announced its ambition to double its insurance and facultative reinsurance coverage[1] of low carbon energies by 2025 within the P&C direct insurance and facultative reinsurance books of business[2], complemented by a new target in the Forward 2026 new strategic plan to multiply such coverage by 3.5 times by 2030. 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.). Detailed information on this ambition can be found in the 2024 URD – Section 6.2.2.3 - impact, risk, opportunity management and actions – E1-3 – Actions taken over the reporting year for underwriting activities.

In-house knowledge is also shared within the Group through a dedicated series of podcasts and e-learnings on low carbon energies, and the challenges and solutions to (re)insure them. A new internal platform for employees has been set up to share internally expert views on several topics, including low carbon energies insurance.

Off-shore wind farms

SCOR supports low carbon energies by providing insurance covers to offshore windfarm projects. 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. Insurance and reinsurance companies are integral participants in windfarm projects as they provide financial protection and investment support. SCOR provides insurance for various offshore wind farm projects but also shares valuable knowledge and information that are critical to the success of the projects.

For instance, the Group has a long-standing reinsurance relationship with an offshore wind farm market leader and a well-established player in the renewable market.

SCOR is the lead insurer of a large commercial size offshore wind farm project in Asia with installed capacity over 1GW, once it is constructed the project can provide green electricity for more than one million households annually. By building a green energy supply chain, this project aspires to be a catalyst for Asia's industrial transformation and lay a solid foundation for a sustainable economy.

Electricity interconnectors

SCOR is also a leading (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.

For example, SCOR insures an interconnector project in the UK. This project is a subsea and underground electricity interconnector cable (with associated converter stations) linking the existing electricity grids in Ireland and Great Britain. The construction and development of this project will deliver increased energy security, regional investment and value of money to consumers and will enable the further integration of low carbon renewable energy sources.

1 For production, storage and transmission. Based on Estimated Gross Premium Income ("EGPI") for 2020.
2 Property & Casualty direct insurance and facultative reinsurance books of business: large industrial risks, underwritten on a risk-by-risk basis (as opposed to reinsurance treaties, underwritten on a portfolio basis by insurance companies).

Solar power projects

SCOR insures a variety of projects which will use solar power to produce renewable energy. A prime example is a solar and battery storage project in California by SCOR. The Group collaboration on this facility, one of the largest solar-plus-storage projects in North America, fully reflects its determination to support the energy transition. The project currently boasts a solar energy capacity of around 80 megawatts, and a battery storage capacity exceeding three gigawatt hours. This enables the facility to provide up to 1,300 MW of power to the grid, significantly bolstering California's renewable energy infrastructure.

This solar and battery storage project exemplifies the potential of large-scale renewable energy initiatives. With the backing of SCOR, this project is well-positioned to make a lasting impact on the renewable energy landscape.

Green hydrogen projects

According to the IEA, hydrogen is a versatile energy carrier, which can help to tackle various critical energy challenges; Global hydrogen demand continues to grow but faster action is needed to reach Net Zero Emissions target by 2050.

Robust growth in hydrogen demand creates an opportunity for hydrogen and hydrogen-based fuels to mitigate up to 60 Gt of CO_2 emissions between 2021 and 2050 in the Net Zero Emissions Scenario. This significant reduction accounts for approximately 6% of the total cumulative emissions reductions during that period.

Insuring hydrogen projects present challenges due to their rapid scale-up in response to energy transition needs. A facility launched by Marsh, to which SCOR participates, will offer up to USD 300m of coverage per risk. It brings essential insurance capacity to clean hydrogen projects. It is a vital measure which enables developers to obtain sufficient and affordable insurance coverage, enhancing financial feasibility for developers and the realization of those projects. SCOR also has taken shares in the construction of two of the largest hydrogen projects, enabling the deployment of projects working towards the energy transition by offering new innovative solutions.

Underwriters are also enabling hydrogen projects to find appropriate insurance, by sharing insights on the role & importance on finding re/insurance to accelerate the development of the hydrogen economy at the UK Hydrogen Energy Association.

First steps to biodiversity consideration

As a leading reinsurance company, SCOR recognizes the critical importance of biodiversity in ensuring sustainable development. Biodiversity loss poses significant risks to ecosystems, which in turn affect the stability and predictability of natural events, directly linked to climate change. SCOR's biodiversity approach aims to mitigate these risks by integrating biodiversity considerations into its underwriting decisions. This approach not only helps preserve natural habitats but also opens opportunities for innovative insurance products that support restoration and conservation efforts. By proactively addressing biodiversity risks, SCOR not only safeguards its business interests but also contributes to the global effort of maintaining ecological balance, which is essential for the well-being of all life forms.

ENCORE

A top-down assessment of dependencies and impacts of the SBS portfolio on nature has been conducted, based on existing and recognized methodology, using the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool. ENCORE sets out how the economy – sectors, subsectors and production processes – depends on and impacts nature. Financial institutions can use data from ENCORE to identify nature-related exposures they may face through their lending, underwriting and investment in high-risk industries. In line with the Driver-Pressure-State-Impact-Response (DPSIR) framework, the ENCORE knowledge base defines the term 'pressure' as the use of a measurable quantity of a natural resource or release of measurable quantity of substances, physical and biological agents. The pressures trigger the mechanisms causing a change in the state of nature (i.e., ecosystems and their components). Some initiatives, such as the Taskforce on Nature-related Financial Disclosures (TNFD) or the Natural Capital Protocol, refer to pressures as "impact drivers".

Only pressures were considered for the SBS portfolio since (re)insurance is not directly financially dependent on ecosystems services. Neither the premium nor the potential loss depend on the insured's solvency. However, the impact materiality of the (re)insured sector is considered, i.e., the pressures exerted by sectors re/insured on ecosystems. A strong limitation to the analysis relates to the top-down approach of ENCORE, that does not rely on clients' actual positioning but on their allocation to the industry sector. Data is still missing to contemplate a bottom-up analysis.

ISIC (International Standard Industrial Classification of All Economic Activities) is the classification used by ENCORE to attribute pressures to economic sectors. The SBS portfolio was mapped using this classification. Hence, repartition by ISIC classes of the SBS portfolio was obtained with corresponding EGPI and % of EGPI over the total 2023 EGPI. 67% of the 2023 EGPI was classified using ISIC.

Each ISIC sector has been mapped against ENCORE data. For each pressure, a materiality score was assigned depending on the materiality identified by ENCORE for the specific sector.

The ranking goes from 0 no materiality to 5 high materiality. However, as results are still high level and do not provide information at a more granular level, it is not possible to draw conclusions that could directly impact SCOR's underwriting guidelines. Part of exposures also relate to coverage of environmental liabilities, for which SCOR reduces negative impacts on biodiversity by enabling recovery after damages stemming from insureds' activities.

Ecosystems restoration: a business opportunity

SCOR also considers ecosystems protection and restoration as a field of new opportunities. Ecological restoration has become an international priority, for which major financing is necessary. However, the inherently unpredictable and dynamic nature of ecosystems creates high complexity when it comes to develop restoration projects or to invest in nature-based solutions.

SCOR has worked on how to bridge the "gap" between the need and the desire to finance ecological restoration projects, by de-risking financing opportunities through a specially designed insurance product, the Restore Product, underwritten by SCOR's Syndicate at Lloyd's of London. The purpose of this new insurance product is to support best-in-class ecological restoration projects whose planned recovery trajectories have been adversely impacted by pre-defined perils. Combining high standards of the project with insurance coverage in case of occurrence of selected perils, the Restore Product removes one of the main hurdles faced by investors, encouraging stakeholders to direct financing towards nature restoration. To ensure the advancement of ecological restoration and support the wider environmental community, claim payments must be utilized for ecological restoration projects.

Sharing knowledge within Nature Positive Insurance working group

SCOR is also part of the UNEP-FI working group on Nature Positive Insurance. The working group acts as a platform for knowledge sharing and capacity building and engages with a variety of key stakeholders in the insurance sector. The working group focuses on the advancement of insurance-relevant approaches and creation of tailored guidance for the insurance sector on nature to support PSI members i) in building capacity on nature-related risk assessments and disclosures (TNFD) in the context of insurance activities and ii) in their understanding of the role insurance can play in contributing to the goals of the Global Biodiversity Framework (GBF).

2.2 SUSTAINABILITY IN L&H ACTIVITIES

The Life & Health business is natively designed to benefit to individuals and to improve resilience of societies. SCOR's biometric risk business is designed to help more people access health protection and prevention products, underpinned by robust research and technology & data capabilities. SCOR develops ad-hoc innovative solutions designed to answer local needs depending on ageing, standard of living and profile of targeted beneficiaries.

The Life & Health business unit also develops solutions to help people live longer and healthier lives. SCOR is involved in partnerships and collaborations across the health and wellness ecosystem to bring impactful insights and programs to clients, policyholders and employees.

Closing the protection gap with inclusive products

The L&H division actively helps reducing the protection gap by offering new innovative products to insure underserved populations, whether due to geographic & low-income constraints or by considering unusual risks factors of policyholders. 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.

Protecting against critical illness

Early treatment of critical illness can be key to full recovery and mitigating associated 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.

For example, VITAE is an innovative biometric risk calculator that uses machine learning methods and new data to better capture the correlation between risk factors.

VITAE provides ratings for mortality, disability and critical illness and enables users to refine their underwriting rating to a larger insurable population, contributing to a more inclusive underwriting. In 2024, SCOR launched VITAE Lymphoma Risk Calculator, a new addition to SCOR's biometric risk calculator series that aims to expand protection coverage to people with cancer and other critical diseases. This new calculator will allow SCOR to translate the increased survival rate for lymphoma into a more inclusive and fairer insurance price for customers.

SCOR also added the philosophy for Long Term Care to the VITAE biometric risk calculator. Interactions between risk factors are considered to avoid double penalties for applicants. By expanding benefits covered in VITAE, SCOR continues its commitment to narrowing the protection gap and expanding coverage to the underinsured with knowledge and innovation.

Providing accessibility of life products for Southeast Asia consumers

Consumers often find life protection products difficult to understand. This is especially true in Southeast Asia, where the insurance literacy rate is still low. To make life protection products easier to understand, SCOR's Southeast Asia team designed and developed a new hospitalization product with Great Eastern Malaysia to pay a lump sum claim if the insured suffers a major condition and needs to be hospitalized for an extensive number of days. This product is much easier to understand compared to the current critical illness products, where the claim definitions are complex and difficult to understand. This product has achieved success with over 2,000 policies sold within the first six months of launch.

Providing accessible and affordable insurance to US consumers

In the US, two of SCOR's local partnerships, which started in October 2020, led to the creation of products that make insurance easily accessible and affordable for underserved populations. The product and our partner platform rely on data analytics, specifically around underwriting and risk scoring, empowering consumers to purchase life insurance online, many within 24 hours or less. This customer-centric process is uniquely efficient in the US marketplace, offering an easily accessible protection option to tens of thousands of underserved and underinsured. The program has so far covered more than 50,000 lives since its inception.

Partnerships in Life & Health to expand the scope of protection

SCOR has entered many research and business partnerships over the years to explore ways to make life insurance more relevant and to expand protection to people and society. One example is the ongoing joint research initiative with Nanterre University on a discrete choice experiment to define product features and the Sorbonne University at the Pitié Salpêtrière Hospital in HIV and Immunotherapy developments. SCOR also funded a Human Mortality Database project in 2016 with the Department of Demography at the University of California, Berkeley which serves the academic and actuarial community, to build predictive models of life expectancy for many countries.

Offering innovative prevention to help policyholders live healthier and longer lives

L&H offers preventive innovative solutions to policyholders to detect and prevent critical illnesses and other risks factors for longevity and health. The L&H insurance industry can have a significant positive impact 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.

Customized care management to extend and save lives

SCOR and INTERLINK Care Management, Inc. (CancerCARE) in the US are collaborating to offer an innovative program to develop a concierge-style CancerCARE program for life insurance policyholders. Through the paired strengths of SCOR and CancerCARE, life & health insurance clients will have access to a customized product concept tailored to the life insurance market and proven to be effective at extending and saving lives. This first-of-its-kind collaboration brings together the risk management expertise of SCOR and the accumulated knowledge of CancerCARE to ensure the best cancer outcomes for life insurance policyholders who are navigating an early cancer diagnosis while trying to understand treatment plans, health insurance coverage, and where to seek specialized care. By working together, this effort can minimize the cancer risk for policyholders through emerging treatments, accessing treatment options, education, and encouragement that can positively impact their longevity. The US team is in discussions with clients and distributors who are responding favorably.

Early cancer detection through Innovative cancer screening

To aid in the prevention of skin cancer, SCOR commenced in 2023 the first pilot project in Germany with an innovative start-up that uses AI technology to develop medical apps for health prevention. Due to the increase in UV radiation caused by climate change, more and more people are contracting skin cancer. Malignant melanoma is a very malignant form of skin cancer, but 99% can be cured if detected at an early stage. Early detection of malignant melanoma thus prevents the development of life-threatening skin cancer and represents a typical use case of pattern recognition by artificial intelligence. Moles or skin patches are photographed with a mobile phone camera and assessed with the help of artificial intelligence. The feedback takes the form of a traffic light system and classifies the birthmark as low, medium, or high risk. The birthmark is examined and evaluated according to the ABCDE rules (Asymmetry, Border, Color, Diameter, Evolution). The application is not intended to replace a doctor's visit, but to sensitize the user to the issue of skin cancer and to remind and support regular check-ups by a dermatologist.

Contributing to policyholders' health & wellness and longevity

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 Asia and Europe. In 2023, SCOR launched Good Life 3.0 (our proprietary health & wellness engagement app powered by BAM), which won the prestigious iF Design Award in the User Interface category. Moving beyond a traditional 'physical-only' view of health, Good Life 3.0 follows a five-pillar health framework covering physical activity, mental health, nutrition, social health, and sleep.

Knowledge and research for L&H

L&H working group on climate change

In 2020, a dedicated internal 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.

Expert Views: The relevance of climate change for life and health insurers

The Expert Views series of papers by SCOR's internal experts aims to support the readers in gaining a solid understanding of the key elements of the impact of climate change and enables them to draw conclusions for their own companies and situations. Parts one to three provided the risk manager's view, the medical director's view, and the epidemiologist's view.

In 2024, SCOR published the fourth "Expert Views" paper on climate change, evaluating the impact of climate change on mental health. Although often underestimated and not at the forefront of attention, the negative impact of climate change on emotional and psychological well-being can be significant. There are both direct and indirect links between climate change and mental health. Feedback loops that cause poor mental health have an impact on biometric risks, which makes it even more important to understand the subject. A better recognition of these can help to close the insurance gap for vulnerable parts of the population, build resilience and strengthen prevention, and provide optimal support during the claims and recovery journey.

Insurance Inclusivity and the Right to Be Forgotten

To increase knowledge on how to best close the protection gap for people having had a cancer, SCOR published an article on inclusivity and the right to be forgotten, which primarily relates to the protection of personal health information, particularly for individuals who have survived serious illnesses like cancer. Protecting individuals and their families from unexpected financial losses is at the core of the life and health insurance industry's purpose. With the aim of achieving greater insurance inclusivity, many European countries have implemented a Right to be Forgotten (RTBF) code or legislation for individuals with a history of cancer. This brings an element of inclusivity into insurance contracts as underwriters cannot charge an extra premium, refuse or postpone cover, or apply an exclusion when assessing applications from customers. SCOR appreciates the importance of these initiatives and, in this paper, reflects on the insurance industry's ongoing efforts to provide the best possible opportunities to protect cancer survivors and their families. An appropriate RTBF mechanism is risk- and evidence-based, thus allowing our industry to manage risks prudently while treating all customers with the utmost fairness. SCOR adheres to the General Data Protection Regulation (GDPR) by implementing stringent measures to protect personal data in its Life & Health studies and modelling. This includes obtaining informed consent, employing anonymization techniques, and ensuring secure data management practices. These efforts not only align with regulatory standards but also demonstrate SCOR's commitment to ethical data handling and individual privacy.

3. SUSTAINABILITY IN INVESTMENT ACTIVITIES

3.1 SCOR'S SUSTAINABLE INVESTING APPROACH

As a responsible investor, the Group strives 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 contributing to reverse biodiversity loss. Nature must be thought in its entirety and SCOR strives to play its role in addressing this tremendous nature-climate nexus challenge.

SCOR's sustainable investing approach is presented in its Sustainability Policy, which forms a consistent and robust framework to design the strategy. It is also detailed in the 2024 URD Section 6 (Sustainability Statement), subsections 6.1.1.3 Strategy and 6.1.1.4. Impact, Risk and Opportunity management.

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 approaches, methodologies and tools.

Applying the theory of change to the investment portfolio

SCOR strives to contribute to international goals about climate and biodiversity highlighted by the Paris agreement on climate change and the Kunming-Montreal Global Biodiversity Framework (GBF) on biodiversity loss. As an investor, SCOR aims to play its part by:

- Raising awareness with its investees on their negative impacts and reducing negative environmental impacts of its investment portfolio in line with these frameworks by combining exclusion/divestment, best-in-class strategy and stewardship.
- Increasing the positive impact of its investments by selectively investing in climate and nature-based solutions.

SCOR high level Theory of Change regarding investments is summarized in the table below.

OBJECTIVE	ACTION	OUTCOME	IMPACT
Aligning with the Paris agreement	• Exclusion/ Divestment • Best-in-class • Stewardship	Investees aligning their GHG emissions trajectory with 1.5°C IPCC scenarios	• Contribution to Net-Zero by 2050 and reduction of GHG emissions in the atmosphere • Contribution to reversing Nature loss by 2030
		Improving SCOR portfolio carbon footprint trajectory alignment to 1.5°C IPCC scenarios	
Aligning with the Kunming-Montreal Global Biodiversity Framework (GBF)		Investees progressively implementing business practices aligned with the GBF	
		Increasing SCOR portfolio alignment with the GBF	
	• Investing in climate solutions and nature-based solutions	Increasing the "Nature Positive Impact Investment" bucket in SCOR portfolio	

To define Nature-positive, SCOR follows the Science Based Targets Network (2023) SBTN Glossary of Terms, i.e. a high-level goal and concept describing a future state of nature (e.g. biodiversity, ecosystem services and natural capital) that is greater than the current state.

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 the investment decisions and monitored closely during the investment life cycle, as described in section 3.6 ESG ratings per ISS methodology of this document. SCOR considers E, S and G criteria as potential early signals of future risks for its invested assets portfolios. 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 investment 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 contribute 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. The Group leverages upon SCOR Investment Partners' long-lasting performance in managing this asset class to optimize its mix of perils and exposures.

Addressing risks, impacts, opportunities

When considering environmental, social and governance criteria in its investment strategy, SCOR believes that materiality is key to both identifying potential risks and best opportunities, while assessing impacts of its investment decisions. It has been at the heart of SCOR's sustainable investment strategy over the last decade.

Protecting the portfolio from downside effects linked to non-financial risks and, in particular, climate-related adverse impacts is at the heart of SCOR's investment risk management. Resilience is meant 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 the transition occurs early enough and in an orderly manner. Otherwise, transition damages – mainly stranded assets – and a 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 utmost 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 the long-term horizon within the shorter-term investment decisions.

This has led SCOR to exit early some sectors that are not compatible with the Paris Agreement, as specified in the Sustainability Policy. 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.

3.2 STEWARDSHIP STRATEGY AND ACTIVITIES

SCOR strives 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, as part of its Theory of Change.

Outcomes of engagement actions in 2024

Engagement with investees

In 2024, SCOR did not hold direct listed equity given its low appetite for this asset class. Hence the Group did not exercise any voting rights.

Information on engagement with investees is detailed in the 2024 URD section 6, subsections:

- E1-3: Actions taken over the reporting year for investment activities – Engagement with Stakeholders - Participation to selected initiatives (p347-348).
- E4-3 – Actions and resources related to biodiversity and ecosystems – Stewardship (p359).

Engagement with assets managers

Information on engagement with asset managers is detailed in the 2024 URD section 6, subsection E1-3: Actions taken over the reporting year for investment activities – Engagement with Stakeholders - Engagement with asset managers (p348).

Policy advocacy

When relevant, SCOR also performs policy advocacy activities by participating in collective initiatives. That's the reason why in March 2023, SCOR joined the Business Coalition for a Global Plastics Treaty, which is a coalition of businesses and financial institutions convened by the WWF and the Ellen MacArthur Foundation. The coalition supports the development of a UN treaty to end plastics pollution, a topic which has become increasingly prominent in 2023 as a first draft of a legally binding instrument was released in September 2023. In 2024, SCOR signed the « Statement from the Private Financial Sector » addressed to governments, to call for an ambitious international legally binding instrument to end plastic pollution.

Initiatives to which SCOR participates as part of its sustainable investment strategy

Beyond voting and exercising its shareholder's duty, SCOR has decided to join several initiatives as described below, for efficient engagement, given the limited amount of its invested assets (circa EUR 24 billion). Even those that are not directly supporting an engagement initiative help to increase SCOR's knowledge level, thus indirectly supporting engagement and/or internal risk and impact studies.

Net-Zero Asset Owner Alliance: impacting the real economy.

The Net-Zero Asset Owner Alliance aims at supporting asset owners in their commitment to carbon neutrality by 2050 in their portfolios. This initiative provides a unique framework for investors to design, implement and report on their decarbonization strategy. Resulting from the collaboration of the Alliance's members, the successive versions of the science-based Target Setting Protocol enable to rely on a credible set of assumptions supported by robust academic research. They offer the possibility to combine portfolio targets, sector targets and engagement targets to ensure the actual translation of investment decisions into the real economy to effectively reduce GHG emissions in the atmosphere. Calling for enlarging the investment universe in transition solutions complements the toolkit to design a 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.

#14 INITIATIVES THAT SCOR DECIDED TO JOIN

#1 NZAOA

SCOR joined the NZAOA in May 2020. In 2024, SCOR actively participated in NZAOA various working groups that are meant to enhance the Alliance approach and to foster decarbonization of the real economy. SCOR also continued to track the carbon footprint of its portfolio in line with its targets set as a NZAOA member. Notably, the 2025 interim target for corporate bonds and equities is achieved (-27% carbon intensity reduction by December 31, 2024, compared to December 31, 2019). Targets set based on the NZAOA approach have been detailed in the 2024 URD section 6, subsection E1-4: Targets related to climate change mitigation and adaptation for investment activities.

Fully and systematically exiting highest emitting sectors does not allow to engage with companies operating in those sectors that could 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.

The NZAOA regularly updates its Target Setting Protocol: a fourth edition was published in 2024, extending the asset class coverage to private debt and real estate funds. Mandatory carbon reporting, then target setting on those new asset classes will be gradually phased in.

#2 Climate Action 100+ (CA 100+)

To increase its dialogue with carbon intensive investees, SCOR joined CA 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.

#3 Institutional Investors Group on Climate Change (IIGCC)

In 2023, SCOR joined the IIGCC, an investor collaboration aiming at making significant progress towards a net zero and climate resilient future by 2030, in line with the goals of the Paris Agreement.

Joining more specifically the Net Zero Engagement Initiative (NZEI) of IIGCC has allowed SCOR to participate in other collaborative engagements with companies outside of CA 100+ scope in 2024.

#4 The Powering Past Coal Alliance (PPCA)

To reinforce its target on thermal coal, the investment business line of SCOR joined the 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.

#5 Finance for Biodiversity Foundation (FfBF)

Carbon sinks contribute 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. In order to deliver on its objective to contribute to reversing biodiversity loss on investments by 2030, SCOR joined the Finance for Biodiversity Foundation (FfBF) in 2021, and has collaborated 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 first engagement actions, mainly on deforestation.

In 2024, the FfBF published the second edition of its Nature Target Setting Framework. Three types of targets are set out in this framework: initiation, monitoring (optional) and portfolio targets.

- Initiation targets (to set by end 2024): analyze exposure to nature-related impacts, dependencies, risks, and opportunities and embed these considerations in the governance, strategy, and activities of the organization.
- Monitoring, and portfolio targets (to set by mid-2027): for priority sectors, monitor KPIs evolution towards determined thresholds (portfolio targets), and set supportive stewardship targets.

SCOR is currently reviewing this guidance and studying its recommendations.

#6 Taskforce on Nature-related Financial Disclosures (TNFD) Forum

In 2021, SCOR also joined the TNFD Forum, a consultative grouping of institutional supporters who share the vision and mission of the TNFD and have expressed a willingness to make themselves available to contribute to the work and objectives of the Taskforce.

SCOR participated in a TNFD pilot led by I-Care leveraging data from Iceberg Data Lab in 2022/2023[1]. 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 final version of the TNFD recommendations was released in September 2023, and updated in June 2024, with the aim of giving companies a common framework to report on nature-related issues.

SCOR is currently reviewing this guidance and studying its recommendations.

#7 Nature Action 100 (NA 100)

SCOR joined NA 100 in September 2023. It is an instrumental investor-led initiative aiming to engage with 100 selected companies in key sectors that are deemed to be systemically important in reversing nature and biodiversity loss by 2030.

In 2024, SCOR participated in some collaborative engagement calls organized by NA 100.

1 The final report is available on I-Care website: Publication | Pilote du Cadre TNFD sur le secteur Agroalimentaire - I Care by BearingPoint

#8 PRI Nature Reference Group (NRG)

SCOR joined the NRG in 2023. The NRG aims to build investor capacity on nature more holistically, by enhancing investors' collective influence to ultimately contribute to the goal of halting and reversing biodiversity loss by 2030, in line with the goals and targets of the Global Biodiversity Framework (GBF).

This group is the successor of the PRI's Sustainable Commodities Practitioners' Group (SCPG) to which SCOR also contributed.

#9 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, therefore 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.

In 2024, SCOR participated in some collaborative engagement calls organized by the FSDA.

#10 Valuing Water Finance Initiative (VWFI)

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

In 2024, SCOR participated in some engagement calls organized by the VWFI.

#11 Investor Initiative on Hazardous Chemicals (IIHC)

The IIHC is a collaborative initiative coordinated by the NGO Chemsec to engage with major chemical companies regarding management of hazardous chemicals and transparency.

In 2024, SCOR participated to some engagement calls organized by the IIHC.

#12 The Business Coalition for a Global Plastics Treaty

In March 2023 SCOR joined the Business Coalition for a Global Plastics Treaty which brings together businesses and financial institutions committed to supporting the development of an ambitious, effective, and legally binding UN treaty to end plastic pollution.

#13 PRI Advance

In 2022, SCOR joined Advance, the PRI's investors stewardship collective initiative for human rights and social issues, which is fully consistent with SCOR long-standing participation in the United Nations Global Compact. In the context of this initiative, SCOR has participated in 2024 in some dialogues with companies to drive positive outcomes for workers, communities and society. Considering the need for a just transition, SCOR plans to leverage this initiative to promote a transition where no one is left behind.

#14 PRI Human Rights & Social Issues Reference Group

In 2024, SCOR joined the Human Rights & Social Issues Reference Group, which aims to provide opportunities for information exchange on human rights and social issues.

3.3 POSITIVE OUTCOME APPROACH

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 constitutes a pillar of SCOR's Theory of Change.

This is described in section 3.6 Transition and social bucket and Insurance-Linked-Securities of this document.

The approach has been detailed in 2024 URD section 6, subsection E1-4: Targets related to climate change mitigation and adaptation for investment activities – Other targets (p349-350).

3.4 CLIMATE AND NATURE RISK ASSESSMENT

Addressing environmental degradation drivers

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.

Regarding nature globally, SCOR objective is to progressively address, on a best effort basis, the five drivers of nature change as outlined in the Recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD):

- Climate change
- Land/freshwater/ocean use change
- Resource use/replenishment
- Pollution/pollution removal
- Invasive alien species introduction/removal

To date, data and methodologies are not robust enough to allow for a comprehensive risk and impact assessment at company level. Relying on top-down approaches remains very helpful to conduct preliminary analyses, progressively onboarding new topics and deciding on relevant actions.

Climate-related risks and opportunities

Information on SCOR climate-related risks and opportunities are detailed in the 2024 URD section 6, subsection ESRS2 IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities (p307-310) and ESRS E1 SBM-3: Material Impact, Risk and Opportunities and their interaction with strategy and business model (p338-343).

Nature-related risks and opportunities

Information on SCOR nature-related risks and opportunities are detailed in the 2024 URD section 6, subsection ESRS2 IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities & ESRS E4 Biodiversity and ecosystems (p310-311) and ESRS E4 Strategy (p355-356).

3.5 EXPLORATORY RESEARCH SUBJECTS

The following sections present exploratory studies on climate, nature and social topics. Investigating these subjects contributes to the increase of knowledge of the department.

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 impacts. 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 upcoming challenges.

Models and simulations

Four main quantitative tools are used to assess climate-related risks for real asset portfolios and liquid and listed securities.

Nat Cat modelling tool

The natural catastrophe modelling tool is SCOR's proprietary tool developed internally for pricing natural catastrophe business. Based on scenarios validated by the Group's modelling 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 2°C and 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 energy consumption per building and projected real estate decarbonization pathways per country. It fits quite well with SCOR's real estate investment portfolio mainly located in France.

Bat-Adapt

Bat-Adapt is a cartographic resilience analysis tool, developed by the OID (Observatoire de l'Immobilier Durable). It allows to assess the climate-related physical risks for the buildings based on their geographical location and vulnerability to hazards, considering technical criteria. The hazard models incorporate prospective data aligned with three IPCC scenarios for the periods between 2020 and 2100: the ambitious scenario, with a climate policy aimed at reducing CO_2 concentrations (RCP2.6 or SSP1-2.6); the intermediate scenario, with a climate policy aimed at stabilizing CO_2 concentrations (RCP 4.5 or SSP2-4.5); and the Business-as-Usual scenario, with no climate policy (RCP 8.5 or SSP5).

Scenario / stress testing

For liquid and listed securities, usually for 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 feasible information smoothens with experience and comparison of results under different scenarios.

Footprinting

As for the P&C business, footprinting is an attempt to assess the "inside out" impact of investments. It can be also considered as an exploratory 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 footprinting 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 footprinting, 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.

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 and companies may not be fully exposed to specific risks. 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 was tested again in 2024 when trying to assess the materiality of several risks within SCOR's investment portfolio: deforestation, water, plastic pollution and social. These analyses remain exploratory as well as their conclusions, even more so that unlike GHG emissions for climate transition risk, there is no single metric to measure exposure to potential transition risk linked to nature loss related drivers.

European Union (EU) Taxonomy

As a member of the Technical Expert Group on Sustainable Finance, SCOR has participated in the design of the EU taxonomy regulation and considers the value of the screening criteria. Activities falling into the taxonomy are likely to be less exposed to environmental risks. The "Do No Significant Harm" factor ensures minimum safeguards that addressing one environmental objective is compatible with the protection of the environment as a whole. Applying the EU 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 complement 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 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 all for all types 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, awareness raising, risk management and investment decision support.

Coverage of the tools used

	METRIC OR SCORING	IMPACT, RISK AND OPPORTUNITIES ASSESSMENT	MAIN METHODOLOGY OR DATA PROVIDER	ASSET CLASSES	COVERAGE IN % OF TOTAL AUM
Footprinting	Carbon emissions	Climate transition risks	ISS	• Government bonds • Corporate bonds • Listed equities • Real assets • Corporate loans • Covered bonds	75%
	Biodiversity loss	Transition risk	Iceberg Data Lab	• Corporate bonds • Listed equities	38%[1]
Models and simulations	Climate stress testing	Climate transition and physical risk	• ACPR • MAS • DNB • 2ii	• Fixed Income • Equities • Loans • Real Estate	86%
		Climate transition risk for real assets	CRREM	• Direct real estate for investment	2%
		Climate physical risk for real assets	SCOR's Nat Cat modelling tool	• SCOR's physical assets	6%
			• Bat-ADAPT • WWF Biodiversity Risk Filter	• Direct real estate for investment • Real estate loans	4%

1 Exploratory metric

Coverage of the tools used

	METRIC OR SCORING	IMPACT, RISK AND OPPORTUNITIES ASSESSMENT	MAIN METHODOLOGY OR DATA PROVIDER	ASSET CLASSES	COVERAGE IN % OF TOTAL AUM
Portfolio screening	EU Taxonomy	Resilience of activities	ISS	• All portfolio excluding sovereigns and assimilated	81%
	Biodiversity links to the economy	Investments impacts and dependencies on nature	ENCORE	• Analysis based on sectors	63%
	Biodiversity screening	Deforestation risk	• CDP • Forest 500 • Trase • Forest IQ	• Corporate bonds • Equity	45%[1]
		Fresh water risk	• CDP • Ceres • Chemsec	• Corporate bonds • Equity	13%[1]
		Plastic risk	• AsYouSow • Reprisk	• Corporate bonds • Equity	13%[1]
		Nature transition risk	NA 100	• Fixed income • Equity	8%[1]
		Reputational risk - Key Biodiversity Area	WWF Biodiversity Risk Filter	• Direct real estate for investment • Real estate loans	4%
	Climate screening	Transition risk	• CA 100+ • SBTi	• Fixed income • Equity	6% (CA100+)[1] 30% (SBTi)[1]
			ASCOR	• Sovereign bonds	19%
	ESG rating	• Reputational risk • Transition risk	ISS	• Fixed income • Equity	69%
	Controversies		Reprisk	• Corporate bonds • Equity	43%

1 Exploratory metric

Exploratory outcomes around climate analysis

Assessing companies' climate transition pathways: SBTi and CA 100+

Since 2021, SCOR studies the transition plans of its portfolio companies. The objective is to understand the existing gap between SCOR decarbonization commitments and the expected trajectory of the portfolio. Two sources are 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 CA 100+ Net Zero Benchmark (NZB). The NZB helps to compare the credibility of transition commitments from the world's largest corporate GHG emitters.

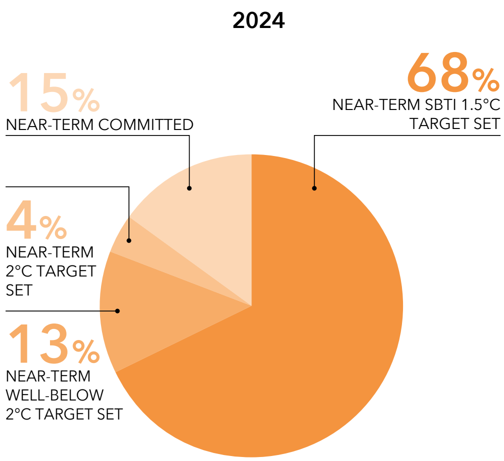
Over the past years, these results have been used to help set decarbonization targets for the corporate bonds and equity sub-portfolio and to update the Sustainability policy on upstream oil & gas.

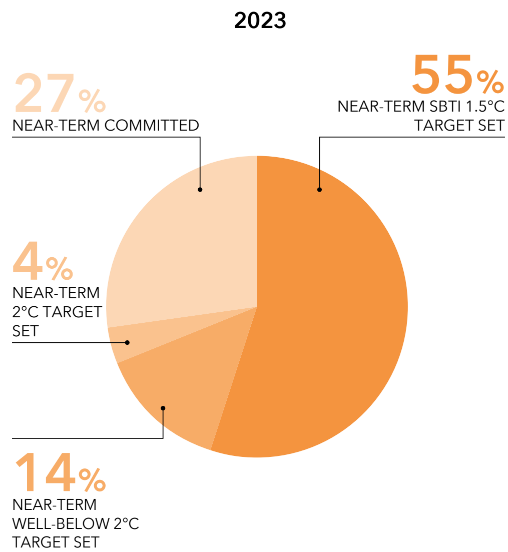
SCOR updated this assessment in 2024 on the fixed income and equity sub-portfolio (more than ¾ of total investment portfolio).

SBTi results

In 2024, 37% of the undertakings in the fixed income and equity sub-portfolio had committed to set or set an SBTI near-term target (compared to 32% in 2023). Among these companies, the proportion with a validated target increased, although the share of companies which have committed to set a target decreased. This trend can also be observed in the overall SBTi universe. Targets can be set with the goal of keeping global warming below 1.5°C, well-below 2°C or below 2°C.

SBTI COMMITMENTS PER CATEGORY





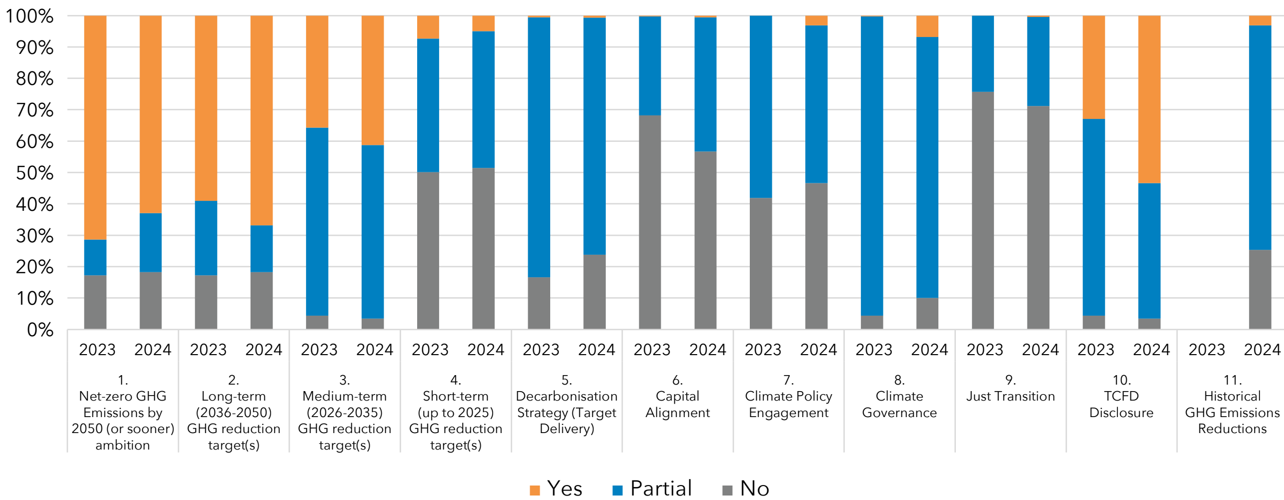
CA 100+ NZB results

Companies studied in the NZB represent 8% of the corporate bonds and equity sub-portfolio in 2024 (7% in 2023).

Results for this sub-portfolio are approximately stable compared to last year (which is consistent with the overall trend in the NZB universe). There is one new indicator in 2024: 11. Historical GHG emissions.

More progress must be accomplished, especially for the first five indicators addressing decarbonization.

NZA ASSESSMENT PER INDICATOR



SBTI AND CA 100+ NZB COMBINED RESULTS PER SECTOR

SCOR SECTOR[1]	2023 % SBTI	2023 % CA 100+	2023 % SBTi AND CA 100+	2024 % SBTi	2024 % CA 100+	2024 % SBTi AND CA 100+
Consumer, Cyclical	70%	42%	34%	76%	50%	43%
Consumer, Non-cyclical	82%	13%	13%	88%	12%	12%
Communications	80%	0%	0%	81%	0%	0%
Basic Materials	48%	20%	11%	56%	8%	6%
Industrial	49%	23%	3%	66%	23%	13%
Utilities	25%	19%	10%	40%	19%	15%
Technology	56%	0%	0%	61%	0%	0%
Financial	24%	0%	0%	25%	0%	0%
Energy	1%	19%	0%	1%	14%	0%
Grand total	**32%**	**7%**	**5%**	**37%**	**8%**	**6%**

1 Only sectors where there are companies committed to the SBTi or studied by the NZB are represented.

As in 2023, the coverage varies widely depending on the sector. The distribution trend among sectors and between SBTi/CA 100+ remains stable:

- As CA 100+ NZB focuses on the largest emitters, the carbon intensive sectors of SCOR portfolio are the most covered.
- For SBTi, the sector coverage is different as the participation in the SBTi is voluntary and indicates a strategy to decarbonize operations. Increased participation to the SBTi is visible for all sectors presented above.

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's fixed income and equity sub-portfolio can improve its alignment to the trajectory of the Paris agreement, as the results for the companies in the CA1 100 + NZB indicate. This aim has driven SCOR 2024 engagement efforts, within collaborative initiatives such as CA 100+ or the Net Zero Engagement Initiative (NZEI).

Assessing sovereigns' climate transition pathways: ASCOR

As a member of the Net Zero Asset Owner Alliance (AOA), SCOR follows the Target Setting Protocol (TSP). In the fourth version of the TSP, use of the ASCOR tool (Assessing Sovereign Climate-related Opportunities and Risks) to assess sovereign debt was recommended. ASCOR project is a free, open-sourced investor framework and database that seeks to assess the climate action and alignment of sovereign bond issuers. It is developed by an international coalition of asset owners and asset managers in collaboration with an academic partner, the Transition Pathway Initiative.

The framework relies on three pillars containing different themes and sub-categories, each of which includes 'Yes' or 'No' indicators and, where relevant, complementary quantitative metrics:

1. Emission pathways (EP): this pillar considers historical emission trends and the alignment of forward-looking national emission reduction targets with international climate goals,
2. Climate policies (CP): this pillar considers national policymaking efforts to mitigate emissions, adapt to climate change, and ensure a just transition,
3. Climate Finance (CF): this pillar considers the financing that countries may need in order to implement their climate goals.

The AOA leveraged on the ASCOR project and has developed a scorecard methodology from which members can derive a weighted average portfolio score, that accounts for national income category. Each of 70 countries assessed so far gets a score from 0 to 1 (higher score means better) which allows to identify the countries that are better positioned than others in terms of climate-related risks and opportunities.

When applied to SCOR's government bonds portfolio, the scorecard below shows the distribution of climate leading, neutral and lagging countries, with an average rating of 0.46. The scorecard covers 75% of total government debt portfolio.

	% AUM
Climate Leading	33%
Climate Neutral	56%
Climate Lagging	12%

This scoring system, common to the AOA members, helps by following each country's score evolution over a given period, comparing the countries within their income group. It also helps to understand the problematic themes of the countries, while members can continue to invest in the same manner due to the nature of this asset class. For a reinsurer like SCOR, investment in government bonds is mostly liability driven which limits actions that could be taken as a result of this analysis.

Assessing acute risk on physical assets

Information on the assessment of acute risk on physical assets is detailed in the 2024 URD section 6, subsection IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities (p307-308).

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.

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.

Assess physical chronic risk on real estate investment portfolio: Bat-ADAPT

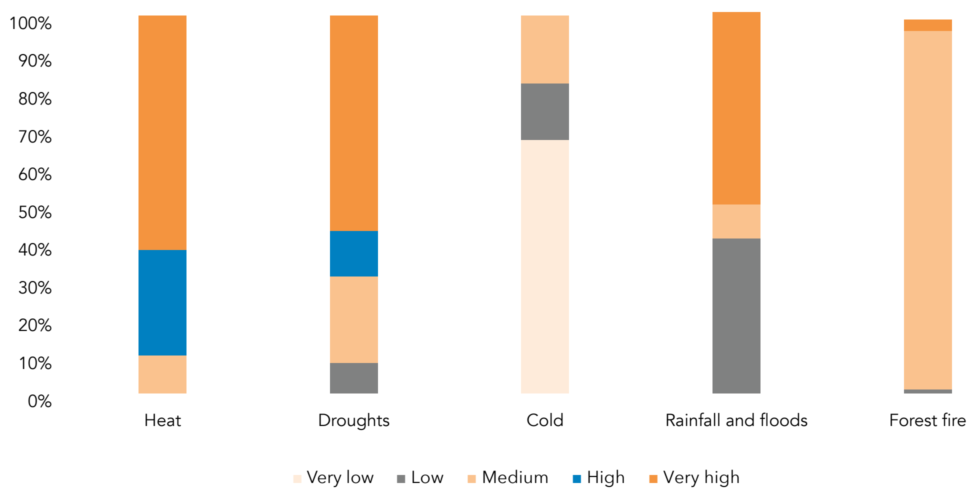
In complement to SCOR's internal models used to assess "acute" physical risks, "chronical" physical risks on direct real estate investments were assessed with Bat-ADAPT, a tool developed by the Green Building Observatory.

At this stage, Bat-ADAPT allows to assess the building resilience towards five climate hazards: heat, droughts, cold and rainfall & floods, and, added lately, forest fires. The model is based on both the geographical location (exposition) and technical characteristics (vulnerability) of the building., It presents three climate scenarios with projections from today to 50 years.

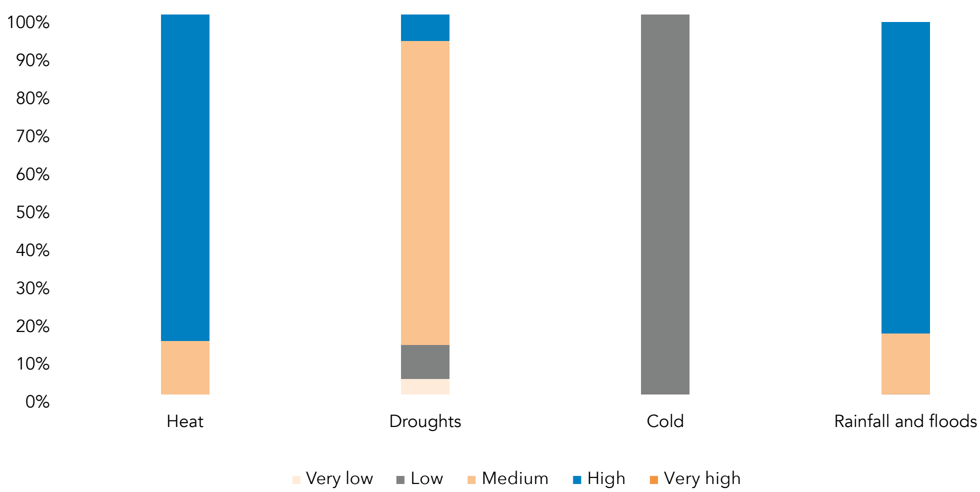
Compared to 2023, the analysis was expanded from the direct real estate portfolio to real estate portfolio including loans, and now includes forest fire hazard, for which an assessment model for France was developed in 2024.

Further improvements are considered by SCOR: expand the analysis to the entire real asset portfolio, collect technical characteristics to assess vulnerability, conduct cross-analysis (exposure x vulnerability) and expand the number of climate hazards studied with the future developments of the tool.

DIRECT REAL ESTATE EXPOSURE PER INVESTMENT VALUE (FRANCE MODEL)



REAL ESTATE DEBT EXPOSURE PER INVESTMENT VALUE (EUROPE MODEL)

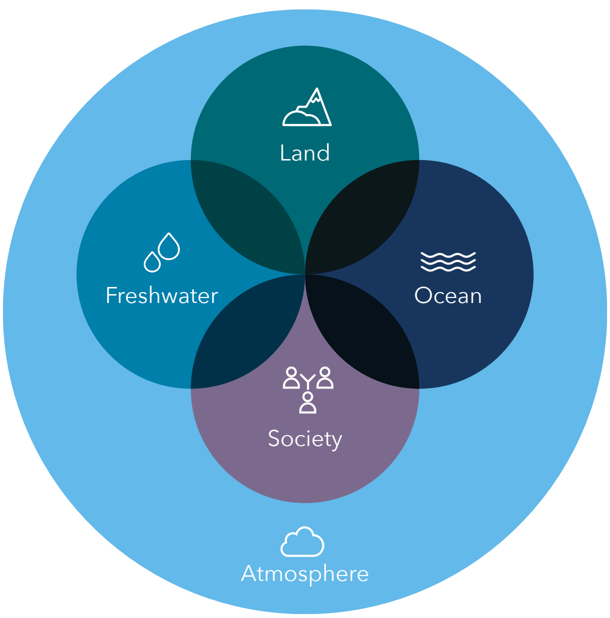


100% of the direct real estate and 67% of real estate loans were analyzed. Two sets of models, one for France and one for Europe, have different calibrations for the levels of risk and were used simultaneously to cover the geography of the real assets. The analysis shows that the real estate investment portfolio is mostly exposed to heat, droughts and rainfall & floods hazards through its geographical location component.

This year, an analysis of the WWF Biodiversity Risk Filter was conducted for the same portfolio, revealing that the impacts from the hazards of 'heat' and 'wildfires' align with the findings from Bat-ADAPT. Additionally, the same tool helped to state that none of the buildings in the real estate portfolios are located within Key Biodiversity Areas

Exploratory outcomes around nature analysis

As stated in Section 3.4, SCOR has started to embed Nature and biodiversity in its investment strategy. Most of the topics are still nascent but exploratory 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:



This graph sets the scene to present the direction of travel and introduces the various exploratory analyses that are being disclosed in the following sections.

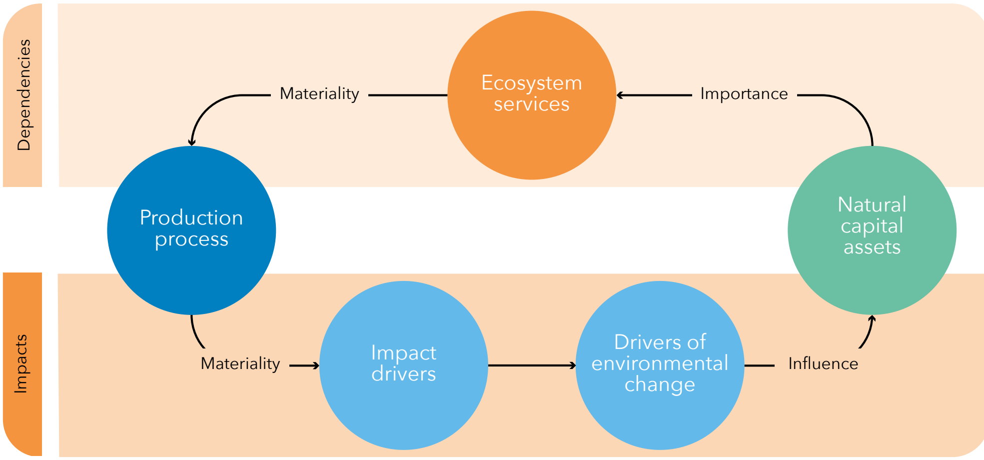
In 2024, SCOR is exposed to 4.8 billion euros of sectors considered to have material nature-related dependencies and impacts according to the TNFD (core metric 1 recommended to financial institutions in the June 2024 guidance). It represents 20 % of SCOR total investment portfolio (15% in 2023). This metric remains exploratory and is not yet stable: sectors classified as priority have been updated by the TNFD in 2024, and SCOR now uses ISIC sectors instead of GICS (linked to the ENCORE study update below).

Assessing impacts and dependencies on Nature: ENCORE

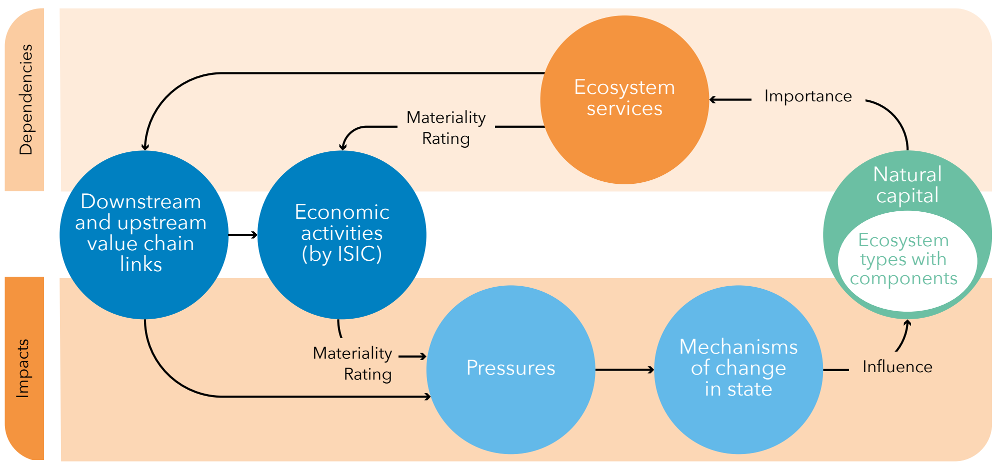
The ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool, first published in 2018 by Global Canopy, UNEP FI and UNEP-WCMC, was updated in 2024 with a revised methodology.

The changes are summarized in the graph provided by ENCORE below:

STRUCTURE OF THE 2018-2023 VERSION OF THE ENCORE KNOWLEDGE BASE



STRUCTURE OF THE UPDATED ENCORE KNOWLEDGE BASE



Besides, the materiality ratings have been updated to include both quantitative and qualitative methods compared to only qualitative in the former version.

SCOR updated its ENCORE analysis leveraging the new methodology. 63% of the 2024 investment portfolio is covered (64% in 2023).

Sectors most dependent on ecosystem services are Agriculture, forestry and fishing; Accommodation and food service activities; Human health and social work activities; Construction and Water supply, sewage, waste management and remediation activities.

The sectors generating the most material pressures are Agriculture, forestry and fishing; Mining and quarrying; Water supply, sewerage, waste management and remediation activities; Construction and Manufacturing.

The results are overall coherent to the main findings from the previous studies.

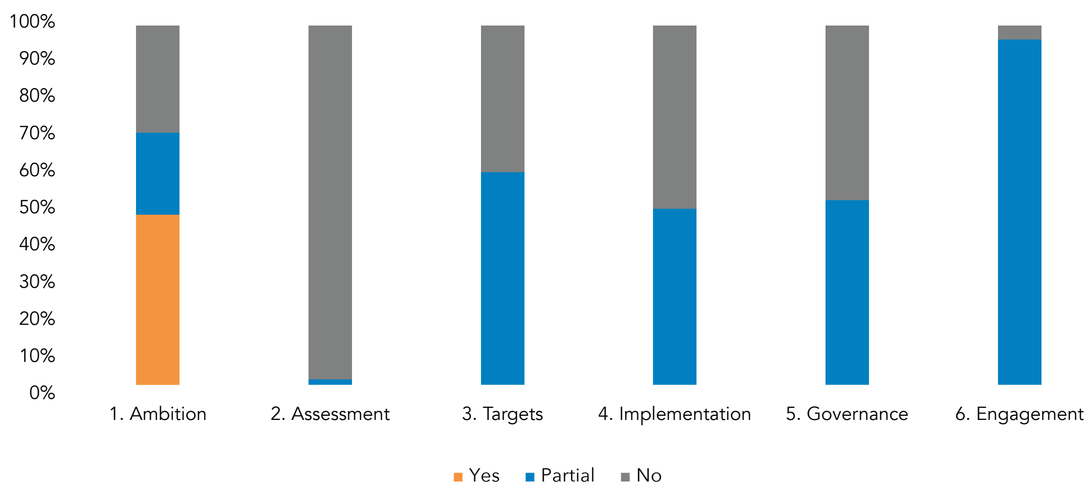
Despite the methodology improvements, some limitations remain. Notably, ENCORE is a qualitative tool ranking sectors against the others on a top-down manner with no distinction between issuers.

Assessing companies' nature transition pathways: NA 100

In 2024, SCOR leveraged the newly published Nature 100 (NA 100) benchmark to assess the credibility of the nature commitments of its investees.

Coverage out of the fixed income and equity sub-portfolio stands at 9%. The assessment obtained for the six pillars showcases that most companies in portfolio are still at the beginning of their journey towards nature.

NA 100 ASSESSMENT PER INDICATOR



More progress needs to be accomplished so that SCOR's fixed income and equity sub-portfolio can improve its alignment to the trajectory of the Global Biodiversity Framework. This aim has driven SCOR 2024 engagement efforts, within collaborative initiatives such as NA 100. In particular, the NA 100 benchmark results were used to determine which companies had to be prioritized for engagement.

Assessing impact of nature loss on sovereign credit ratings

In 2023, SCOR took its first steps to assess the impact of nature loss on its sovereign bond portfolio by applying the results of Nature Loss and Sovereign Credit Ratings, a study from NatureFinance (formerly Finance for Biodiversity Initiative).

In its study, NatureFinance first trains a random forest classification model on macroeconomic data to accurately predict credit ratings. Then, macroeconomic data is adjusted with 2021 World Bank[1] estimates for changes in gross domestic product resulting from biodiversity loss. Finally, the biodiversity adjusted macroeconomic data is fed back into the random forest model to predict the change in credit ratings of the sovereigns in 2030 resulting from biodiversity loss in different scenarios (business-as-usual and partial nature collapse). Ratings are also converted using a best-fit interpolation of empirically observed probability of defaults to estimate the biodiversity-adjusted default probability.

In SCOR's sovereign bond portfolio, 11 countries are covered by the NatureFinance study, which corresponds to 67% of the total sovereign bond portfolio. The small number of sovereigns studied represents a limit to this study.

SCOR analyzed the impact of biodiversity loss on the weighted average sovereign credit rating of its 2024 portfolio. In 2024, the weighted average grade for the sovereign bond portfolio was AA-. The partial nature collapse may underestimate the magnitude of the negative outcomes.

1 From report *Making the Economic Case for Nature*

SCOR will continue to monitor further methodological developments regarding biodiversity scenarios and their impact on investment portfolios.

Assessing companies' links to deforestation

SCOR has led analyses on its portfolio to determine which investees could be exposed to deforestation since 2020. Exploratory studies used various data sources:

- 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;
- Trase Finance, which assesses the effective deforestation caused by commodity traders.

Following those studies and participation to several deforestation focused working groups, SCOR announced in 2023 its aims at making its best efforts to ensure that by 2030 its investment portfolio does not contribute to deforestation.

In line with this objective, and as in 2023, SCOR has studied in 2024 the deforestation risk inherent to its portfolio, using the Global Canopy methodology Due diligence towards Deforestation-Free Finance.

This methodology evaluates the deforestation risk of a company based on two pillars:

1. Exposure to deforestation, linked to company sector, type and origin of raw materials produced/sourced/traded/financed.
2. Company policy to face its exposure, notably its content and robustness (including human rights linked to deforestation issues).

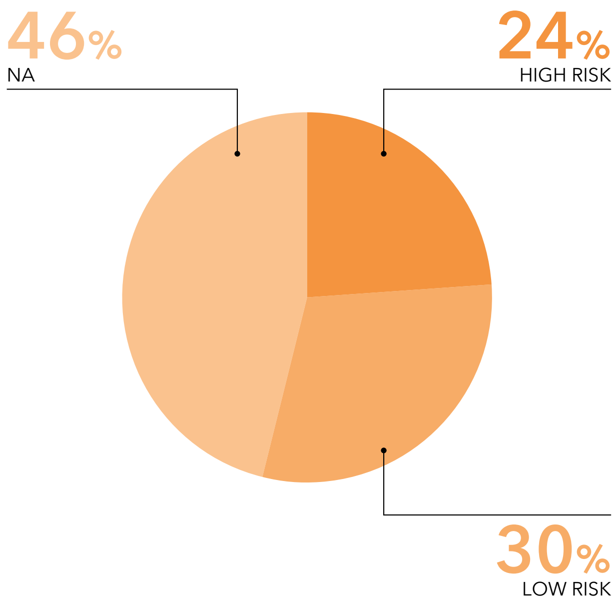
Both pillars are assessed based on a decision tree which allows to determine a risk level per pillar, risk pillars then aggregated into one single deforestation level.

Sources used for this study included those used by SCOR since 2020. In addition, SCOR used:

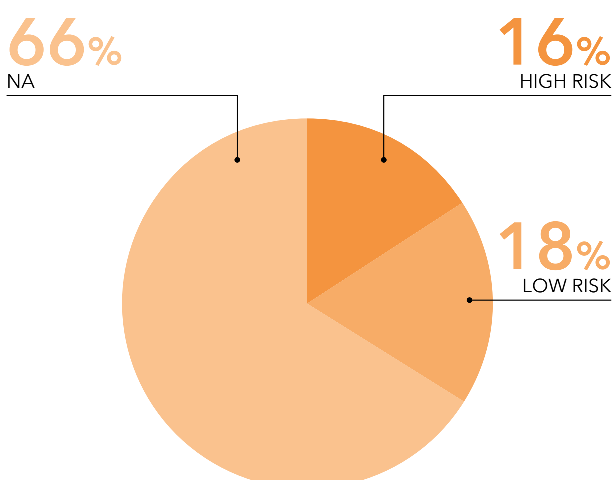
- Forest IQ
- ZSL SPOTT, which assesses the deforestation policies of commodity producers and traders;
- The Universal Mill List, a list of mills location provided by the Rainforest Alliance and the World Resources Institute;
- ISS data on biodiversity – notably to assess presence and robustness of deforestation policy.

Thanks to this methodology, the following results were obtained for the sub portfolio of corporate bonds and equities. The overall risk level is mostly driven by the company's industry classification assigned to high-risk sectors instead of the company policy.

2024 ASSESSMENT OF ISSUERS ON DEFORESTATION (PER INVESTMENT VALUE)



2023 ASSESSMENT OF RISK LEVELS (PER INVESTMENT VALUE)



In 2024, better data coverage of the sub-portfolio resulted in higher attribution to high and low risk compared to 2023. 24% of the sub-portfolio was flagged as high deforestation risk, compared to 16% in 2023. Similarly, the low deforestation risk increased from 18% to 30%. The high-risk companies are primarily in the consumer goods and industry sectors.

Assessing companies' links to freshwater

In 2024, the United Nations published a series of reports updating the analysis of the progress of indicators under the 6th Sustainable Development Goal (SDG), Clean Water and Sanitation. The report *Progress on the Level of Water Stress*[1] states that water stress levels have increased by 2.8% globally since 2015, reaching 18.6% in 2021. Approximately 10% of the global population lives in countries with high and critical water stress levels. Over 791 million people were affected by high water stress. In terms of water quality, according to the report *Progress on Ambient Water Quality*[2], water pollution was responsible for 1.4 million premature deaths, with women and children being disproportionately affected. With an important progress on AI that marked 2024, the demand for water in data centers is significant and growing. Data centers are among the top ten water-consuming commercial industries. Approximately 25% of the water is directly used by data centers for cooling purposes.

In 2022, SCOR performed an exploratory freshwater focused risks and impacts analysis for its investment portfolio. In 2023, SCOR further developed its freshwater impact and exposure assessment methodology based on preliminary study experience. A series of indicators under a refined categorization was implemented to conduct the portfolio assessment.

In the 2024 freshwater study, a comprehensive review of the methodology and indicators was conducted based on updated research and data sources. While maintaining the global-level methodology, several new indicators measuring previously uncovered aspects were integrated into the study this year.

The methodology firstly identified the industry sectors that were faced with high water risk, with reference to the water analysis achieved by Actiam[3]. Then the issuers in these sectors were assessed to obtain a universal risk and impact exposure score by using the indicators from multiple data sources.

As in 2023, 15 high-risk sectors were identified with the most exposures to pharmaceuticals, food, energy and semiconductor equipment. The water high-risk sectors represented 13% of SCOR's investment portfolio.

Following the identification of sectors, issuers within the SCOR investment portfolio were scored based on their performance across various indicators provided by different data sources. The indicators used were obtained 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;
- The controversy monitor tool RepRisk;
- Ceres Valuing Water Finance Initiative Benchmark reports and datasets which gave selected companies grades based on their water risk and management practices;
- ChemScore grades the reduction of chemical footprints from top 50 chemical producers by the NGO ChemSec.

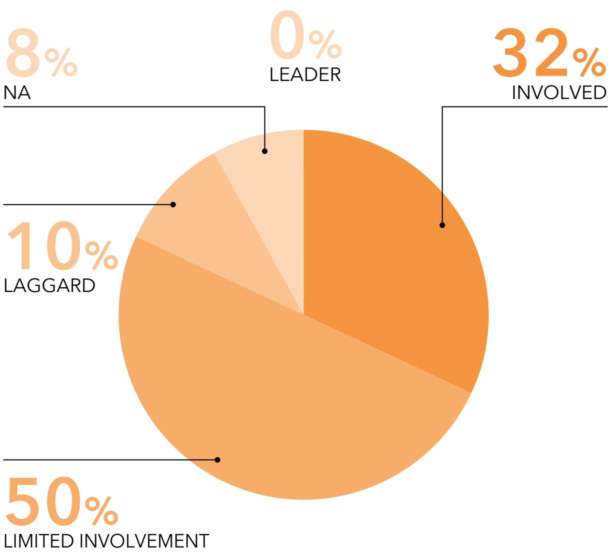
The 2024 study maintained the usage of 3 different water impact pillars:

- Water – How exposed the issuer is to water stress risks based on the nature of its operations and freshwater use intensity. Water Stress encompasses water scarcity (quantity), quality, and accessibility.
- Water Management – How the issuer manages the use of freshwater and associated risks in its business.
- Risk Assessment & Disclosure - How the Issuer assesses the water risk to their business and how extensive are its disclosure practices.

Issuers' performance across these 3 pillars were used in the evaluation of their overall performance with respect to water impacts and exposures. The final issuer scores range from best to worst: Leader, Involved, Limited involvement to Laggard. When there is not enough information to conclude, the issuer is not assessed (N.A.).

1 SDG6_Indicator_Report_642_Progress-of-water-stress_2024_EN.pdf
2 SDG6_Indicator_Report_632_Progress-on-Ambient-Water-Quality_2024_EN_0.pdf
3. Source: Actiam water policy, October 2021

ASSESSMENT OF ISSUERS IN WATER HIGH-RISK SECTORS (PER INVESTMENT VALUE)



The results of the freshwater study imply that the issuers involved in freshwater risks and impacts management made up the majority in the investment portfolio. However, no issuer in the portfolio is identified as Leader in 2024, which is mainly due to the new evaluations from updated datasets or newly available sources. In addition, around 10 percent of investment is classified as Laggards. These findings illustrate the necessity of strong stimuli and regulations in place to encourage and to urge the issuers to take concrete actions in terms of freshwater resources, risks and impacts.

SCOR will keep abreast of the advancement of freshwater research and regulation to further improve its exploratory assessment methodology, notably the publications from the Science Based Targets Network (SBTN) that conducted a pilot test for freshwater target setting in 2023, focusing on water use and freshwater pollution from nitrogen and phosphorus.

Contributing to a research report on identifying water risks

SCOR contributed to writing the report *From Global to Local: Enhancing ESG Data on Water*[1] with the consulting firm Deltares, NGO WWF, asset manager Achmea and institutional investor NN. This analysis builds on the findings of a precedent study[2], that identified gaps in water related disclosures in ESG reports, notably linked to local and prospective data.

The analysis leverages two risk assessment tools, WaterLOUPE and the WWF Water Risk Filter (WRF), for two basins in the economic zones of Chennai (India) and Sao Paulo (Brazil). These basins were chosen because they face diverse water risks and have economic significance in their respective region.

WaterLOUPE evaluates the water scarcity risks for different sectors under different climatic and socio-economic scenarios. The WRF evaluates the physical, regulatory and reputational risks linked to water. Both tools provide analysis at the local level and are complementary with the TNFD framework, particularly its LEAP (Locate, Evaluate, Assess, Prepare) approach.

Key findings reveal that the economic activities in both watersheds are heavily concentrated in high-risk zones. Each basin has a unique risk profile (differences on seasonality, economic activities…) and the materiality of water topics (safety, quantity and quality) varies as well.

These examples showcase that integrating localized assessments and scenario analysis, using tools such as WaterLOUPE and the WRF, can improve water risk assessment, on which more targeted strategies can be built.

Assessing companies' links to plastic

Plastics is widely used in our economy. It is used for packaging but can also 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 tons in 1964 to 311 million tons 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 for issuers 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 at the international level. The Intergovernmental negotiating committee (INC) established by UNEP started working sessions at the end of 2022 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".

1 202409_SCOR_From_global_to-local_enhancing_ESG_data_on_water_report.pdf
2 Bridging the gaps in ESG water data to create opportunities, written by WWF, Deltares et Achmea Investment Management (2022): water___esg___wwf_discussion_paper___march_2022.pdf

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. SCOR has joined this Business Coalition in 2023. As of 2024-year end, the global plastic treaty stays still inconclusive. After two years of negotiations, UN member states failed to reach an agreement. A strong position of the governments across all countries is needed to overcome the lobby of the companies in the whole value plastic chain starting with the petrochemical industry, and to be able to tackle this complex issue.

In 2023, SCOR signed the Investor statement on plastics coordinated by VBDO (Dutch Association of Investors for Sustainable Development). This statement is directed at companies in the fast-moving consumer goods and grocery retail sectors with requests to drastically reduce the consumption of single-use plastic packaging, upscale the reuse system, phase out hazardous chemicals in plastic and advocate for policies that support these actions. As a result, the follow-up engagement conversations have started with some of the targeted investees.

In 2021, SCOR conducted 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. 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 2024, SCOR enhanced its exploratory methodology to continue monitoring plastic risks and impacts, within its investment portfolio.

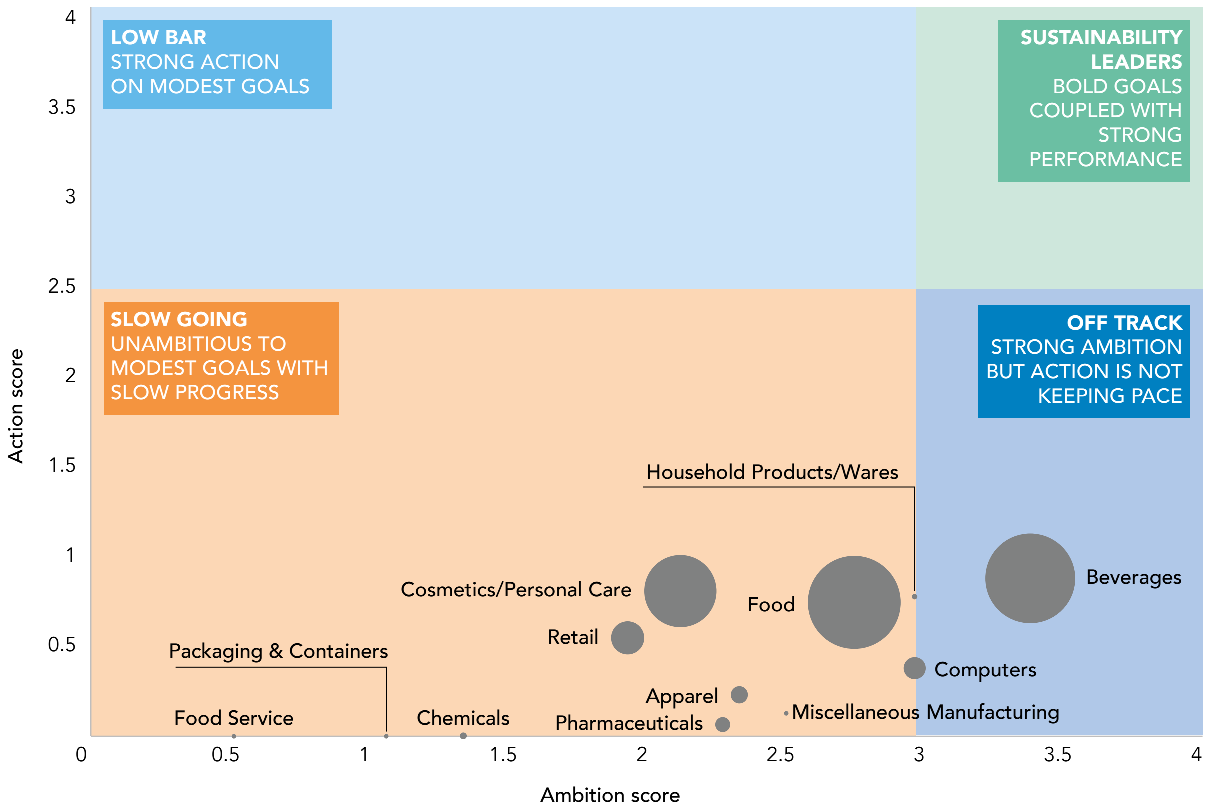
SCOR has used various data sources that rate companies on an annual basis:

- 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.
- RepRisk is a data provider which collects and harmonize controversies on ESG topics, including plastics. It provides a timely and effective reality-check about what is happening on-the ground, i.e., how companies conduct their business, where they operate around the world.
- CDP is a not-for-profit charity that sends climate, water and forests questionnaires to relevant entities, and discloses the results. CDP has added questions related to plastics in their 2023 questionnaire, covering the entire plastic value chain including production, use, and disposal.
- The ISS's SDG Score on optimizing material use, which rates company's actions to reduce overall raw material use and to utilize environmentally preferable materials by increasing material efficiency, longevity, and reusability of products.

This exploratory study focuses on plastic users in order to highlight SCOR's involvement in plastic consumption issues, as this part of the value chain is deemed responsible for a significant part of plastic pollution. The objective is to assess companies in SCOR's investment portfolio within sectors potentially concerned (among plastic users and producers) on three pillars: controversy, action and ambition.

28% of the corporate bonds and equities portfolio are screened, based on their sector. The graph below represents the three dimensions of the scoring system, with the bubble size representing the controversies pillar. The larger the size, the more important the controversies are, in terms of number and gravity.

ACTION - AMBITION - CONTROVERSIES ON PLASTIC



Examining the pillars separately and in conjunction provides valuable insight into the issue. We observe that the action pillar lags behind the ambition pillar. Controversy surrounding plastic is high in the food and beverage and personal care sectors.

Exploratory outcomes around social analysis

In 2022, SCOR has joined the PRI Advance initiative which aims at advancing progress on human rights through investor stewardship. Since then, SCOR has conducted exploratory research on social aspects to assess companies present in SCOR's investment portfolio.

The 2024 assessment builds on the method established in 2023 from PRI guidelines and covers 91% of the investment value of the corporate bonds and equities sub-portfolio.

The PRI method considers that a company is high risk if it:

- Operates in countries which lack respect for human rights,
- Operates in a sector more likely to disregard human rights and
- Has a poor human rights performance.

SCOR continues to use the data sources selected for last year's assessment and refers to the latest published results if available. Indicators used arise from ISS, UN organizations, the OECD, the World Benchmarking Alliance (WBA) and the Business & Human Rights Resource Center (BHRRC). In 2024, controversies from the data provider RepRisk were also included.

According to the PRI method, 2% of investment value of the sub-portfolio was classified as high risk, i.e., flagged as high risk across all the 3 dimensions (country, sector, company), compared to 3% last year.

The dimension most flagged as high risk is the sector, then the country, which is consistent with the results of last year.

Despite significant efforts towards data sourcing and integration in 2024, the lack of comprehensive social data and transparent disclosure of companies poses significant challenges to complete a precise and consistent assessment.

3.6 METRICS AND TARGETS

The following sections presents metrics and targets followed in investment activities. Some of them are detailed in the 2024 URD.

Exposure to fossil energies

Information on the exposure to fossil energies is presented in the 2024 URD section 6.2.2 ESRS E1 – Climate change – Exclusion criteria regarding fossil energies in E1-3 (p347).

ESG ratings per ISS methodology

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

- Government bonds: For government securities, ISS 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 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 publicly available information, complemented with dialogue from the company under evaluation.

ASSET CLASS	MEDIAN ESG RATING	% OF ASSET CLASS COVERED BY ISS	% OF ASSET CLASS IN TOTAL ASSETS
Total portfolio	C+	69%	100%
Government bonds	-	100%	25%
Covered bonds	-	99%	2%
Corporate bonds	-	93%	45%
Equity	-	100%	0.2%

The median grade in SCOR's portfolio is C+ (C in 2023). The coverage ratio is very different from one asset class to another but stands overall at 69 % 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 ratings.

Transition and social bucket

SCOR defines "sustainable" assets relying on its internal taxonomy. The current limitations when applying EU taxonomy criteria advocate for keeping the same methodology to provide relevant results for SCOR's worldwide portfolio. 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".

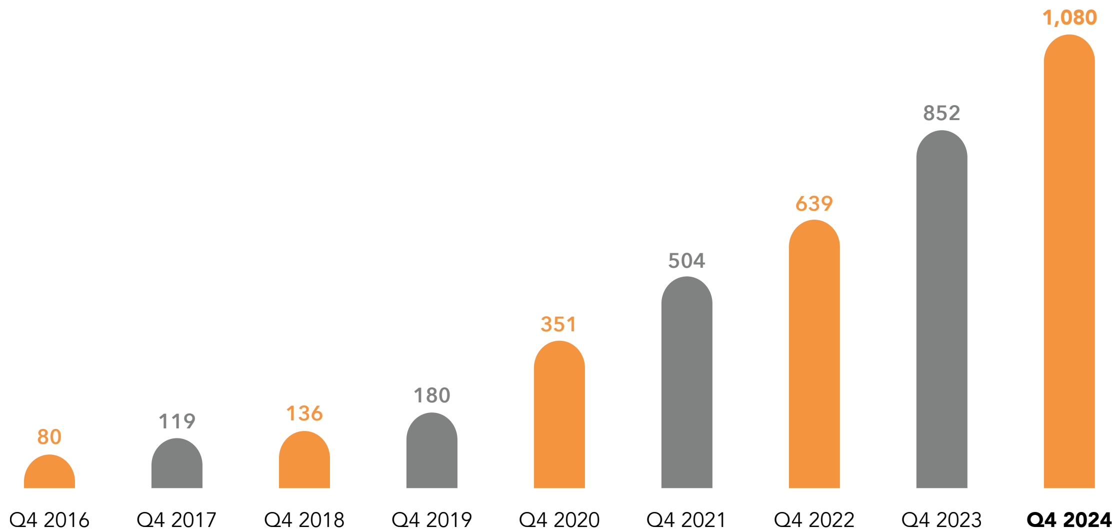
As of year-end 2024, the transition and social bucket of SCOR's investment portfolio stands at EUR 2.547 billion including operating real estate. This represents 10.2% of SCOR's overall assets versus 9.7% at the end of 2023.

The green and sustainable bucket (transition and social bucket without the social bonds) represents 9.9% of SCOR's overall assets as of year-end 2024 (compared to 9.5% as of year-end 2023).

The green bucket (transition and social bucket without the social and sustainable bonds) represents 8.2% of SCOR's overall assets as of year-end 2024 (compared to 8.4% as of year-end 2023).

The targets on green and sustainable bonds are presented in URD section 6.2.2 ESRS E1 – Climate change – Other targets in E1-4 (p349-350).

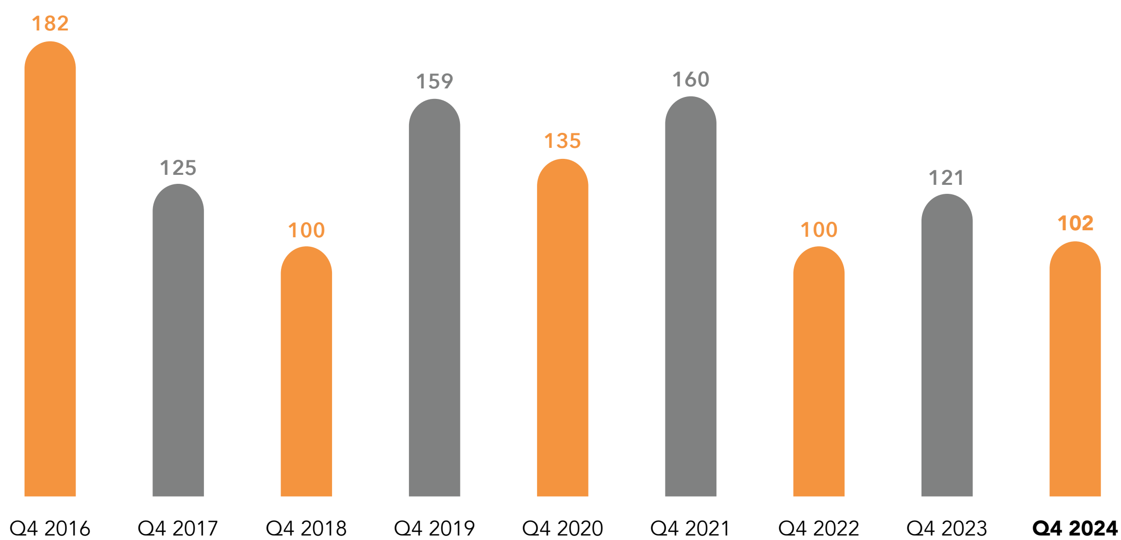
MARKET VALUE OF GREEN AND SUSTAINABLE BONDS (M EUR)



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 voluntarily when investing in these types of products. The bucket offers strong performance and diversification to its portfolio.

EXPOSURE TO INSURANCE-LINKED SECURITIES (IN EUR MILLIONS)



Carbon footprint

The decarbonization targets are presented in the 2024 URD section 6.2.2 ESRS E1-4 – Climate change – Targets related to climate change mitigation and adaptation for investment activities (p348-349).

TABLE 1: INVESTMENT VALUE IN EUR MILLIONS AS OF 31.12.24

ASSET CLASS	2024		2023	
	INVESTED VALUE	% OF TOTAL PORTFOLIO	INVESTED VALUE	% OF TOTAL PORTFOLIO
Covered with carbon footprint data	**18,988**	**79%**	**18,486**	**81%**
Corporate bonds and equity	10,886	45%	10,108	44%
Sovereign debt and assimilated	5,652	23%	5,771	25%
Covered bonds	481	2%	660	3%
Corporate loans	504	2%	529	2%
Direct real estate for investment	762	3%	660	3%
Real estate debt	280	1%	309	1%
Infrastructure debt	424	2%	450	2%
Not covered [1]	**5,167**	**21%**	**4,428**	**19%**
Grand total	**24,155**	**100%**	**22,914**	**100%**

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

For real estate debt, infrastructure debt and corporate loans 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

	2024				2023			
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	93%	298,667	4,346,834	4,645,501	93%	324,240	4,758,967	5,083,207
Sovereign debt and assimilated[2]	95%	1,787,833	474,501	2,262,334	95%	-	-	1,890,660
Covered bonds	100%	86	79,602	79,689	99%	139	54,680	54,819
Corporate loans	100%	22,323	305,281	327,604	100%	22,405	261,238	283,643
Direct real estate for investment	76%	1,388	1,340	2,728	80%	1,428	1,340	2,768
Real estate debt	100%	1,461	533	1,994	100%	1,937	596	2,533
Infrastructure debt	100%	4,551	23,327	27,877	100%	27,619	56,937	84,556
Total	**75%**	**2,116,310**	**5,231,416**	**7,347,726**	**76%**	**2,268,427**	**5,133,758**	**7,402,185**

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

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

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

For sovereign debt and assimilated:

$$\text{Financed emissions for a given sovereign} = \frac{\text{Market value}}{\text{PPP-adjusted GDP}} * \text{Sovereign emissions}$$

with PPP-adjusted GDP = Purchase Power Parity (PPP) adjusted Growth Domestic Product (GDP)

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

$$\text{Financed emissions for a given sovereign} = \frac{\text{Market value}}{\text{Project value}} * \text{Project emissions}$$

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 The breakdown between scope 1 and scopes 2 and 3 emissions for this asset class became available in 2024. Hence in 2024, 1 787 833 corresponds to scope 1, whereas 474 501 corresponds to scopes 2 and 3.

For real estate debt and infrastructure debt, project value is as of origination.

For real estate debt, market value is outstanding debt whereas for infrastructure debt, market value corresponds to the initial amount of the loan.

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

The PCAF score of each issuer, sovereign or project is weighted by investment value.

TABLE 3: PCAF SCORES (SCORE 1 = HIGHEST DATA QUALITY; SCORE 5 = LOWEST DATA QUALITY)

	2024	
ASSET CLASS	SCOPES 1 AND 2	SCOPE 3
Corporate bonds and equity	1.1	2.8
Sovereign debt and assimilated	2.0	2.5
Covered bonds	1.2	3.6
Corporate loans	5.0	5.0
Direct real estate for investment	2.9[1]	5.0
Real estate debt	5.0	5.0
Infrastructure debt	5.0	5.0
Total	**1.8**	**3.1**

TABLE 4: EMISSIONS INTENSITY IN TCO_2EQ PER EUR MILLION INVESTED ($KGCO_2EQ/M^2$ FOR DIRECT REAL ESTATE FOR INVESTMENT)

	2024			2023		
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	93%	29	456	93%	36	561
Sovereign debt and assimilated	95%	323	409	95%	-	353
Covered bonds	100%	0	163	99%	0	81
Corporate loans	100%	44	643	100%	42	529
Direct real estate for investment[2]	-	-	-	84%[3]	15	-
Real estate debt	100%	5	7	100%	6	8
Infrastructure debt	100%	7	45	100%	46	141
Total	**75%**	**117**	**405**	**76%**	**125**	**416**

1 Based on 2023 YE reported data.
2 Data as of 2024 is not yet available
3 % of Total Gross floor area (m^2).

For all asset classes except direct real estate for investment:

$$\text{Carbon intensity by EV per EUR million invested for a given portfolio in tCO}_2\text{eq per EUR million invested} = \frac{\Sigma_i\,(\text{Financed emissions for a given issuer/sovereign/project})_i}{\text{Portfolio Market value}} * 1{,}000{,}000$$

For direct real estate for investment:

$$\text{Carbon intensity by m}^2\text{ for this portfolio in kgCO}_2\text{eq/m}^2 = \frac{\Sigma_i\,(\text{Financed emissions for a given project})_i}{\text{Portfolio surface}}$$

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 data from table 2 is not used, in favor of CRREM data using energy consumption.

Alignment under the European Taxonomy

SCOR has determined its Taxonomy ratios:

	2024		2023	
	TURNOVER	CAPEX	TURNOVER	CAPEX
Eligibility - Mandatory KPI	10.0%	10.2%	11.1%	11.1%
Alignment - Mandatory KPI	0.5%	0.7%	0.4%	0.8%
Eligibility - Voluntary KPI	22.1%	11.2%	23.1%	12.2%
Alignment - Voluntary KPI	1.5%	1.5%	1.2%	1.6%

The methodology of calculation of the mandatory ratios is detailed in the 2024 URD section 6.2.1.2 SCOR investment activities under the EU Taxonomy Regulation (p313-332), alongside the mandatory templates to fill. Methodology has been reviewed by the auditors. The numerator of the mandatory ratios includes:

- For fixed income and equities, the portion of assets (eligible for the eligibility ratio, aligned for the alignment ratio) where the issuer is subject to the European Non-Financial Reporting Directive (NFRD)[1] and its mandatory KPI is retrieved by ISS (the modelled data is excluded).
- For real assets (buildings acquired for own use or investment purposes as well as investments in infrastructure and real estate debt) in the EU, the eligibility assessment has been performed at the position level, based on data provided by the issuers. SCOR does not include real assets in its alignment ratio in the absence of external observable inputs.

The voluntary ratios have the same denominator as the mandatory ratios (i.e., assets covered). Their numerator includes:

- For fixed income and equities: the portion of assets (eligible for the eligibility ratio, aligned for the alignment ratio) for issuers that have data according to ISS, regardless of whether the issuer is subject to the NFRD and irrespective of the data source (reported or modeled by ISS).
- For real assets in or outside the EU, the eligibility assessment has been performed at the position level, based on data provided by the issuers. The internal analyses performed to determine eligibility are used to determine the aligned real assets in the voluntary alignment ratio.

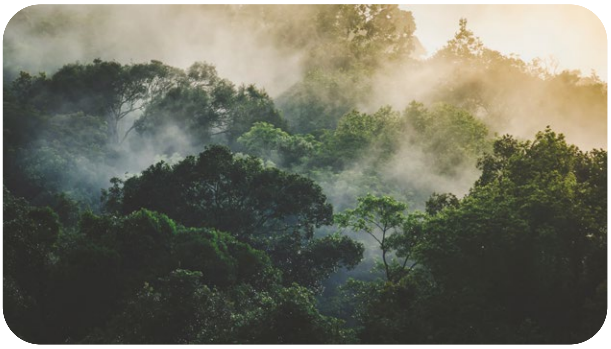
1 If not reported by the issuer, as estimated by ISS based on the following criteria: issuer established in the EU, with more than 500 employees, with a revenue above EUR 40 million or total balance sheet above EUR 20 million, either listed on a regulated stock exchange in the EU or one of the following sectors: social security activities, insurance, reinsurance and pension funding, financial service activities.

Biodiversity footprint

This metric is presented in the 2024 URD section 6.2.3.3 Metrics and targets in E4-4 (p360).

Deforestation target

SCOR makes its best efforts so that by 2030 its investment portfolio does not contribute to deforestation, as stated in the 2024 URD section 6.2.3.3 Metrics and targets in E4-4 (p360) and 6.2.3.2 Impact Risk and opportunity management – deforestation policy (p357-358).



4. APPENDIX AND OTHER SUSTAINABILITY-RELATED DATA

This section provides additional data on SCOR own operations. For information on the scope and methodology of data collection for sustainable operations see section 6.2.2.4 – Metrics: methodology in the 2024 Universal Registration Document.

ENERGY CONSUMPTION AND MIX WITHIN THE ORGANIZATION FOR BUILDINGS

METRIC	UNIT	2024	2023
Electricity	GWh	10.1	10
Part of conventional electricity	%	27	35
Part of renewable electricity	%	73	65
Fossil fuels	GWh	0.8	0.5
Other heating	GWh	1.4	1.1
Other cooling	GWh	2.5	2.7
Total energy consumption	**GWh**	**14.8**	**14.3**

PAPER, WATER, WASTE

METRIC	UNIT	2024	2023
Total waste disposed	**t**	**563.4**	**344.5**
Of which sorted and recycled paper waste	t	127.1	99.6
Of which IT & electronic waste recycled	t	20.1	9.7
Of which other waste recycled	t	102.3	35
Of which other waste not recycled	t	313.9	200.2
Waste recycled	%	*44*	*42*
Waste disposed	%	*56*	*58*
Purchased paper	**t**	**4**	**8**
Total water use	**m^3**	**33,814**	**36,216**

BUILDINGS COVERED BY REGULAR ENERGY AUDITS

	2024	2023
Employees in buildings covered by regular energy audits:	58%	60%

BREAKDOWN OF GHG EMISSIONS FOR OPERATIONS BY SCOPE (MARKET BASED)

METRIC	UNIT	2024	COVERAGE	2023	COVERAGE
Scope 1	tCO_2eq	416	98.5%	471	98.5%
Scope 2	tCO_2eq	2,400	98.5%	2,420	98.5%
Scope 3	tCO_2eq	16,777	98.5%	17,685	98.5%
Related greenhouse gas emissions	tCO_2eq	19,592	na	20,576	na

BREAKDOWN OF GHG EMISSIONS FOR OPERATIONS BY SCOPE (LOCATION BASED)

METRIC	UNIT	2024	COVERAGE	2023	COVERAGE
Scope 1	tCO_2eq	416	98.5%	471	98.5%
Scope 2	tCO_2eq	3,730	98.5%	3,705	98.5%
Scope 3	tCO_2eq	16,777	98.5%	17,685	98.5%
Related greenhouse gas emissions	tCO_2eq	20,923	na	21,861	na

BREAKDOWN OF GHG EMISSIONS BY SOURCES FOR SCOPE 3 IN OPERATIONS

METRIC	UNIT	2024	2023
Fuel and energy-related activities	tCO_2eq	87	101
Waste	tCO_2eq	4	7
Commute	tCO_2eq	1,400	1,449
Business travel	tCO_2eq	14,155	12,972
Purchased goods and services (Paper, external data centers, cloud, applications in SAAS and water)	tCO_2eq	498	588
Capital goods (IT equipment)	tCO_2eq	562	619
Downstream leased assets	tCO_2eq	72	1,948
Total scope 3	**tCO_2eq**	**16,777**	**17,685**

PHOTO CREDITS
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