

**Expert insights**

Lessons from the Ever Given and the long-term risks of Covid-19

**Building for impact**

Combining the Art and Science of Risk to protect societies

**Creating sustainable societies**

Fostering a culture of volunteering

# One Year One World

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## **Combining the Art & Science of Risk to protect societies**

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

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## Bridging the protection gap

SCOR is leveraging relationships with on-the-ground partners to bring new solutions to African smallholders and extend protection against the risks they face.

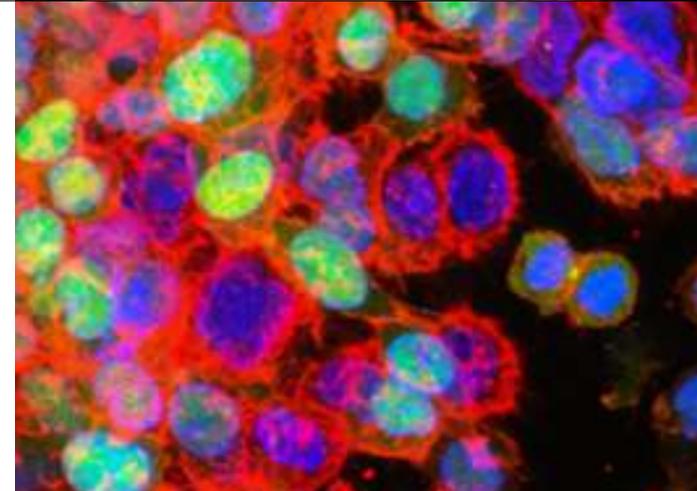


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Denis Kessler — *Chairman*

*“SCOR will actively pursue its development with the twofold target of profitability and solvency, leveraging the depth of its global franchise, its first-class reputation, the richness of its human capital and its command of new technologies.”*

**T**he recent past has been a stark demonstration that uncertainties and instabilities of all kinds are multiplying. As the threat of new Covid-19 variants continues to loom, entropic forces are running riot on the world stage. Global “re-fragmentation” is ongoing, with a marked acceleration prompted by the war in Ukraine. Economic recovery is threatened by these developments, all the more so as inflationary pressure grows in Europe and the United States. The monetary “tightening” required to keep inflation under control could lead, if badly managed, to financial problems and an economic slowdown. In terms of “acts of God”, 2021 was the fifth consecutive year of heavy natural catastrophe losses. It seems increasingly likely that this is caused, at least in part, by global warming. In the legal and judicial field, the extension of the concept of liability is radically modifying, sometimes retroactively, the nature of certain risks.

In a nutshell, our environment is growing increasingly “stochastic” and volatile. The world is facing ever more violent shocks and increasingly multi-faceted threats. Risks are becoming more interdependent, serial, and global. Furthermore, new risks are emerging and transforming, boosted by scientific progress and technological innovation.

The multiplication of uncertainties and risks is a challenge for reinsurers in general, and for SCOR. But I have confidence in SCOR’s ability to pursue its value-creating development. The Group has demonstrated time and again its ability to absorb major shocks of all kinds. Moreover, an ever-riskier world casts no doubt on the relevance of the reinsurance industry, nor on the relevance of its business model. Quite the reverse! It underscores the crucial role of reinsurance which, through its fundamental function of pooling risks, contributes to the resilience and the development of societies and economies.

In the very difficult 2021 environment, SCOR managed to deliver a satisfactory return on equity, strengthen its solvency and deepen its franchise. The Group actively prepared for the transition to the new IFRS 17 accounting standard while pursuing the deployment of new technologies in line with the orientations of the “Quantum Leap” strategic plan. And we successfully served our clients worldwide despite Covid-19-related constraints.

The (re)insurance industry benefits from long-term growth drivers: the expansion of the risk universe, the increasing sphere of insurable risks, and the progressive reduction of the protection gap in emerging and industrialized countries. SCOR will actively pursue its development with the twofold target of profitability and solvency, leveraging the depth of its global franchise, its first-class reputation, the richness of its human capital and its command of new technologies.

We have an extraordinary and fascinating job: helping the world to face ever more complex, severe and global risks. ☘

Interview — Laurent Rousseau, Chief Executive Officer

# “Adapting and transforming”

## How do you plan to position SCOR in the current challenging environment?

— Recent events have been reshaping the world, and our sector, in profound and unexpected ways:

1. We are slowly exiting a prolonged pandemic that has accelerated digitalization and changed customer behavior;
2. Recent years have been marked by sustained natural catastrophes, prompting us to fight climate change more actively;
3. And more recently, the war in Ukraine has reminded us of the resurgence of hard power and the ever-increasing complexities of our risk universe, from the geopolitical arena to cyber and macroeconomics.

While SCOR’s strategic cornerstones (robust capital shield, strong franchise, high diversification, and controlled risk appetite) continue to demonstrate their effectiveness, we need to accelerate our adaptation to this environment. We are therefore stepping up our efforts to continue to be financially sustainable and fulfill our *raison d’être*, by:

- **Reducing volatility** — decreasing our natural catastrophe exposure in 2022 and building long-term partnerships with traditional retrocessionaires and alternative sources of capital (e.g., EUR 400 million raised from two large European pension funds);
- **Increasing profitability** — re-balancing our P&C portfolio towards non-Cat business lines as the market is hardening, increasing our focus on in-force portfolio management in the L&H business, and re-risking our investment portfolio in line with peers;

- **Growing the franchise** — the Group achieved 9.8% gross written premium growth in 2021, with both businesses deepening their franchise globally.

These actions allow us to continue to protect societies from extreme risks, while creating sustainable value for stakeholders and redistributing capital through a EUR 200 million share buyback and a proposed dividend per share of EUR 1.80 for 2021.

SCOR aspires to strengthen its position as a global Tier 1 reinsurer, leading by its understanding of risk and its ability to withstand shocks. SCOR’s *raison d’être*, and the role of (re)insurers in general, have never been more important. By responding quickly and adapting, we will be among the first to turn the current headwinds to our advantage. Our leadership team and I strongly believe that there are many opportunities ahead.

“Our people and their skills are our number one differentiator. Thanks to our teams, we are recognized as an underwriting-driven organization characterized by knowledge and technical expertise.”



**Your *raison d'être* is about “combining the Art and Science of Risk to protect societies”. Can you share some concrete examples?**

— The World Bank estimates that extreme weather and natural disasters are responsible for consumption losses of USD 520 billion each year, pushing 26 million people into poverty. Far too many people today remain underinsured or uninsured. Every time catastrophe strikes, the lack of coverage sets back the ability of societies to recover and move forward.

SCOR contributes to the welfare, resilience and sustainable development of society by bridging the protection and innovation gaps, increasing the reach of insurance, helping to protect insureds against the risks they face and pushing back the frontiers of insurability.

In our business, closing the protection and innovation gaps is both an imperative, and a source of opportunities to:

1. Support people’s health and wellbeing, including by developing accessible health prevention;
2. Protect society from extreme events, support economic agents in mitigating the effects of climate change, and enable a smooth energy transition.

Our purpose is reflected daily in the initiatives launched by our underwriting teams. You will find some concrete examples of these initiatives in this report, such as our work with the African Risk Capacity (ARC) to protect farmers in Africa from the impacts of climate change (see page 16), and SCOR’s Vitae Breast Cancer relapse risk calculator, which enables insurers to better evaluate breast cancer survivors’ individual risk factors and offer coverage to more survivors at fairer rates (see page 38).

**You were appointed CEO of SCOR in July 2021. What have your first priorities been?**

— Leading the organization through these challenging times is a humbling experience. I am grateful to be surrounded by talented teams, and to be supported by our Chairman Denis Kessler and the entire Board.

I would like to highlight three priorities:

**1. Build on our strengths, and focus on execution and delivery**

— SCOR has a global franchise: we support our clients throughout the world with their most intricate and complex problems.

Our people and their skills are our number one differentiator. Thanks to our teams, we are recognized as an underwriting-driven organization, characterized by knowledge and technical expertise. Our medium scale allows our employees to be adaptive and respond rapidly to our clients’ needs.

I want us to build an organization focused on operational performance improvement and on delivery. With this in mind, we have built an action plan involving each area of the company:

- L&H and P&C Businesses
- Investment, Risk & Finance
- Organization & Transformation

We will demonstrate our delivery commitment through “Quantum Leap” in 2022, and beyond that (2023-25) through the upcoming strategic plan.

**2. Bring Sustainability to the forefront**

— At SCOR, our focus is on taking concrete actions based on reliable facts, and on laying the foundations of a structural shift in the way that climate risks, and more generally the sustainability imperative, are managed.

SCOR is preparing for the near future and shaping its organization and governance to better respond to the challenges ahead. We recently decided to centralize the Sustainability function, appointing dedicated experts to accelerate SCOR’s journey across our businesses (Life & Health, Property & Casualty), our investments, and our own operations.



*“We demonstrate our ability to adapt and transform every day. I am confident that we will continue, in the years ahead, to write many new and exciting pages in our shared history.”*

Setting reduction targets and reporting our progress are important in terms of holding ourselves accountable and playing our part. Yet equally important is our ability to actively engage with our clients and develop, in a timely fashion, the risk expertise and insurance solutions that society needs for a sustainable future.

**3. Adapt and prepare for the future**

— I want to align our people and organization around a common purpose. This is the foundation on which we will build and lead our collective project. We will continuously adapt to deliver value to our various stakeholders.

To achieve this, first we launched a bottom-up project which asked 1,000+ SCOR employees to define, together, what they stand for and what makes SCOR different. We put words to SCOR’s common culture, which is deeply embedded throughout the organization.

Second, we have created a Transformation and Simplification office, which will:

- establish and deploy new ways of working help us achieve our goals in terms of efficiency, automation, and digitalization: we launched a pilot in Singapore, redesigning our offices there to facilitate future ways of working;
- bring innovation to our operations, services and products, helping us to be the masters of our future: 60% of our internal IT system has moved to the cloud, and we are now running on the most modern IT platform in Azure.

And third, we will strengthen the Risk and Finance functions to steer profitability and strictly enforce our risk appetite, while the L&H and P&C business units will focus on underwriting and client servicing. You will find more detailed information on our transformation journey in this report.

We demonstrate our ability to adapt and transform every day, and I am confident that we will continue, in the years ahead, to write many new and exciting pages in our shared history. ☺

# Building the future together

*OneSCOR is a collective journey forward founded on a culture of connection and cooperation across functions, business lines and units. Its aim is to unleash the energy of the people that make up SCOR, giving everyone the opportunity to contribute. —*

**S**COR believes that the journey to build the company's future is as important as its output and achievement. All employees are part of the process and can decide to actively participate in building SCOR. This is the essence of OneSCOR – a team spirit that gives rise to a broad range of perspectives and ideas, ensuring greater personal investment by SCOR's experts and employees in the development of the business.

## The values that define SCOR

— Combining the art and science of risk to protect societies is a human skill leveraging the expertise and know-how of all employees. SCOR is all about people – a quintessentially human organization. A culture of leadership, collaboration and creation around shared values defines and determines the way SCOR does business. Human energy, skill, and expertise lead to meaningful conversations. These exchanges produce the impactful and insightful ideas behind client and community solutions.

To achieve this synergy, SCOR's learning experts must be diverse and inclusive, innovative, and collaborative. SCOR and its people are committed to nurturing:

**DEEP CONNECTIONS:** At SCOR, we believe in the power of connection, in the joy that comes from working with a group of people we trust and with whom we connect. We know that we can achieve much when we work this way.

**THRIVING MINDS:** At SCOR, we are curious. We are committed to learning, to innovating, to sharing and building our collective intelligence and knowledge.

**WORK TOWARDS A BETTER TOMORROW:** At SCOR, we are dedicated to protecting society, for this generation and the generations to come. The work we do with our clients aims to have a real impact, offering protection, and developing solutions that will safeguard the health of people and the planet.

**FIT TO PERFORM SUSTAINABLY:** At SCOR, we know that our organization must be fit for purpose if we are to support our customers and our environment to the best of our capacity. We embrace simplicity and agility. We believe in leveraging data and technology. We invest in developing each person's capacity for leadership. We recognize the importance of financial sustainability to allow us to keep our promises and to be there for our customers when they need it most. We know that we can deliver in a way that is sustainable – for ourselves and for our environment.



## Sustainability at the core of OneSCOR

— (Re)insurers have a critical role to play in building a sustainable world. SCOR is continually striving to raise the bar, for itself and its partners, on efforts to promote sustainability.

Contributing to the health of people is embedded in SCOR's Life & Health business model, focused on accessible options for wellbeing and prevention. The Life & Health teams work to transform knowledge into impact, developing new products and solutions that extend coverage for diseases and help to close the protection gap by bringing more inclusive and accessible products to the underserved.

Safeguarding communities in a sustainable way is at the core of the P&C business model, which is focused on protecting societies from extreme events and fostering the energy transition. The P&C team works to promote action on mitigating climate change, leveraging SCOR's climate risk expertise to raise awareness and accompanying, clients and partners in their own transition to a more sustainable world.

SCOR's unique knowledge, risk expertise and creativity can help to optimize the positive impacts of the (re)insurance business. SCOR's company-wide culture of sustainability seeks to:

- Attract top talent
- Limit negative impacts
- Adapt to best practices – from operations to governance, from transparency to diversity and inclusion.

To make all this real, SCOR needs the involvement of all its employees. As the journey unfolds, SCOR will continually revise its ambition, relying on the creativity, the energy, and the talent of its people – SCOR's key assets. ●

*“At SCOR, our behaviors, our beliefs, our values, and our ways of working are driven by the passion, the art, the expertise, and the science of our people. All of us, individually in our amazing diversity and collectively, are what makes SCOR. We are building OneSCOR together. Our people make all the difference.”*

**Claire Le Gall-Robinson,**  
Group Chief Sustainability Officer

## Building OneSCOR together

In March 2022, 1,000+ SCOR employees had already participated in:

- Connection sessions
- Sustainability Workshops
- Deep Dives on SCOR values
- Focus groups on various topics like Hybrid Working or Leadership

We are building SCOR together.

# Our people, their perspectives

**Ken Cheung,**  
Deputy Head of South Asia, L&H

“What resonates with me is the vision of the OneSCOR family. Together we can create a purposeful work environment to nurture our young talent and to provide a safe space to innovate, learn, and grow.”



**Laëtitia Sembach-Arnaud,**  
P&C Deputy CFO

“We’re taking a deep dive into how we spread human connection, joy, and togetherness and how we create a foundation of trust, safety, diversity, and inclusion in our teams. As individuals, we are driven by our own values, but together we can create some amazing and concrete concepts.”



**Mihaela Topuzu-Medecin,**  
Product Development & Innovation, Deputy CUO

“It is not a coincidence that the sustainability goals that were selected to be our focus for the next years reflect areas where we are relevant and where we can be impactful. I hope we will continue this momentum and together will continue to transform this positive energy into concrete sustainable actions.”



**Al Mele,**  
SVB Underwriting Innovation, L&H

“I really appreciate the vision of a culture of connection and cooperation and the desire to spark innovative habits. These values align with the type of organization that I want to be a part of, especially with regards to being a diverse organization in which all employees feel that they belong and, in belonging, are willing and able to use their voices to contribute to our shared business objectives.”

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# 60%

of Africa's GDP comes from agriculture

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**Agriculture is the single most important economic activity in Africa**, involving some two-thirds of the continent's working population. Yet 80% of all farms in Africa are less than two hectares in size and most smallholder farmers depend on their own crops to feed themselves and their families.



# One Mission

*SCOR is leveraging relationships with on-the-ground partners to bring new solutions to African smallholders and extend protection against the risks they face. —*

Building for impact #1 — Solutions for African smallholders

# Bridging the protection gap

*In Africa, recurring natural disasters such as drought, cyclones and floods are particularly hard on smallholder farmers. There is an urgent need for agriculture insurance programs to help build their resilience. —*



## 30%

of the value of exports in Africa is provided by agriculture

### The main challenges

- Attempts to develop efficient insurance schemes with a strong social impact are often blocked by the lack or scarcity of:
  - quality data
  - insurance infrastructure
  - qualified human capital.
- In Africa, smallholders are totally dependent on the weather, and therefore increasingly sensitive to non-preventable risks such as droughts, floods and cyclones.
- The increasing incidence of extreme weather events, widespread pest infestations and accelerated desertification make it difficult for African governments to support farmers.

**S** COR is drawing on its expertise in agriculture insurance to help develop new products, processes and structures that can offer financial stability to African farmers and their families. Agriculture is by far the single most important economic activity in Africa, involving some two-thirds of the continent's working population. Depending on the country, it contributes as much as 60% of GDP and about 30% of the value of exports. Yet in most African countries, agriculture is largely confined to subsistence farming by smallholder farmers and pastoralists, and only 6% of the continent's arable land is under irrigation. Some 80% of all farms in Africa are less than two hectares in size and most farmers depend on their own crops to feed themselves and their families.

Smallholders depend on the weather to provide the conditions for their success – or failure. This makes them



particularly vulnerable to non-preventable risks such as droughts, floods and cyclones. The increasing incidence of extreme weather events, coupled with widespread pest infestations and accelerated desertification, make low yields and faltering incomes all too frequent a reality. These risks also make it increasingly difficult for governments to support farmers and keep them from sliding further into poverty.

### The challenges

— Efforts to develop efficient insurance schemes with a strong social impact typically face many challenges. Among them are, first and foremost, the lack or scarcity of quality data, insurance infrastructure, and qualified human capital. Working with local partners, SCOR is leveraging the latest technologies and exploring new and innovative approaches to overcome these constraints. Together, they are providing solutions for African

**80%**

of all farms in Africa are less than two hectares in size.

**The smaller, the more vulnerable**

The ARC Group is helping governments in Africa to make the shift from providing aid after a disaster, to anticipating risk and financing it through insurance. In this way, governments can respond to the needs of smallholder farmers more quickly and effectively. Together with SCOR, the ARC has also begun to develop and offer insurance solutions directly to small- and medium-scale farmers, the most vulnerable to the impact of climate change.



smallholder farmers and their governments. These solutions cover the full gamut of micro-, meso- and macro-level products.

**A case in point**

— The African Risk Capacity (ARC) Group offers a case in point. Established in 2014 by the African Union, this unique, specialized agency offers comprehensive solutions to protect food security and livelihoods among vulnerable populations. Through capacity building, the ARC Group helps African governments plan and prepare for extreme weather events and natural disasters. And when disaster strikes, the ARC fosters early and targeted responses using innovative financing mechanisms.

The ARC has developed a software program, validated by reinsurers like SCOR, which uses precipitation estimates derived from satellite data to create local drought vulnerability profiles. When the product is triggered, the response cost is evaluated and payouts can be made quickly to the government, promoting a palpable impact on the ground. In this way, countries are encouraged to make the shift from providing aid after a disaster, to anticipating risk and financing it through insurance. This, in turn, makes the budgeting process much easier, at the same time reducing dependence on international aid.

Trust in the ARC's offerings has grown not only among African nations, but also among multilateral organizations and NGOs. ☘

*"The ARC and SCOR are demonstrating how insurance works as a mechanism to mitigate climate change, one of the biggest challenges that we face today."*

**Lesly Ndloyu,**  
CEO, African Risk Capacity



Watch the first episode of the Building for impact series:  
[scor.com/en/videos](https://scor.com/en/videos)

**Interview — Swapnil Soni, Senior Underwriter Agriculture, Reinsurance**

**"Working together to plan better, respond faster"**

**How does climate change impact agriculture in Africa?**

— Africa is particularly susceptible to the perils of climate change. We are seeing more frequent and more intense droughts, increasing desertification, greater incidence of pests like locusts – all this, combined with the inability of many governments to support their farmers with relief when disaster strikes, pushes them into the depths of poverty.

**The constraints when developing insurance schemes in Africa with a strong social impact are wide-ranging and numerous. How do you overcome such obstacles?**

— I have to say it's not an easy task. To overcome the constraints in the African context, we need to use very innovative approaches and state-of-the-art technology. Working with partners such as the ARC Group allows us to develop new products that will directly benefit smallholder farmers.

**40**

years of data on all African countries forms the basis of the sovereign risk products of the ARC.

*"SCOR's teams are committed to sharing our expertise and knowledge. We believe that we can bridge the protection gap by collaborating with experts on the ground to develop schemes with a strong social impact."*



**How does SCOR work with the ARC Group help African governments to plan?**

— We use parametric insurance to model losses, relying extensively on data sets. The ARC has over 40 years of data for all the African countries. This data forms the basis of these insurance products, which enables us to help governments prepare for and respond to droughts or floods. The benefit of parametric insurance is that it makes it possible to pay claims very quickly.

**What about other natural disasters, beyond droughts?**

— Of course, the needs of the African countries go beyond droughts, which were the initial focus. The ARC now also covers tropical cyclones, and a flood insurance product is under development. These three products will greatly help to cover the insurance needs of African nations.

**What does SCOR bring to these efforts?**

— In addition to our financial capacity, which is clearly important, SCOR brings an innovative and entrepreneurial way of thinking. This is crucial in efforts to understand very complex risks. Alongside this we also bring our technical expertise and global experience to help co-develop or validate insurance products developed by our partners, as well as their efficacy.

**What other developments can you highlight?**

— It is exciting to see that, in addition to providing insurance at the country level, together with SCOR, the ARC is now working towards developing insurance solutions for small- and medium-scale farmers, the most vulnerable to the impact of climate change. ☘

**Interview** — Claire Le Gall-Robinson, Group Chief Sustainability Officer

# "Sustainability is a collective journey"

## As Group Chief Sustainability Officer, what is your vision for SCOR?

— As a reinsurer, we have a critical role to play in building a better tomorrow. At SCOR, we want to leverage our unique features to optimize the positive impacts of our business: knowledge, risk expertise, energy and creativity are the best assets brought by our People. They are at the heart of our *raison d'être*: "Combining the Art and Science of Risk to protect societies." They are at the heart of our collective success.

We want to develop a culture of sustainability across the company, to make it attractive to talents, and to limit the negative impacts of our business and operations. We constantly adapt to best practices, from operations to governance, from transparency to diversity & inclusion. We intend to make SCOR a sustainable company.

## What steps are you taking to achieve this vision?

- We have already made ambitious commitments:
- Becoming carbon neutral by 2050 for business, investments, and operations, and reversing biodiversity loss by 2030 on investments, which will contribute to protecting the environment and indirectly, SCOR's business model.
  - Fostering gender diversity with clear objectives in the short term is our way to develop our internal talent bench.
- Delivering on these commitments is a collective responsibility.

These past months, we have consulted with our employees to craft a new vision, a new ambition. A common thread has emerged. No matter where we come from, our roles, our backgrounds and cultures, we all have something in common: we want to build a better future, for this generation and the next.

## How is SCOR placed to fulfill its collective responsibility?

- Thanks to its unique business model, SCOR can actively contribute to our ambition for a sustainable world:
- By transforming knowledge into actions and developing new products and solutions to extend coverage of diseases and improve accessibility, we can increase our positive impact on people.
  - By leveraging on our climate risk expertise, we protect society from extreme events, and we raise awareness, accompanying clients, partners, investees in their transition to a more sustainable world and in their actions to mitigate climate change.
- Sustainability is not just an ambition but also a journey, which we have all embarked on. We are proud of what we have accomplished and as the sustainability journey unfolds, we look forward to continuing to raise our ambition. ✪

"No matter where we come from, our roles, our backgrounds and cultures, we all have something in common: we want to build a better future, for this generation and the next."



Watch the video interview with Claire Le Gall-Robinson: [scor.com/en/videos](https://scor.com/en/videos)

Sustainable value creation — Leveraging our raison d'être to shape our future

# Sustainability

## *A more resilient future*

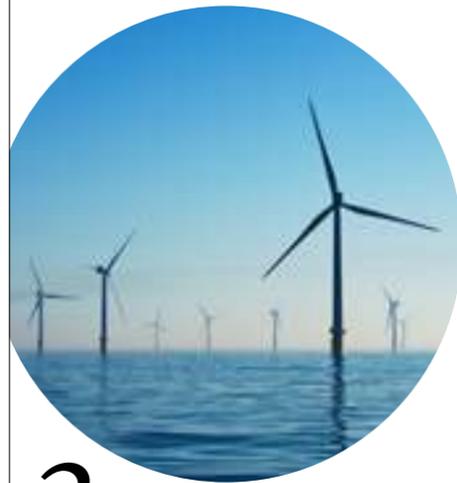
SCOR has worked for the sustainable development of societies for more than 50 years. As risks to the planet and societies intensify, SCOR is increasingly determined to be a key player in creating a more resilient future. —



### 1.

#### A sustainable insurer

— Based on a strong belief that the global (re)insurance industry has a leading role to play in accelerating the transition to a more resilient, net-zero economy, SCOR engages with others in the industry to foster more sustainable business models. In July 2021, the Group joined the launch of the pioneering Net-Zero Insurance Alliance. This United Nations-convened coalition brings together fifteen of the world's leading insurers and reinsurers – companies committed, individually and as a group, to transitioning their underwriting portfolios to net-zero greenhouse gas emissions by 2050. SCOR also actively supports its clients by helping them to follow credible transition pathways and establish net-zero emissions business models.



### 2.

#### A responsible investor

— As part of its contribution to a more resilient world, SCOR has historically excluded certain industries and activities – such as cluster munitions, Arctic oil, coal and tobacco, as well as countries that do not adhere to the Financial Action Task Force rules – from its investment universe.

SCOR has pledged to consistently work to achieve carbon neutrality by 2050. To ensure its actions are science-based, the Group has joined the Net-Zero Asset Owner Alliance and set an interim decarbonization target for

2025: to reduce the carbon intensity of its corporate bonds and listed equities portfolio by 27%. SCOR complements this approach by promoting best-in-class companies in high-emitting sectors. The Group's growing focus is on positive screening to guide investment toward activities that bolster sustainable development and positively impact the real economy. As an example of the alignment of practices across the Group, SCOR Investment Partners is a founding member of Investors for a Just Transition, the first global investor engagement coalition, launched in June 2021. In all these areas, SCOR regularly discloses its progress in full transparency.



### 3.

#### A responsible company

— As a company, SCOR carefully monitors its own environmental and carbon footprint. In 2021 the Group met its pledge of reducing its per-employee carbon intensity by 30% compared to 2014. In addition, in line with the objectives laid out in the “Quantum Leap” strategic plan, SCOR has offset 100% of the residual emissions from its operations since 2019.

### 4.

#### Partnering for impact

— Preserving natural assets is a tremendous challenge for the financial sector, and one that is rapidly growing. The issue of biodiversity loss is highly complex and multifaceted, with hazards becoming more threatening as time passes. SCOR has joined several international initiatives on biodiversity, including the Finance for Biodiversity Pledge. The Pledge's five pillars are fully aligned with SCOR's approach: collaborating and sharing knowledge, engaging with companies, assessing impact, setting targets, and reporting publicly. ☘

*“In an ever riskier and more uncertain world, the (re)insurance industry has a leading role to play in contributing to sustainable and responsible development.”*

**Michèle Lacroix,**  
Group Head of Sustainability

**- 30%**

SCOR has reduced its per-employee carbon intensity by 30% since 2014

SCOR Corporate Foundation for Science — *Building a knowledge community*

*The SCOR Corporate Foundation for Science invests in innovative risk management research and development. This includes a system known as LastQuake that helps to assess the impact of an earthquake much sooner than traditional methods.* —

**T**he objective of the SCOR Corporate Foundation for Science is to promote a healthy and flourishing knowledge society by contributing to scientific research. The Foundation finances university chairs and specific research projects, launches calls for projects, organizes conferences, publishes articles, and sponsors scientific awards, including the yearly SCOR Actuarial Awards, which have become a mark of excellence in the (re)insurance industry.

The Foundation's 2022-2026 five-year program, launched in November 2021, focuses on global warming, earthquakes and volcanic eruptions, reinsurance liability costs, risk aversion, scenarios and stress tests developed in financial institutions, and the long-term impact of the Covid-19 pandemic.



# A learning culture

## LastQuake

— LastQuake is one of the Foundation's latest investments. When an earthquake hits, this simple, free application has many benefits. It reduces public anxiety by offering timely information, not just about the earthquake itself but also about its effects, as crowdsourced from eyewitnesses. It contributes to seismic risk reduction by encouraging safe behavior and warning people of behaviors to avoid. And finally, it makes rapid impact assessment possible, thereby contributing to a more efficient response.

Incorporating internet technologies and social media data, LastQuake was developed by seismologists at one of the world's leading earthquake information centers, the European Mediterranean Seismological Centre (EMSC). The app gathers testimonies in real time and, thanks to user participation, allows the EMSC to estimate the impact and notify the population in a matter of minutes.

## Crowdsourcing data

— EMSC is a federation of seismological institutes, with 85 member institutions in 56 countries. Members share their seismic data EMSC aggregates it.

"Traditionally, we detect and locate earthquakes using sensors that record tremors," says Remy Bossu, Secretary General of EMSC. "In the early 2000s, we realized that every time an earthquake was felt, our site was crashing from the overload of people searching for related information. We thought we could do something with that."

## Precision and timeliness

— "We created what we call crowdsourced detections," continues Bossu. "When we detect activity on our site, we look at where it is coming from. We know immediately that a tremor has been felt in that area. The beauty of this system is that the detections are extremely fast. Today, we typically know about an earthquake between 15 and 90 seconds after it has hit – before the information from the



*"Today, we typically know about an earthquake between 15 and 90 seconds after it has hit – before the information from the sensor networks comes in."*

**Rémy Bossu,**  
*Secretary General of the  
European Mediterranean  
Seismological Centre*



**LastQuake** – The official EMSC earthquakes app available on Apple store and Google play

sensor networks comes in. The first seismic localization on the sensor network usually takes between 5 and 15 minutes. And by publishing the crowdsourced information, we trigger more crowdsourcing. This happens very fast: 50% of the activity happens in the first 6 minutes, and it can reach as many as 20,000 posts per earthquake."

Once the site of the earthquake activity has been identified, the EMSC team can reach out via social networks, asking for confirmation, warning people and inviting witnesses to submit testimonies. In particular, they welcome geolocalized images that allow them to better describe the damage.

LastQuake currently has some one million users. EMSC also has a mobile website that operates very similarly to the app.

"We are a non-profit organization," says Bossu, "mainly financed through research projects. Thanks to the SCOR Foundation, we have finally been able to merge and upgrade our tools, including our mobile site. Now, we're working on a new version of the app, and we have a new Twitterbot."

Earthquakes are highly unpredictable and can be extremely damaging to people, property and communities. The SCOR Foundation and EMSC are working together to alleviate some of the unknowns associated with these natural phenomena. ☪

Biodiversity and (Re)insurance — *An ecosystem at risk*

# Biodiversity and Risk

*Biodiversity loss will have unprecedented consequences for life on our planet, putting the very survival of human societies at risk. The findings and conclusions of recent research will contribute to the development of an integrated approach to managing the risks involved.* —

**T**he SCOR Corporate Foundation for Science and the French Natural History National Museum, (Muséum National d'Histoire Naturelle, MNHN) have undertaken a pioneering, large-scale

study on the risks associated with biodiversity loss. The MNHN is one of the most renowned natural science institutions in the world, with nearly 400 years of research in natural history. Produced under the aegis of the SCOR-MNHN Biodiversity and (Re)insurance Chair created in 2019, the resulting publication – Biodiversity and Re/insurance: An Ecosystem at Risk – is a milestone for SCOR and for the entire insurance industry.

“The loss of biodiversity is an extremely complex and multifaceted issue with multiple interdependencies – not least with climate change, which is increasingly contributing to

the disruption of terrestrial and marine ecosystems,” says Denis Kessler, Chairman of SCOR’s Board of Directors, in his introduction to the report. “Identifying, understanding, assessing, tackling and addressing the associated risks is a global and shared commitment, which requires the combined efforts of both public institutions and the private sector.”

The publication is an important step in this direction. It reviews the scientific evidence for links between present and future human activities and biodiversity, examines the risks that biodiversity loss will create for future human activities, and explores the opportunities for acting in favor of biodiversity. It also zeroes in on the extent to which (re)insurance activities impact biodiversity.

## What are the risks?

— Biodiversity-related risks are sometimes called “green swans.” Like “black swan” events, they come as a surprise, have major effects, and often are rationalized incorrectly after the fact. Green swans differ from black swans, however, in terms of the high degree of certitude of their

“The private sector needs to translate risks into opportunities by shifting to sustainable business models and developing products that will contribute to the reversal of biodiversity loss within this decade. Leveraging their role at the forefront of risk management, (re)insurers can lead change on multiple levels.”

**Michèle Lacroix,**  
Group Head of Sustainability

75% of the terrestrial environment

40% of the marine environment

50% of rivers and streams have already suffered severe deterioration due to biodiversity loss.

occurrence, their more significant range of impacts, and their elevated degree of complexity and potential irreversibility.

Biodiversity loss threatens individuals directly in terms of health, access to resources, and vulnerability to extreme events. Indirect impacts include social and economic as well as geopolitical effects – for example, forced migrations or conflicts. Unequal exposure to biodiversity-related threats depends on factors such as location and socioeconomic status, as well as gender.

For businesses, biodiversity loss – and disrupted ecosystem services – can result in operational disorders or damage to infrastructure. Businesses are also prone to transition risks – e.g., reputational or regulatory – if they fail to adapt to changing environmental and economic conditions. Financial institutions, in addition, face biodiversity-related physical and transition risks transmitted to them by their counterparties (e.g., via investments, loans, underwriting and advice).

On a macroeconomic level, biodiversity loss threatens the stability of the economic

system, with potential impacts on international trade, regulations and interest rates, as well as geopolitical stakes. The upshots from wide-ranging effects on the financial system are in turn felt both at the corporate level and by individuals.

## What does this mean for (re)insurers?

— Like all players in the private sector, (re)insurers are exposed to the physical and transition risks of biodiversity loss. For the underwriting business, the unpredictability of the frequency, intensity and concentration of biodiversity-related risks makes their very insurability questionable. In addition, the transmitted risks to which the business is exposed increase uncertainty around the occurrence of existing risks, while fostering the emergence of new ones. Biodiversity loss may also increase the aggregation and concentration of risks, with consequences for pricing as well as claims payouts.

(Re)insurers can potentially contribute to the mitigation of biodiversity loss, either through direct actions linked to their operations (buildings, travel, etc.) or by covering or investing in certain economic sectors. Impact assessment and footprinting methods can help them to understand – and manage – the effects of their decisions. By integrating biodiversity knowledge and responsiveness into their businesses – at all levels – they can contribute to positive impacts and avoid negative ones. In addition, by sharing this knowledge, (re)insurers can promote better practices among their clients and partners, in line with the Post-2020 Global Biodiversity Framework.

SCOR signed the Finance for Biodiversity Pledge in 2020 to engage in the journey to reverse biodiversity loss by 2030. The Group also made several commitments when joining the act4nature international initiative in 2021. ☘



SCOR for Good — Working for good

# Changing the world...

**A**t SCOR, the protection and welfare of society is not just our job, it is part of who we are. We believe that everyone can make a difference, no matter how small it may seem. This is demonstrated again and again by our employees and colleagues, not just through their professional involvement in the development and diffusion of scientific knowledge, but also through their societal engagement and their actions to promote wellbeing, diversity and inclusion.

SCOR for Good is a social engagement program that helps SCOR employees worldwide spend time contributing to their communities. It supports existing initiatives, as while providing opportunities for new engagements.

## The SCOR for Good platform supports:

- **Skills-based volunteering:** SCOR for Good encourages employees to share their knowledge – our most precious asset – to help charities boost their impact.
- **Field volunteering:** SCOR for Good helps people to find and back the projects and causes of their choice.
- **Donations and fundraisers:** SCOR for Good offers options to organize and contribute to internal fundraising campaigns, support philanthropy at SCOR, or simply make a donation.
- **Goods collection:** SCOR for Good lends organizational support to employees wishing to donate goods such as office materials, medical devices, or toys for Christmas.

The charities and campaigns supported by SCOR employees are as diverse as they are essential. These are just a few examples of the wide range of ventures strengthened through the dedication and solidarity of people at SCOR. Like these examples, there are many more to demonstrate the commitment of our people to their communities. ☺

## €137,415

raised in 2021

“What has really impressed me at SCOR is the importance of community engagement, through the energy and involvement of our employees and the support provided by the Group. With SCOR for Good, it’s the employees who are behind the initiatives and engagements, who come up with proposals, who are proactive - in line with SCOR’s desire to have an impact on society.”

**Juliette Sarraïl, Head of Engagement**

## 1,736

users (57% of SCOR employees)

## 1,216

hours of volunteering in 2021

## 2,818

goods donated in 2021

## 216

local initiatives organized in 2021



## MaMaMa reaches out to at-risk mothers and babies

The Covid-19 health crisis has amplified the precariousness of families, often hitting mothers and young children particularly hard. In May of 2021 four women volunteering for the Assistance Publique des Hôpitaux de Paris and the Red Cross decided to come to their aid by organizing the collection and distribution of parcels containing food, hygiene items and basic necessities. This was how the association MaMaMa began.

“We created this association,” says Marguerite Delalonde, Co-founder of MaMaMa, “to assist parents and infants. We realized that there were huge needs in terms of hygiene as well as beds, strollers, clothes, books and toys. All the things you need to care for a child.” SCOR for Good’s Paris-based employees learned of their efforts and organized a collection. For each item donated by staff, SCOR added EUR 10. In just over one week, some 450 toys, books and packages of diapers were collected. To further support MaMaMa, an 80s-style arcade machine was installed outside the canteen at SCOR headquarters. Staff contributed by paying-to-play and SCOR for Good matched EUR 1 for each session. In total, EUR 5,000 was raised.

“It was important for me to support MaMaMa. Single and isolated mothers were among the first to be affected by the Covid-19 pandemic. MaMaMa offers them a little comfort. With my colleagues, we spent the day helping to sort clothes and goods. This gave us the opportunity to make direct contact with the beneficiaries, getting a first-hand view of the impact on their lives. We also connected with the volunteers who run the association. All of this thanks to SCOR for Good!”

**Sandrine Bonnamy,**  
Internal Communications  
Manager



SCOR for Good — Working for good

# ... one act at a time



## United Way helps build thriving communities

United Way supports the health, education and financial stability of people in communities around the world. Their Community Schools remove barriers to learning and instill students with confidence through programs that include parent education, adult job training, food pantries, after-school homework clubs, and more. In the words of United Way, "Equipping people with the tools for success translates into a safer, healthier,

and more equitable community for everyone." In the Americas, SCOR employees contributed to the annual United Way campaign, raising funds with Halloween photo and costume contests, online quizzes, charity step challenges and donations. In total, they raised more than USD 113,000. These funds were donated to local United Way chapters in Charlotte, Chicago, Houston, Kansas City, Miami, Minneapolis, Montreal, New York City and Toronto. United Way recognized the efforts of SCOR staff by awarding them the Spirit of North Carolina Award, honoring how the campaign exemplified the spirit of their community.

"As a first-time co-chair of the United Way fundraising campaign, I was so excited for SCOR to win the Spirit of North Carolina Award. It's not just the few people running the campaign - it takes a big team to achieve what we were able to do. SCOR for Good helps us to give back to our communities, but the important thing is that, rather than sitting at home and clicking links to donate funds, we are able to come together to make a difference."

**John L. Goot, VP, Senior Property Underwriter**



## Coralie empowers people through dance

Coralie is a professional performance company that empowers people with learning disabilities through dance. Coralie's thriving engagement program helps develop creative talents, confidence and independence. "We produce original work, and we perform in venues of all kinds," says Jennifer Dyer,

Coralie General Manager. "Alongside our artistic program we also run an engagement program which takes us into the community and into schools and allows us to share what we do with more people." Since the beginning of the pandemic, however, Coralie has been faced with many challenges in terms of maintaining social connections. Often, the normal classes have had to be adapted, with one-on-one online sessions for members requiring special attention. A SCOR Raise grant of GBP 10,000 helped Coralie meet these challenges successfully.

"The SCOR Raise Charity of the Year is an amazing initiative at so many levels. It truly helps the people who benefit from this grant, but it's very good for the company as well. There is a sense of wanting to help others. When we are involved in actions like this, it makes us, as employees, proud to do the work we do. In our UK offices, every employee can nominate a charity dear to them and vote for their preferred charity. I nominated Coralie and was so grateful, for the dancers, when it was chosen."

**Lucille Carlier Mossé, Project Manager at ReMark**



Diversity & Inclusion — *We are better together*

# We take diversity and inclusion seriously

*Diversity and inclusion are drivers of value creation and innovation, as well as of individual and global performance. At SCOR, we are convinced that we must foster a diverse and inclusive environment if we are to make the most of our talent. —*

**S** SCOR believes everyone in the organization should feel that they can be themselves and thrive at work – in every country, every office, in everything they do, every day. We know that this can only be achieved in a corporate culture where inclusive behavior is the norm – in a culture based on respect for and appreciation of diversity in all its forms.

## From belief to action

— To ensure that our actions and attitudes respond to this belief, SCOR decided to implement a global strategy and roadmap covering all aspects of diversity and inclusion: not only gender equality, but also differences based on race, religion, cultural identity, age, physical and mental health, and sexual orientation. To set the stage, in 2021 we launched a company-wide, independent audit of diversity and inclusion at SCOR. This audit supports our ongoing efforts and strengthens the three-pillar approach – connect, educate, act.

Diversity and inclusion are by no means new to SCOR, but we know that there is always room for improvement. We undertook the audit in 2021 with humility and transparency, knowing that we all have a role to play, be it as managers or employees. Our intention is to continue to build a culture where we all care for each other, where we can give feedback, and where everyone can do their best.

## Connect. Educate. Act.

— SCOR aims to be an agent of change for a more inclusive tomorrow. By engaging every employee around the company's values, fighting all forms of discrimination and fostering an inclusive culture, we know that we can continue to attract and retain the best talent. This, in turn, will make it possible for SCOR to ensure resilience in the face of the growing complexity of the (re)insurance industry. ☘

## SCOR's D&I approach

The SCOR diversity and inclusion approach is articulated around three interconnected pillars:

- **Connect** – creating a work environment free of bias and discrimination, where each individual is empowered and can thrive as part of a wider team.
- **Educate** – anchoring SCOR's culture of diversity and inclusion in valued partnerships and building an internal training pathway.
- **Act** – implementing impactful actions throughout the employee's career cycle.



Rada Kathuria, HR Specialist

**“At SCOR, I work with a great team in HR. Everybody is so supportive, without making me feel my medical condition is something strange. I want to be able to support others if they have something similar.”**

## I discovered I needed a pacemaker at the age of seven.

I developed a cough that just didn't go away. My parents took me to see many doctors and eventually discovered that I have full congenital heart block. This means that my heart does not beat by itself; it needs artificial support from a very tiny box that sends electrical impulses – a pacemaker. I'm first generation British. My parents immigrated from India in 1989 and in Indian culture, medical problems are very personal. You don't discuss them in public. For a child growing up in the UK, this can create a feeling of shame, embarrassment – that you have something wrong. Yet I didn't challenge my parents because I knew that whatever they did, it was out of love. Now, as an adult, I realize that this is part of me, but it's not who I am entirely. At SCOR, I was open about my condition from the beginning and people never made me feel strange for a second. They didn't sensationalize. They just said, well, what do you need? Is there anything we need to be aware of? Now I know that my medical condition doesn't make me strange. It's just who I am. And I'm quite grateful, actually, for the resilience it has taught me. ☘



Arda Aygün, Chief Finance Transformation Officer

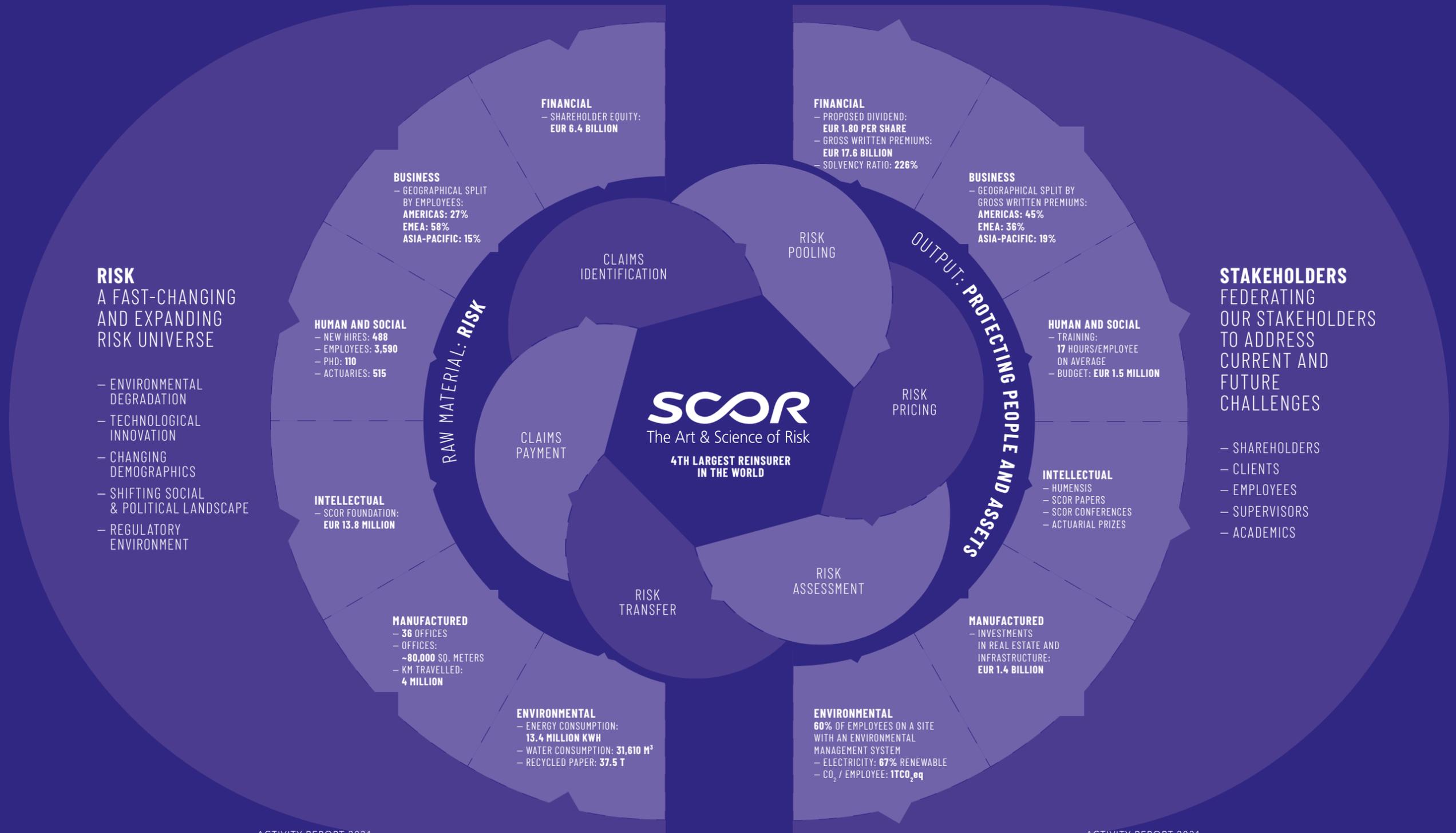
**“By being myself at work I feel more connected to my colleagues and more productive at my job. With new SCOR colleagues, I hope that I can help to ease any doubts they may have, ensuring them that they will be fully accepted as who they are.”**

**I was born in Istanbul, Turkey.** I joined SCOR in London 18 years ago as a Financial Accountant and today, I am the UK Chief Finance Transformation Officer. During my time with SCOR, I have had the privilege of meeting and working with many colleagues in the different SCOR offices – all with diverse nationalities and backgrounds. Each person has taught me something about the (re)insurance industry while opening my eyes to different perspectives on life – I hope I've been able to do the same for them. Many of these colleagues became close friends, whom I trust and respect, and were guests at my wedding three years ago. Being a gay man is only a part of who I am. It does not define me, my work or my career. What matters in the workplace is your knowledge, education, experience, character and work ethic. In this day and age we all know this, but it's important to remind everyone and provide visibility. Like SCOR, I believe in the strength of diversity and the inclusion of every individual. ☘

**Business model** — *The financial & non-financial value at the heart of our mission*

\*As of December 31, 2021

# Managing risk



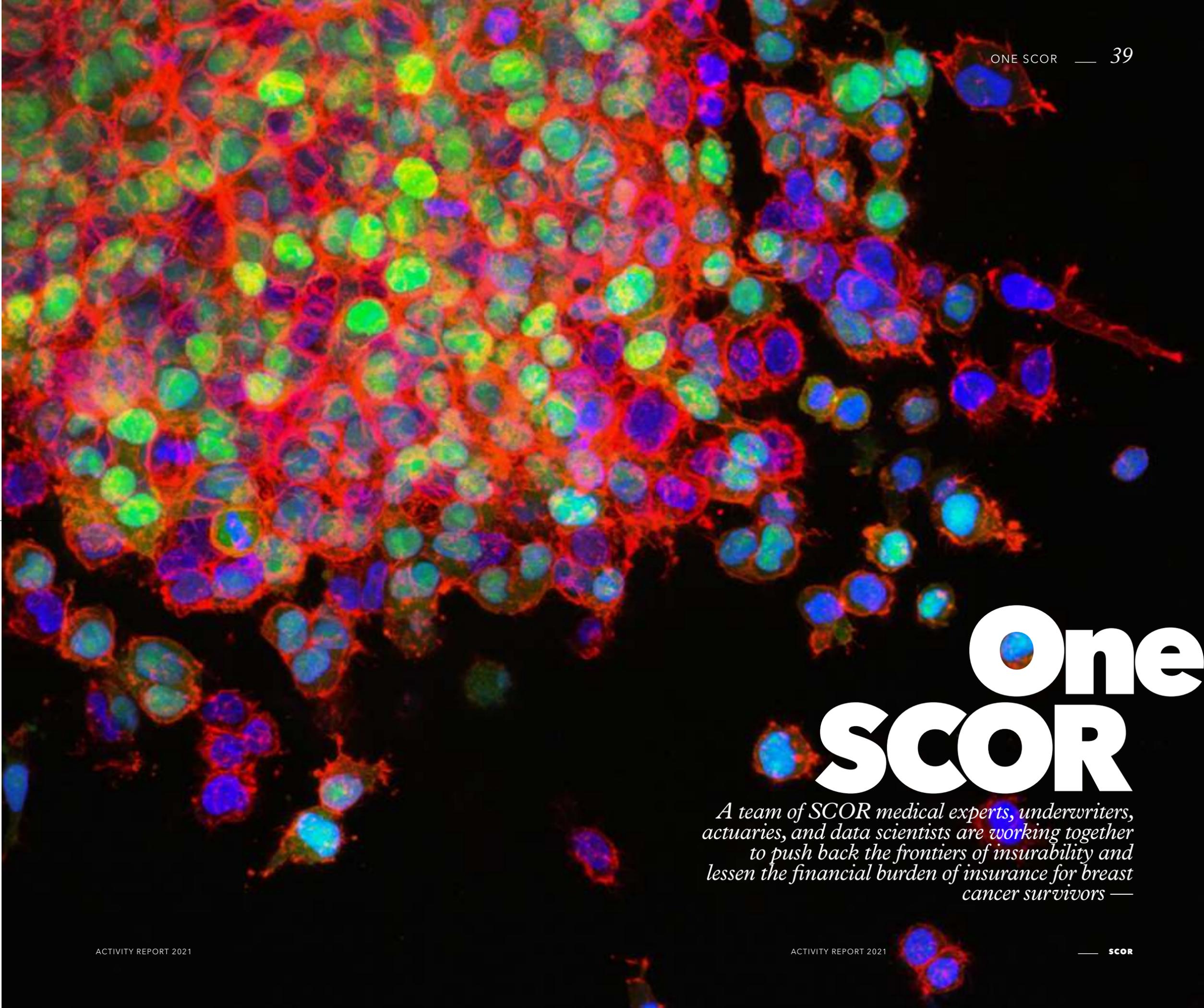
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## 2.3 m

women worldwide are affected by breast cancer each year

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**According to the World Health Organization,** breast cancer is both the most frequent cancer among women, and the one that causes the greatest number of cancer-related deaths.



# One SCOR

*A team of SCOR medical experts, underwriters, actuaries, and data scientists are working together to push back the frontiers of insurability and lessen the financial burden of insurance for breast cancer survivors —*



**Building for impact #2** — *Vitae Breast Cancer relapse risk calculator*

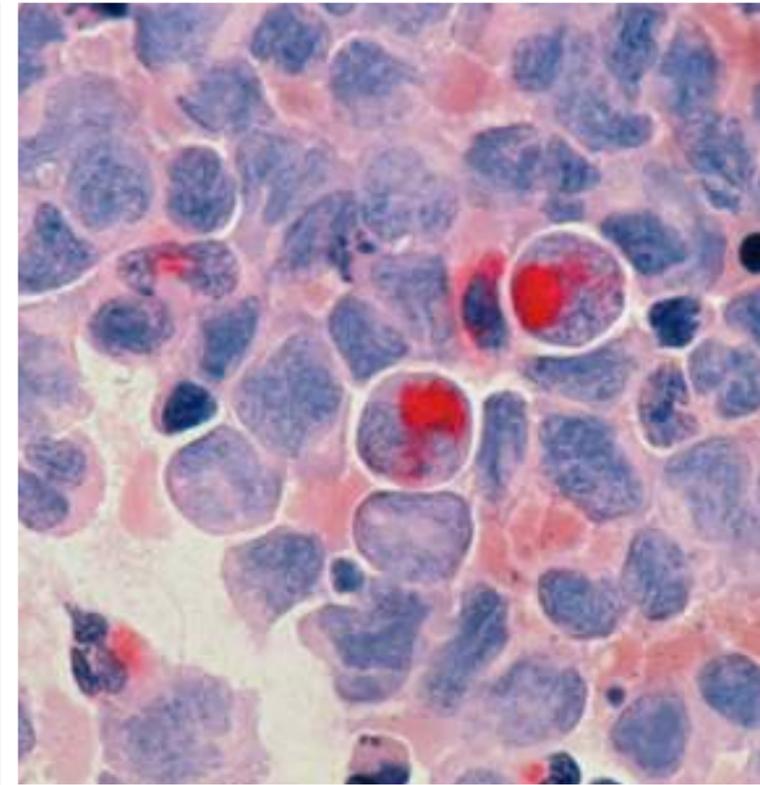
# New options for breast cancer survivors

## Nearly 1 in 8

women will develop some form of breast cancer in their lifetime

### A new risk calculator

Vitae Breast Cancer brings the data on breast cancer into sharper focus, making it possible to define the real risk that each individual faces.



*For 15 to 20 years after the completion of treatment, breast cancer survivors are at higher risk of recurrence. This increased risk has traditionally resulted in higher premiums or exclusions. —*

**B**reast cancer survivors often feel the impact long after their medical treatment has been completed. Their increased risk of recurrence generally translates into higher insurance premiums, leading to precarious financial situations or even forcing women to go without coverage altogether.

Thanks to advances in medical science, this situation is gradually changing. While cancer remains a complex and heterogeneous pathology, medical research and data analysis

have enabled considerable progress in understanding the disease, leading to the development of new data science techniques. Calculators are now commonly used by healthcare professionals to model the probable development of cancer in each individual based on their particular information and history. This allows them to create a highly personalized treatment protocol. The Predict calculator, developed jointly by the United Kingdom's National Health Service and the University of Cambridge, is one of these solutions.

### Developing Vitae Breast Cancer

— Better data and knowledge can also enable better insurance options. This is the aim of SCOR's Vitae Breast Cancer relapse risk calculator. It combines data on each patient's breast cancer history with a detailed understanding of the most recent research to help (re)insurance companies determine each individual's relapse and mortality risk. This allows them to more accurately gauge the coverage needed, offering the fairest rates possible to women who have completed their treatment and want to resume a normal life.



Vitae Breast Cancer, launched in October 2021, is the latest addition to SCOR's line of Vitae calculators, the first of which, focused on cardiovascular disease, was released in January 2021. These calculators are developed by a team of SCOR medical experts, underwriters, actuaries, and data scientists working together.

### Better options based on actual risk

— Thanks to Vitae Breast Cancer, applicants with breast cancer history can very often be charged lower premiums that reflect their actual risk profile. This means that SCOR's partners can offer better insurance solutions to as many breast cancer survivors as possible, while justifying their pricing decisions through a transparent process. For example, a 40-year-old woman who was treated for breast cancer when she was 35 can be offered insurance at the standard rate in some cases (no comorbidities, good cancer prognosis, etc.).

Vitae Breast Cancer is regularly updated to reflect medical advances and breakthroughs. In addition, it works as an application programming interface (API) that can be used in any SCOR client's underwriting solution, enabling fast, simple implementation.

In this way, SCOR works together with its clients to ensure better options for people previously considered high-risk. SCOR is committed to closing the protection gap by providing more accessible, more fairly priced, and more inclusive coverage options to populations that have traditionally been excluded from or priced out of coverage. ☉

### The contribution of data science

The algorithm used by Vitae Breast Cancer to process applicants' data is built around the SEER (Surveillance, Epidemiology and End Results) database, the world's largest and most complete database of cancer statistics. The SEER database contains very specific information about the development of the disease over time.

## Nearly 35%

of cancer cases in the United States between 1975 and 2018 are covered by the SEER database

"Our hope is that even women facing higher risk will be offered conditions better tailored to their medical and financial needs."

**Professor Eric Raymond,**  
Head of Medical Oncology  
at the Paris Saint-Joseph Hospital,  
Medical Director  
SCOR Life & Health

Interview — Manuel Plisson, Head of Biometric Modelling and Inclusive Underwriting

## "Taking a better view of risk to widen the options for policyholders"

### What types of financial problems do women recovering from breast cancer typically encounter?

— Women with a history of breast cancer are inevitably considered "riskier" because of the increased risk of relapse. This creates difficult situations from a financial perspective, as the cost of life & health insurance makes it difficult to get a loan, or in terms of employment possibilities. Increased risk translates into higher premiums or exclusions, adding to the financial burden of breast cancer survivors. SCOR believes that it is its mission to help women recover fully from breast cancer and lead as normal lives as possible.

### What is SCOR doing to help close this protection gap for cancer survivors?

— We are experts in the art and science of risk. Our medical experts, underwriters, actuaries, and data scientists know how to look at the data available to find solutions to the most pressing problems. This is the idea

## For 15 to 20

years after treatment, women with a history of breast cancer have a higher risk of recurrence or of developing a second breast cancer.

"Vitae Breast Cancer is helping to close the protection gap by enabling SCOR's partners worldwide to offer personalized, bespoke solutions."

behind our newly defined *raison d'être*: Combining the art and science of risk to protect societies. Thanks to the data available on breast cancer, the latest research, and our expertise as modelers and underwriters, we can now determine the relapse and mortality risk for each individual using their own breast cancer history. This allows us to gauge the coverage needed at the fairest price possible. This is what we mean by closing the protection gap. (Re)insurance cannot solve all the problems survivors face, but we can help women to feel that they have the protection they need.

### What makes Vitae Breast Cancer unique?

— To begin with, Vitae Breast Cancer takes into account many more factors than were considered in past underwriting approaches: each person's clinical, histological, molecular, genetic and other information – even the size and location of the tumor. Similar calculators – such as the Predict calculator developed in the UK – are used by medical professionals to create a highly personalized treatment protocol and calculate the risk of relapse. The uniqueness of Vitae is that it incorporates SCOR's underwriting expertise and makes it available as an API that is already live in our Underwriting Manual Solem.

**In some countries, we see a strong push to remove any type of medical underwriting for some types of covers. How does this relate to the calculator?**

— This is a very good question and indeed a key trend to take into account as we consider the future of medical underwriting. In France for example, a law was passed earlier this year to remove medical questions from the underwriting process for mortality covers on home loans below EUR 200,000. A five-year "clean slate" provision has also been introduced, so that anyone with a history of cancer who has had no relapses within five years is now considered a "standard risk". While the full impacts of such new regulations still need to be assessed, Vitae Breast Cancer is aimed in the right direction – focusing on inclusive underwriting to remain relevant, even in markets where we see a push towards less medical underwriting. ☉



International presence

# OneSCOR

What makes SCOR unique in the market? Our people - their keen intelligence, meaningful ideas and human values, and focus on benefiting our clients and communities. In a space founded on shared values, they are free to reflect and act on what matters most. Thanks to them, SCOR combines the Art & Science of Risk to protect people and society.



# 36

offices worldwide

## €17.6 billion

gross written premiums

## €456 million

net income

# 4th

largest reinsurer in the world

## 3,590

employees and 65 nationalities

## 4,900

clients throughout the world

Interview — Fabian Uffer, Chief Risk Officer

# "A steady course"

## Why is the role of risk analysis and modelling so essential for SCOR?

— As a reinsurer, understanding risk is essential for SCOR. This understanding allows us to price risks correctly, manage them and prepare for future claims. Ultimately, this means that we are able to support our clients when disaster strikes. To understand (and therefore manage) risk, we need the science – for example, by using state-of-the-art models to estimate the magnitude and frequency of future losses, but we also need the art – expert judgement and imagination to predict the various scenarios that could generate these future losses.

## What are the key elements of SCOR's risk management framework?

— At SCOR, we have a risk management framework that sets the boundaries for the kinds of risks and the amount of risk that we aim to accept. One key element of this is the "risk appetite framework", which is at the heart of SCOR's strategy.

However, the most important part of SCOR's risk management system is our human capital – both the technical expertise and experience of our staff. Most importantly, everyone at SCOR contributes to risk culture, which is critical to SCOR's success.

## How do you keep pace with the rapidly changing risk universe?

— One way that SCOR raises risk awareness is through the work of the Emerging Risks community. This group meets to assess the potential impacts on SCOR of new and rapidly evolving risks, and this forms the basis of our Emerging Risk Radar. The radar shows the relationships between the long-

term patterns or "trends" that we see in the risk landscape and the "emerging risks" generated by these trends. In 2021, the risk "Mental Health" was added to SCOR's risk radar, as we recognize the growing threat that poor mental health poses to our societies and business, particularly in the wake of the Covid-19 pandemic.

## What are the risks that currently stand out in the Emerging Risk Radar?

— Other risks on the radar that are in the forefront for SCOR and the (re)insurance industry, are those relating to major ongoing environmental issues. Based on our current path, humans are creating a planet that is becoming increasingly uninhabitable. It's essential that we understand these issues and the risks relating to them, while also adopting a business model that helps society move towards a more sustainable future. Understanding and protecting against the ongoing cyber threat – which has been heightened once again by the current geopolitical situation – also continues to be a major preoccupation for the industry at large.

The Emerging Risk Radar can be used to help us to think about the connectivity of the risk landscape, which has been illustrated by the Covid-19 pandemic, where we have seen impacts on both people's physical and mental health, increased societal inequalities, impacts on the cyber risk landscape and impacts on the global economy.

An improved understanding of this connectivity will enable SCOR – and the industry at large – to be better equipped to anticipate unexpected outcomes in future events so that we can remain resilient in the face of future shocks. ☘

"Understanding and protecting against the ongoing cyber threat – which has been heightened once again by the current geopolitical situation – also continues to be a major preoccupation for the industry at large."



Watch the video interview with Fabian Uffer:  
[scor.com/en/videos](https://scor.com/en/videos)





Transformation and Sustainability — Contributing experience and insight

# SCOR's governance

*In December 2020, the Board of Directors of SCOR SE unanimously agreed on several key measures to ensure an effective transition under the new management and contribute to the continuity of the Group's strategy and the perpetuation of its values. —*

The Executive Committee, headed by **Laurent Rousseau**<sup>5</sup>, Chief Executive Officer; **François de Varenne**<sup>1</sup>, Investments, Technology, Transformation and Group Corporate Finance; **Claire Le Gall-Robinson**<sup>2</sup>, Group Chief Sustainability Officer; **Ian Kelly**<sup>3</sup>, Group Chief Financial Officer; **Romain Launay**<sup>4</sup>, Deputy Chief Executive Officer for Property & Casualty; **Jean-Paul Conoscente**<sup>6</sup>, Chief Executive Officer for Property & Casualty; **Brona Magee**<sup>7</sup>, Deputy Chief Executive Officer for Life & Health; **Fabian Uffer**<sup>8</sup>, Group Chief Risk Officer; **Frieder Knüpling**<sup>9</sup>, Chief Executive Officer for Life & Health.



## Executive management

— SCOR's Chief Executive Officer has full authority to manage SCOR's business, subject to the prior approval of the Board or the Shareholders' Meeting for a limited number of key matters. The French Code des Assurances stipulates that the effective management of a company must be performed by at least two persons. In accordance with these requirements, the Board of Directors has designated Jean-Paul Conoscente, Chief Executive Officer of SCOR's Property & Casualty business unit, and Frieder Knüpling, Chief Executive Officer of its Life & Health business unit. The Chief Executive Officer of SCOR is also supported by a fully dedicated Executive Committee, comprising eight professionals in charge of the business units and Group functions.

## The Executive Committee

— Laurent Rousseau began his role at SCOR's helm by regrouping responsibilities on the Executive Committee. In doing so, he focused on promoting internal talent and upholding teamwork. "SCOR is a success story in transformation," says Laurent Rousseau, "but we are not complacent."

The Group's continuing transformation will be led by François de Varenne, whose enlarged area of responsibility includes Investments, Technology, Budget, the Group Project Office, and Group Corporate Finance. To highlight the importance of sustainability at the top of the agenda, Claire Le Gall-Robinson, Group General Secretary, was appointed Group Chief Sustainability Officer; her expanded responsibilities include Human Resources, Communications and Hub operations.

"These internal promotions," says Laurent Rousseau, "bear witness to the depth of SCOR's talent pool. I am confident that this new organization will ensure managerial continuity while reflecting the strategic importance of transformation and sustainability for the Group." ♦

**S** SCOR's Board of Directors agreed to separate the functions of Chairman of the Board and Chief Executive Officer (CEO) at the end of Denis Kessler's term of office as CEO. This decision became effective on June 30, 2021, at the conclusion of the General Shareholders' Meeting. Laurent Rousseau was welcomed as the new CEO of SCOR SE. At the Board's urging, Denis Kessler agreed to continue as Chairman of the Board. The members of the Board also agreed to create the new position of Vice-Chairman of the Board, appointing Augustin de Romanet. Finally, the Board issued a new version of the Group's internal regulations, separating the Compensation and Nomination Committee into two committees.

## The Board of Directors

— SCOR's Board is comprised of 16 highly qualified, diverse and largely independent directors, two of whom are employee representatives. The Board is advised by seven specialized committees.

The 16 members of SCOR's Board of Directors are: **Denis Kessler** (Chairman), **Fabrice Brégier**, **Lauren Burns Carraud** and **Fiona Camara** (employee-elected Directors), **Adrien Couret**, **Patricia Lacoste**, **Vanessa Marquette**, **Bruno Pfister**, **Augustin de Romanet**, **Laurent Rousseau**, **Thomas Saunier** (representing Holding Malakoff Humanis), **Kory Sorenson**, **Claude Tendil**, **Natacha Valla**, **Zhen Wang** and **Fields Wicker-Miurin**.

**Interview** — Emmanuel Joffre, Chief Human Resources Officer

# "A SCOR way of working"

## What is OneSCOR and what does it mean for the future?

— OneSCOR is a way of being. Founded on the principle of togetherness, the idea behind OneSCOR is to build a culture of connection and cooperation across functions, lines and units. This ambition characterizes our approach to our most vital resource: people. By building active feedback loops, OneSCOR enables us to liberate innovation and transform our value creation potential. We promote the OneSCOR culture at every step of the way, from hiring to retirement, and from learning and development to leave and work-life balance.

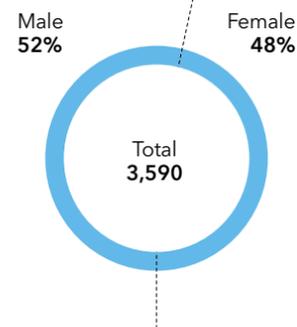
## What about diversity and inclusion - how does this fit in?

— Diversity and inclusion (D&I) are crucial to the OneSCOR journey. At SCOR we embrace the complexity of the world we live in, yet we know that there is always room for improvement. This is why, in 2021, we launched a company-wide, independent D&I audit. This audit identified key areas that have enabled us to refine our D&I approach and supports our ongoing initiatives.

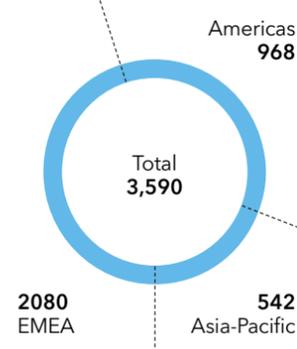
Each of us, whether a manager or an employee, has an important role to play in building the OneSCOR culture – in making SCOR a place where we take care of each other, where we can give and receive feedback, and where each of us can be at their best. Whoever you are and whatever your role is, you should be able to be yourself and thrive at SCOR.

In these times of new challenges, when we need to strengthen social ties to avoid cutting ourselves off from others, the concepts – and practice – of diversity and inclusion are more essential than ever. By imparting empathy and belonging across our differences, we can become stronger, perform better, and enjoy ourselves and our work more.

## SCOR staff by gender



## SCOR staff by location



**59,600**  
hours of training



## How has hybrid working evolved at SCOR?

— Since the beginning of the pandemic, we have put our employees – and their wellbeing – first and foremost. Thanks to their resilience, their skills, and their hard work, we continue to generate value.

We have full confidence in our teams around the world to fully leverage the power of a hybrid model, based on two core beliefs:

- We believe in the power of in-person collaboration. We value a culture that thrives on teamwork; where we can better innovate, challenge each other, and grow in environments that foster cooperation and trust amongst colleagues. Furthermore, in-person collaboration contributes to positive mental and emotional wellbeing.
- We also believe in trust and empowerment: we are committed to developing a permanent hybrid work ambition, based on greater flexibility and individual empowerment.

We are constantly looking at new ways of working that respond to our employees' needs and expectations. For example, SCOR University, our global team of learning and

development specialists, created a hybrid work training series in 2021, in which 52 sessions were offered to over 1,100 registrants. The satisfaction rate was 99%.

## What is SCOR&Me?

— As part of the ongoing transformation of Human Resources at SCOR, we are modernizing our tools to improve the employee experience. SCOR&Me is part of this process. Basically, it provides a one-stop-shop for all our employees' HR needs, from training and career development to compensation and benefits. With SCOR&Me, people can access their personal and professional information at anytime, anywhere, from any device. SCOR&Me is data-driven. By dematerializing, automating and centralizing employee interactions, it will help us to build the workforce of the future while freeing up time for the HR team to invest in adding value and improving the level of our service. 🎯

**"The OneSCOR Culture is about cascading a sense of belonging and empowerment to managers and employees alike, promoting an environment where feedback, respect, trust and transparency are at the forefront."**



Watch the video interview with Emmanuel Joffre:  
[scor.com/en/videos](https://scor.com/en/videos)



**Property & Casualty** — **Jean-Paul Conoscente**, *Chief Executive Officer of SCOR Property & Casualty*, and **Romain Launay**, *Deputy Chief Executive Officer of SCOR Property & Casualty*, look back on SCOR's challenges and achievements over the course of 2021.

# "Better performance for a better world"

### How would you describe SCOR's performance in 2021?

**JPC** — In 2021, SCOR delivered a strong underlying performance, above the revised "Quantum Leap" assumptions for the year, growing its premiums by 18% on a constant FX basis and reporting a year-on-year improvement of the net combined ratio before CAT of circa 2.5 percentage points.

But this performance was tainted by a series of large insured market events – with the most notable being the European floods, hitting Germany and the Benelux during the summer, Hurricane Ida, and the U.S. winter storm Uri. SCOR believes that climate change is a direct contributor to the observed frequency increase of small to medium sized insured market CAT losses.

### What measures is SCOR taking to respond to these events in the future?

**JPC** — SCOR is taking strong actions along two main axes to optimally leverage its risk-taking platform and deploy its capital.

First, SCOR is reducing its exposure to climate-sensitive catastrophes, as we believe the current price increases do not lead to sufficiently improved net expected returns relative to the increased expected volatility. This led for example to an overall 7% net CAT PML decrease on Treaty P&C at 1/1 2022 renewals, thanks to the portfolio repositioning in North America. SCOR also decided to exit from U.S. primary wind-exposed MGAs.

At the same time, SCOR is largely improving the balance of its book relative to CAT. A first step was actioned by further growth in Treaty Global Lines, which benefit from better risk-return levels compared to the overall reinsurance portfolio. SCOR recently enhanced its underwriting capabilities through the addition of top-notch individuals to its existing leading franchise.

### Are there other measures SCOR has taken to improve the balance of its book?

**RL** — Another way SCOR is improving the balance of its book is through further leverage of its Specialty Insurance platform, where market conditions are still more attractive and continue to benefit from rate-on-rate

compounding effects in almost all geographies and lines of business.

Making the best of these favorable market conditions thanks to their deep expertise, SCOR's Specialty Insurance teams generated very strong results last year. SCOR has started growing the longer-tail portion of its Specialty portfolio and expects this to continue in 2022. In addition, SCOR confirmed the strong performance of its Lloyd's syndicate for the second year in a row, with a 92.5% reported net combined ratio in 2021. The recently rebranded "SCOR Syndicate" – a testimony of its deep integration into the wider SCOR Specialty Insurance unit – is now ready to contribute to SCOR's profitable growth ambitions.

### How does SCOR's activity reflect its role in society?

**RL** — Recent outsized volatility from peak perils is a clear sign of the role the (re)insurance industry must play to protect societies.

First, SCOR is a proud co-founder of the Net Zero Insurance Alliance, it is a founding signatory of the Poseidon Principles for Marine Insurance and it has recently adhered to the Climate Change Pathway. These are all key milestones in our path towards net-zero emissions, and therefore to our contribution to a better world. To meet these targets, SCOR has gone through a process of reviewing its underwriting guidelines and embedding ESG considerations directly into them.

**JPC** — SCOR also reached other key "Quantum Leap" milestones facilitating new solutions to better protect societies. A good example is the recent roll-out of SCOR's third-party capital strategy with the sourcing of two distinct sidecars with two large pension funds for a total of USD 300 million first investment, enhancing SCOR's capabilities to help its clients' resilience against catastrophe risks and the climate change effects on these exposures in particular. ☘

**100.6%**  
net combined ratio (2021)

**€8.2 bn**  
P&C gross written premiums (2021)

Property & Casualty — *A more resilient future starts today*

## Protection on many fronts

*SCOR Property & Casualty believes in protecting people and communities by ensuring a healthier, more resilient environment. Its experts apply their technological expertise to address pressing global problems and improve the underwriting experience. —*

**T**he global (re)insurance sector has a major role to play in accelerating the transition to a more sustainable, net-zero economy. SCOR engages with policymakers, clients and stakeholders to identify, promote and implement measures to address climate change. In 2021, key achievements were reached on many fronts:

### Acting collectively for climate

— Already a member of the Net-Zero Asset Owner Alliance since 2020, SCOR joined forces with seven of the world's largest (re)insurance companies and the United Nations Environment Programme to create the Net-Zero Insurance Alliance in 2021. This groundbreaking collaboration maximizes the role of the global (re)insurance sector in the transition to zero greenhouse gas emissions.

As a founding signatory, SCOR is committed to:

- Reducing all direct and indirect greenhouse gas emissions related to its reinsurance underwriting portfolios, reaching zero net emissions by 2050;

- Encouraging the implementation of corporate reporting standards and global policy frameworks for a carbon-neutral transition in the insurance sector.

SCOR will completely phase out insurance and facultative reinsurance contracts for coal-fired power plants with unabated emissions by 2030 in the OECD countries, and by 2040 for the rest of the world. In addition, its reinsurance team is actively engaging with clients in screening businesses where coal-related premium exceeds 10%, which will enable SCOR to take appropriate actions aligned with its corporate commitments at a Group level.

Likewise, SCOR became a founding signatory of the Poseidon Principles for Marine Insurance, a new framework that aligns insurers' underwriting portfolios with the goal of decarbonizing international shipping by 2050. SCOR is benchmarking its hull and machinery portfolios to determine progress against a trajectory of 100% reduction of annual greenhouse gas emissions by 2050. Marine is the first of the Group's business lines to establish a sector-specific methodology in order to meet the ambitions of the Net-Zero Insurance Alliance.

SCOR was one of the first (re)insurers to adhere to the Climate Transition Pathway, an accreditation framework that assists insurance companies and financial institutions in



"The solutions we developed in 2021 are perfect examples of SCOR's ability to leverage its expertise and build strong partnerships to contribute to the welfare and resilience of society."

**Fanny Rosset** — Market Manager Agriculture, Reinsurance



"Our goal is to support our clients as they transform their business models to follow credible energy transition pathways."

**Olivier Perraut** — Chief Underwriting Officer, Specialty Insurance

## 100%

reduction in greenhouse gas emissions by 2050 is the benchmark for international shipping

identifying organizations with robust plans for transitioning to a low-carbon economy, while making it easier for these businesses to gain access to insurance capacity and capital.

### Digital farming

— In recent years, hot summers have had adverse impacts on the dairy industry. Now, dairy farmers can protect themselves thanks to Heat Stress Protect, a first-of-its-kind climate insurance product developed by the French digital farming company ITK and the parametric insurance specialist Skyline Partners, in partnership with SCOR. Farmers receive financial compensation based on an index calculation of economic losses, in a process that is automatic, simple and transparent. In addition, the farmers can predict heat stress, measure their farm's resilience, and proactively adapt their management practices.

### Satellite-based insurance

— SCOR, ESSOR, AgroBrasil and Brazilian (re)insurer IRB partnered with Airbus Defense and Space to bring solutions to Brazilian livestock farmers hard-hit by drought. Pastagem Protegida – Índice (Protected Pasture – Index) is a satellite-

based tool that combines remote-sensing technology with weather data to provide reliable and objective estimates of production losses. Based on this data, AgroBrasil can offer appropriate compensation to farmers, enabling them to ensure that their livestock are fed. Easily accessible via an online platform, Pastagem Protegida helps to protect global ecosystems by mitigating the vulnerability of farms – whatever their size – to climate events, and by limiting the expansion of grazing areas.

### An app to ease underwriting

— In close cooperation with clients and partners, SCOR has developed an app that clients can integrate into their underwriting systems to receive the technical underwriting support they need in terms of pricing, risk scoring, wording and data collection for Small to Medium Enterprise (SME) property business. The SCOR SME Underwriting App is easy to use from any device and in any location. It can be customized to suit each client's needs, speeding up the entire underwriting process. ●

**Life & Health** — **Frieder Knüpling**, Chief Executive Officer of SCOR Life & Health and **Brona Magee**, Deputy Chief Executive Officer of SCOR Life & Health, explain the prospects and the complexities of this pillar of the insurance industry.

# “Driving health and wellness”



## 10.3%

Life technical margin (2021)

## €9.4 bn

L&H gross written premiums (2021)

### What forces are expected to impact the life & health insurance industry?

**FK** — We cannot ignore the complexity of the world. Current events highlight, more than ever, how precious life is and the importance of our role in bringing as much protection to as many people as possible.

In the wake of the pandemic, consumers are more health-conscious and they want to protect themselves and their loved ones. The latest Global Consumer Study by our Insurtech subsidiary ReMark highlights the fact that people are more aware of the fragility of life. This is driving a huge increase in demand for life & health insurance, notably in the U.S., where individual sales spiked in 2021, and in Asia, where changing demographics and a large protection gap are creating new opportunities for insurers.

**BM** — Meanwhile, technology is transforming the way people understand and manage their health. Wearables offer a new source of data and customers are pushing more and more for digital health solutions. This digitalization is accelerating the insurance application process and has the potential to transform the engagement insurance companies can have with policyholders on their health.

Finally, the number of people 65 and older is expected to more than double over the next three decades. We believe that increasing life expectancies, coupled with growing rates of chronic conditions and the rising costs of care, will drive more demand for products for the elderly, an increasingly important segment of Society.

### What opportunities do these trends represent?

**FK** — Even before the pandemic, SCOR believed in the importance of growing in the health and wellbeing sphere. We want to help our clients develop solutions, engage with

their policyholders and encourage active, happy and healthy lives. To that end, we are developing SCOR solutions and partnering with innovative players beyond the insurance industry, like One Drop and ifeel. Together we are creating tools that enable better health management of chronic conditions like diabetes and mental health, for example, which are growing sources of concern for society.

**BM** — We also strongly believe that you can't put the customer at the center if you don't understand the customer. That's why our behavioral science team is dedicated to understanding how people think about insurance, uncovering the biases that drive purchasing decisions, and investigating how we can redesign around policyholder needs.

By leveraging data and technology to build on these insights, SCOR is helping our insurance clients digitalize the entire consumer journey, simplify the underwriting and claims processes, and alleviate pain points for the end consumer. Ultimately, we want to make insurance more accessible, more desirable and simply more relevant to people's lives.

### How does this connect with SCOR's raison d'être?

**FK** — SCOR is dedicated to creating solutions that push back the frontiers of insurability and support people's health and wellbeing. Through our partnerships, we drive health and wellness efforts. We continue to offer innovative products to close the protection gap, extend protection to people with specific health conditions, and bring insurance cover to markets that have historically been underserved.

We are leading projects around climate change and other emerging risks because we believe that transforming our knowledge into action has the potential to impact not only policyholders, but also society as a whole. ●

Life & Health — *Helping the people behind the policies*

# Adding value to people's lives

*SCOR's Life & Health business unit develops products and solutions which are easier to use and that offer consumers wider coverage on more accessible terms.*

*This is part of the push to bridge the protection gap while transforming the customer journey, making health an option for everyone. —*

**In 2021, SCOR worked on many fronts** to make life & health insurance more accessible, fairer and easier to acquire and use.

## One Drop: Inclusive Insurance

— In the United States alone, some 37.3 million people have diabetes. Aside from being a health issue in itself, diabetes is a leading risk factor for cardiovascular disease: adults with diabetes are two to four times more likely to die from heart disease. The sheer scale of the disease and its increasing prevalence create a unique opportunity for SCOR, our clients and partners, to help policyholders manage their health.

SCOR and its partners – the pharmaceutical expert Bayer and One Drop, a leading platform for diabetes management – have designed a product that targets diabetes, empowering people with chronic conditions to proactively manage their own health. At the same time, it helps individuals with prediabetes to live healthier lives. Finally, the platform benefits insurance

carriers, featuring customized pricing that fits with the life insurance business model.

The One Drop digital health platform combines live coaching, health data tracking, and AI-powered health predictions to prompt the right intervention at the right time – before problems appear.

## ifeel: A health-tech solution that feels right

— Mental health is a high priority across the life & health insurance industry, standing among the top ten causes of disability. Depression is ranked third in the global burden of disease and is projected to rank first by 2030\*. The Covid-19 pandemic is further accelerating the spread of depression and anxiety.

In this context, SCOR Life & Health Ventures have invested in ifeel, a Madrid-based startup that digitally scales access to mental health solutions. The ifeel platform combines self-care with guided therapy, offering a full spectrum of support and services tailored to customer needs, experiences and conditions. With over 500,000 users in 23 countries, ifeel is already available in four languages (English, Spanish, French, and

Portuguese). The platform's high number of therapists includes over 500 verified licensed psychologists.

This investment is fully in line with our commitment to make a meaningful difference to people's lives through life & health insurance, and also has the potential to lower claims payments by implementing prevention in the insurance portfolio as early as possible.

## Humanoo: An app that empowers users

— In France, SCOR is working with Humanoo, a mobile health app that promotes fitness, nutrition and mindfulness. "The insurer's role goes way beyond simply taking on risk and paying out claims," says David Caron, a French market manager. "We want to empower policyholders to become agents of their own wellbeing." The Humanoo platform offers workouts, coaching sessions, and motivational rewards. It incorporates SCOR's Biological Age Model (BAM) to measure the impact of the user's physical exercise on their life expectancy.

This partnership allows SCOR to provide its clients with an application that integrates all the advantages of bio-age calculation, and has the potential to improve the lives of thousands of people.

## ReMark: Understanding needs and preferences

— SCOR is convinced that the more people understand risk, the value of insurance, and the options available to them, the more confident they will feel in deciding whether and what to buy. ReMark, a subsidiary of SCOR, conducts an annual global survey of consumer trends. The 8<sup>th</sup> edition of the ReMark Global Consumer Study, published in October 2021, includes the first-ever large-scale survey of consumer knowledge of – and confidence in – insurance.

Overall, the results tell us that there is much to be done to empower insurance consumers to make better decisions about the protection they need for themselves and their families. This is one of SCOR's priorities. In the UK, SCOR is partnering with Young Enterprise, a charity that helps students to make informed financial decisions. SCOR is providing insurance knowledge as part of the curriculum, and a website with free resources is also envisioned. The Group's offices in other countries are working on similar initiatives. ☘

\* See United Nations "Mental Health and Development", <https://www.un.org/development/desa/disabilities/issues/mental-health-and-development.html>



"The topic of insurance literacy is vitally important to look at. If we want to talk of policyholder engagement, or of product innovation, we must realise that customer trust is critical. People need to be empowered, to understand their own risk appetite and what to buy. We believe educated, 'insurance literate' consumers can make better decisions."

Na Jia — CEO of ReMark

## 20 years

Mental illness can reduce life expectancy by up to 20 years

**Transformation** — François de Varenne, *Investments, Technology, Transformation and Group Corporate Finance at SCOR.*

# "SCOR is changing for the better"

## Why is SCOR transforming?

**FdV** — Continuing of what we've started in "Quantum Leap", and as the world is changing fast, we are accelerating our journey to simplify our operating model, empower our people to successfully embrace our vision, and foster operational excellence while delivering a stronger value proposition to our clients.

This transformation has six key objectives:

- to foster our culture
- to achieve business excellence
- to improve performance
- to develop new ways of working
- to drive operational excellence
- to promote technology and data.

## How will SCOR achieve this?

**FdV** — We will achieve these objectives thanks to a pragmatic approach in design and implementation, putting our talents in the driver's seat and making sure to preserve business continuity along the entire transformation journey.

This is a unique opportunity to reinvent ourselves and enhance our ways of working. Transparency and the empowerment of SCOR leaders and teams will be key to our success. Transformation is not about disrupting everything. We need to be consistent with our business activity and conserve our unique strengths, but simplification, digitalization, frugality, and operational excellence and efficiencies will be major drivers of improvement.

## What opportunities do you foresee?

**FdV** — Behind every transformation lies an opportunity! This is an opportunity for our P&C and L&H businesses to focus on underwriting and client servicing, to leverage technology and data to fuel innovation, and to focus on high value-added tasks.

It is also an opportunity to grow our talent, to unleash the full capacity and energy of our people. Working better together will make us stronger.

As the person in charge of the transformation of the Group, I couldn't be more excited about the challenge ahead. It is an epic moment and one that we embrace with great enthusiasm. ☺



"This is a unique opportunity to reinvent ourselves and enhance our ways of working. Transparency and the empowerment of SCOR leaders and teams will be key to our success."

**Investments** — *Considering impacts from the inside out and outside in*

## Assessing full value

*In 2020, SCOR Investment Partners embarked on a journey with a clear objective: to establish a holistic methodology that would go beyond the traditional financial value of its portfolio to assess the full value – financial and extra-financial – of each financed asset in private credit markets. In December 2021, it launched a revamped flagship corporate loans fund: SCOR Sustainable Euro Loans. —*

**In 2020, when the SCOR Sustainable Euro Loans journey began**, there were very few environmental, social and corporate governance (ESG) methodologies for corporate loans in existence,” says Rémy Chupin, Head of Corporate Loans. The investment universe in this asset class is mainly composed of private companies whose asset manager invests through debt. This has two consequences: first, there is very low coverage of the investment universe – around 5% – by extra-financial rating agencies; and second, engaging with these companies is very difficult, as the asset manager is not a shareholder. “Our approach was to develop an internal methodology that would cover 100% of our portfolio in terms of extra-financial metrics, and to incentivize companies to share their key performance indicators even if SCOR Investment Partners was only a debt holder,” Chupin continues.

### Methodology

— In order to cover its entire portfolio, SCOR Investment Partners adopted a well-known methodology developed by the Sustainability Accounting Standard Board. Its teams adapted the methodology to the corporate loans universe including, among others, the double-materiality impact of the portfolio. “We felt that it was important to assess both the companies’ externalities (called the “inside-out” materiality) and the risks they would face as a result of climate or social changes (called the “outside-in” materiality),” says Guillaume Levannier, Sustainable Investment Officer.

Before each investment, SCOR Investment Partners’ teams assess the investee’s sustainability through a sector-specific questionnaire. This analysis leads to an ESG-rating of the investee, based on four main pillars: the ESG rating of the countries in which the company operates; the ESG rating of the operations of the company; the ESG rating of the products sold by the company; and the potential controversies the company faces. Once it has the final ESG ratings for the investees, the team can build the portfolio, excluding low ESG-rated companies. “We ensure that the average ESG rating of the entire port-

folio is higher than the average ESG rating of the top 80% of the investment universe,” adds Guillaume Levannier.

An engagement process with investees follows the rating and selection process. SCOR Investment Partners engages in dialogue with the management of every investee that it classifies as a “laggard” in terms of ESG disclosure and metrics. After receiving feedback, it:

- shares best practices in terms of corporate social responsibility and sustainable products and informs the company of its rating and the valuation of its sector, in terms of ESG indicators;
- promotes sustainable principles, such as biodiversity conservation and appropriate transition paths.

This new engagement is now part of the investment process for each company and influences the fund’s asset allocation.

While favoring companies with best-in-class sustainable strategies, this helps investees that do not fulfill all ESG metrics to improve. Thanks to this strategy, SCOR Sustainable Euro Loans was awarded the LuxFLAG ESG label, a tool that certifies the ESG credentials of investment products. As of December 31, 2021, the fund had EUR 525 million of assets under management. ☉



“SCOR Investment Partners recognizes the need for more sustainable finance to genuinely improve the sustainability of investments. We work daily to contribute to this objective.”

**Fabrice Rossary** — *Chief Executive Officer, SCOR Investment Partners*

## 2.3%

2021 return on invested assets

## 7.5%

of the investment portfolio is in green assets



## 18 km

of immersed tube  
will make this the world's  
longest road  
and rail tunnel

**The finished underwater tunnel will connect the Danish island of Lolland with the German island of Fehmarn.** Comprising two vehicle traffic lanes and an emergency lane in each direction, as well as two railway tracks, it will shorten the travel time between Lolland and Fehmarn from 45 minutes by ferry to just 10 minutes by car and seven minutes by train.

# One Vision

*SCOR's expertise and years of experience in construction megaprojects bring valuable resources to high-priority projects, helping to ensure that they are brought to a successful conclusion. —*



**Building for impact #3** — *The Fehmarn Belt Fixed Link Project*

# Keeping people connected

*In today's world, infrastructure plays a key role in keeping people connected. Since SCOR was founded in 1970, the company's portfolio has included important infrastructure megaprojects. SCOR's expertise and experience in underwriting and liability on these projects were instrumental in winning the role of lead insurer for the Fehmarn Belt Fixed Link Project in Northern Europe. —*

**W**ith a budget of close to **EUR 5.5 billion**, the Fehmarn Belt Fixed Link Project will connect the cities of Stockholm and Copenhagen, on the one hand, with Hamburg and Berlin on the other. Slated to be the largest infrastructure project in Europe, the tunnel is a priority for the Danish government as well as for the EU, where it is expected to have 5% rate of return.

Seen as the missing link in the Central European corridor, this immersed tunnel will cross the 18-kilometer-wide Fehmarn Belt in the Baltic Sea with four lanes of road traffic, two emergency lanes and two railway tracks. By connecting the Danish Island of Lolland with the German Island of Fehmarn, it represents the final leg of a “green” traffic corridor that will boost transport using electric trains. New road and railway sections on either side of the tunnel will complete the network in a project that is expected to take, all told, eight and a half years.

## **Benefits on many fronts**

— For the commuter, the project will remove a major traffic bottleneck, eliminating the need to load cars and trains onto ferries. As part of the project, the Danish railway from Ringsted to Rødbyhavn will be substantially upgraded with modern electric trains running to and from the tunnel, at speeds of up to 200 km per hour. All this means that commuters can look forward to significantly shorter travel times. The immersed tunnel's independence from the strong crosswinds that characterize the area is another key advantage.

The Fehmarn Belt Fixed Link is also an important part of Europe's sustainable transport network of the future. By enabling traffic to use the shortest and fastest route, it will reduce CO<sub>2</sub> emissions and free up capacity on roads and railways. The transport of freight using environmentally friendly electric trains in lieu of trucks will support the transition to greener transport. Furthermore, the material dredged for the laying of the tunnel will be used to create a new recreational nature reserve.

“SCOR is a recognized leader on large infrastructure projects around the world. Our underwriters have extensive experience in planning, design and construction. Their solid technical engineering backgrounds, combined with in-depth knowledge of insurance techniques for large corporate risks, enable us to deliver tailor-made solutions.”

**Isabelle Kowalski,**  
Global Head Construction, Specialty Insurance



The construction of the Fehmarn Belt Fixed Link will create several thousand jobs at the tunnel fabrication site, located at the specially created working harbor near the Danish town of Rødbyhavn, and sub-contractors will generate additional employment. In addition, the contractors have committed to at least 500 full-time apprenticeships.

### Meeting risk head on

— SCOR’s all risk insurance (CAR) for the Fehmarn Belt Fixed Link Project includes cover for the casting yards where the immersed tubes will be produced, as well as for the complicated process of floating out the units and positioning them underwater. A 2,500-meter-long breakwater has been built to protect the two million square meters of working harbor against the waves of the Fehmarn Belt strait.

SCOR’s CAR cover also comprises risk management, including the assignment of a risk-control engineer to visit the site and review the risk mitigation procedures. Taking on such a project requires dedicated teams, carefully planned processes and risk registers that reflect the main threats to which the project is exposed. These include contractual and financial risks, as well as those that can affect the quality and duration of the construction work. Lessons learned from previous projects will provide important input. ☪

## €5.5 bn

the approximate cost of the Fehmarn Belt Fixed Link Project

### Advantages all round

The project has numerous advantages for investors, society and the environment, including:

- 5% rate of return
- greener transport
- eased bottlenecks
- reduced travel time
- independence from weather conditions
- jobs and apprenticeships.

**Interview — Tim Chapman, EMEA Head of Construction, Specialty Insurance**

## “Taking the lead on a high-priority megaproject”

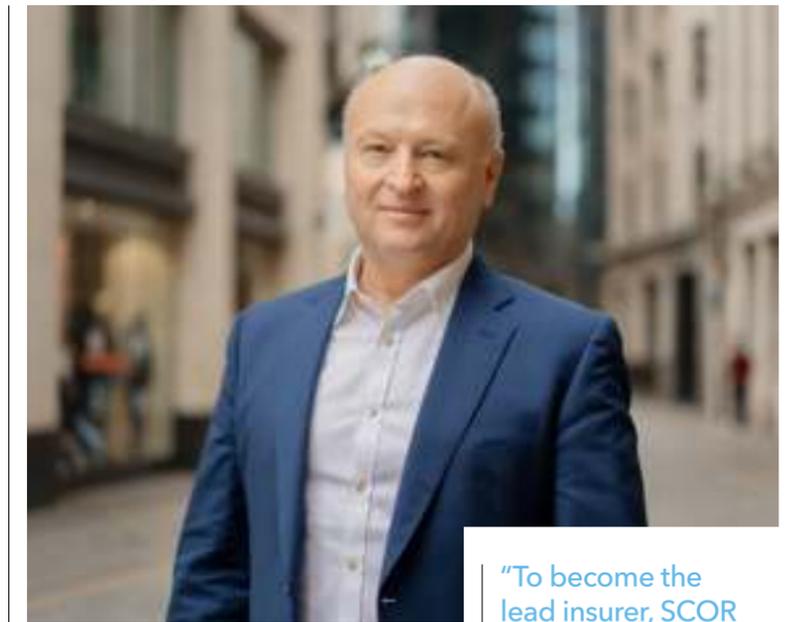
### Why is the Fehmarn Belt Project one of the most important construction projects in Europe?

— This huge construction project has a budget of more than EUR 5 billion. It will provide a communication corridor between Germany and Denmark thanks to a car and rail tunnel that will be, when complete, the longest road and rail tunnel in the world. The tunnel is about five times the size of the Øresund Link between Denmark and Sweden, currently the longest immersed concrete tunnel in the world.

### What are the challenges involved in the construction of the tunnel?

— This tunnel is immersed (versus bored). Immersion is commonly used for tunnels that cross relatively shallow waters. It involves dredging a trench across the seafloor, laying a foundation bed of sand or gravel, and then lowering precast concrete tunnel sections into the excavation and covering it with a protective layer of backfill several meters thick. The Fehmarn Belt Trench is 35 meters deep at its deepest point and the tunnel sections will be about 10 meters high, so the dredging barges need to reach depths of over 45 meters.

The installation of the precast tubes is also a major challenge. Each unit must be floated out to the site and sunk into position with an accuracy of a few centimeters. Can you imagine floating out these 225-meter-long units that are each the size of a small container ship but are not at all designed as boats? They have to be balanced precisely and the tow done in such a way that they don’t sink. Winter storms and gales are major threats. During the laying of the tunnel, there’s the risk of flooding, of failure of joints and bulkheads, and of fires in the tunnel during fit-out.



### How does SCOR manage these risks?

— We set up a risk management program, contracting risk control engineers to examine the risks and how they’re being handled. In the casting yard and control buildings they look at fire exposure. They conduct quality control on the fabrication of the huge concrete units. A marine warranty surveyor examines the methods proposed for the tow – how it will be controlled. Strict go/no-go procedures are established to limit the risks. ☪

Barges dredging the tunnel will reach depths of over

## 45 meters

“To become the lead insurer, SCOR went through the Official Journal of the European Union Process. They scrutinize your overall offering, looking not only at pricing, but also at security ratings and the technical ability of the team – underwriters as well as claims – and at your risk management processes. Winning was a real endorsement of SCOR’s capacity.”

2021 Highlights — *Reflecting and reacting*

# Leadership

## Laurent Rousseau succeeds Denis Kessler as SCOR's CEO

**MAY** • The SCOR Board of Directors acknowledges Denis Kessler's decision to step down as Chief Executive Officer at the end of his term of office on June 30, 2021. The Board also decides to separate the roles of Chairman of the Board and Chief Executive Officer, one year earlier than initially planned, unanimously inviting Denis Kessler to remain as Chairman of the Board of Directors.

## SCOR and Covéa: Restoring trust

**JUNE** • The Boards of Directors of Covéa and SCOR approve a settlement agreement and pledge to restore a relationship of trust and mutual support based on professionalism, in keeping with their respective independence. The binding agreement between these two major players in the (re)insurance industry creates the conditions for a mutually beneficial relationship over the long term that is expected to benefit both parties, their stakeholders, and more generally the insurance sector in France.

## Recognizing talent: SCOR announces internal promotions

**SEPTEMBER** • SCOR announces changes to its Group Executive Committee. Proposed by Laurent Rousseau to recognize the Group's deep bench of talent and contribute to its transformation and sustainability, the promotions are supported by the Board's Nomination Committee and are unanimously approved by the Board.

## Financial Strength

### SCOR welcomes positive ratings

**APRIL** • Moody confirms SCOR's Insurance Financial Strength Rating of "Aa3" and raises its outlook to "stable."

**APRIL** • Fitch affirms SCOR's Financial Strength Rating of "AA-" and maintains the outlook at "stable."

# Health

## Vitae: An innovative risk calculator tackles pre-existing conditions

**JANUARY** • For healthy customers, the life insurance underwriting process is simple and straightforward, but for people with pre-existing conditions it can be complicated. Underwriters examine their cases in depth, often applying higher and sometimes excessive rates or even refusing cover. Vitae, SCOR's latest digital innovation, cuts through complexity by automating the

risk assessment process. This biometric risk calculator is based on the latest advances in medical research and employs innovative machine learning techniques. Automation enables faster and more accurate risk assessment, taking into account a wider array of medical factors while simplifying the underwriting process. All this results in a better experience - and better solutions - for the end customer.

# Environment

## Only the best: SCOR zeroes in on carbon reduction

**APRIL** • To deliver on its pledge to achieve a carbon-neutral portfolio by 2050, SCOR announces a 27% reduction in the carbon intensity of its corporate bonds and listed equities by 2025 compared to end of 2019. This science-based interim target is aligned with the Inaugural 2025 Target Setting Protocol developed by the Net-Zero Asset Owner Alliance. To ensure effective impact on the real economy, SCOR will select best-in-class companies in high-emitting sectors, regularly disclosing its progress in full transparency.

## Biodiversity loss: Understanding and managing the risks

**MAY** • In partnership with the Muséum National d'Histoire Naturelle, the SCOR Corporate Foundation for Science publishes "Biodiversity and Re/insurance: An Ecosystem at Risk." The publication reviews scientific evidence on the links between human activity and biodiversity, investigating the extent to which (re)insurance activities impact biodiversity. It examines the risks of biodiversity loss for future human activities and explores opportunities for supporting biodiversity, as well as their potential benefits. The findings will contribute to SCOR's understanding of the risks of biodiversity loss, as well as to an integrated approach to managing them.

## The Net-Zero Insurance Alliance: Phasing out greenhouse gasses

**JULY** • SCOR, together with seven of the world's leading insurers and reinsurers, announces the launch of the Net-Zero Insurance Alliance (NZIA). As a founding signatory, the Group commits to transitioning all operational and attributable greenhouse gas emissions from its insurance and reinsurance underwriting portfolios to net-zero by 2050. SCOR also agrees to support the implementation, within the insurance industry, of corporate disclosure frameworks and global policy frameworks relevant to the net-zero transition, while helping its clients create their own transition pathways to net-zero emissions business models.

## Excellence

### Combining the Art & Science of Risk to protect societies

**JUNE** • At the SCOR General Shareholders' Meeting, the Group decides to take its Mission Statement one step further by adopting a *raison d'être*. Approved by the Board of Directors, this *raison d'être* reaffirms SCOR's singularity, its role in society and the values that guide its daily actions and long-term commitments.



Expert insights — Looking at 2021

# Lessons from the Ever Given

*On March 23, 2021, the ultra-large container ship Ever Given entered the Suez Canal to make a crossing that would normally take anywhere between 11 and 16 hours. Instead, it caused a bottleneck, with supply chain delays that continued to be felt months after the incident. —*

**R**eported by media across the globe, the Ever Given incident triggered a worldwide crisis with global consequences. It demonstrated how a major strategic axis for world trade and navigation can become a chokepoint. “Supply-chain disruption is an important, direct consequence of the Ever Given Incident,” says Gregory Delaisse, Global Head of Marine & Transport for Specialty Insurance at SCOR.

Shipping is a complex industry, employing millions of people around the world and representing the backbone of international trade and commerce. At some time in their production and distribution, 90% of all consumer goods transit by sea, be it as raw materials, components, or finished products. Some products require many steps in their manufacturing and thus make it around the world several times before reaching the consumer. “The grounding of the giant Ever Given has shown the world the hidden reality of our economic system,” says Sylvain Gauden, Chief Underwriting Officer for Marine and Energy Reinsurance at SCOR.

**Gregory Delaisse,**  
Global Head of Marine &  
Transport, Specialty  
Insurance

## The canal

— The Suez Canal is the largest man-made canal in the world, built by Ferdinand de Lesseps two centuries ago. A unique and impressive structure almost 200 km long, it crosses Egypt from north to south linking Europe and Asia, the Red Sea and the Mediterranean Sea. An average of 52 ships pass through the Suez Canal every day, carrying hundreds of thousands of containers and millions of tons of cargo. At 20 knots, it takes one of these vessels a few weeks to circumnavigate the globe. Chartering a ship can cost as much as USD 100,000 per day. Each of the 15-20,000 containers they carry is expected by someone, and time is of the essence. Some of those goods are perishable, others are not.

“As (re)insurers we need to measure our potential exposures,” says Gregory Delaisse. “Container vessels are getting bigger, yet at the same time, there is a shortage of containers. This is leading some shippers to move cargo in inadequate, bulk carriers.” The change in storage conditions is a big issue for underwriters, as it can invalidate the cover provided.

## The incident

— “By now,” continues Sylvain Gauden, “we all pretty much know what happened.” A sandstorm, poor visibility, a strong south wind and some miscommunication combined to make the Ever Given accelerate in the narrow channel, rendering it un-maneuverable. The ship slipped from one side to the other, finally lodging sideways across the canal and blocking the route.

Every day that the Ever Given blocked the canal, dozens of ships carrying billions of dollars’ worth of cargo were blocked from crossing the waterway. As many as 400 ships were blocked in total. It took six days and an intensive international rescue operation to release the vessel. Many shipping companies were considering – and even embarking on – an alternate route via the Cape of Good Hope, despite the implications of this lengthy, and costly, diversion. Nonetheless, many argue, it could have been much worse. No one was injured or killed, and the ship could have been grounded for much longer.



**“The big lesson is that some sand and wind can potentially cause a tragedy of global proportions. This demonstrates the fragility of our economic and social models.”**

**Sylvain Gauden,**  
Chief Underwriting Officer,  
Marine and Energy,  
Reinsurance

**90%**  
of all consumer goods  
transit by sea

## The consequences

— In the Ever Given incident, matters are complicated by the fact that the parties involved – the shipowner, the charterer, the owners of the goods, even the Suez Canal – have insurance policies originating from all over the world. All seek to recover at least some of their losses. The claims include physical damage (to the Ever Given), loss of revenue (on the part of the Suez Canal Authority), the cost of the salvage operations and business interruption (for owners and charterers of the blocked vessels), loss of perishables and cargo delays, as well as damage to the canal itself – and these are just some of the claims that will need to be considered.

“Understanding the consequences of such an event means taking a holistic view,” concludes Sylvain Gauden. “Who are the stakeholders? Which insurance policies can respond? What is their exposure? How much is this going to cost? All branches of marine insurance are concerned, and the interests are multiple and sometimes divergent.”

It will take many years to settle the claims from the Ever Given and the process will include much debate about who is liable. The issue of responsibilities and applicable laws in today’s global maritime world is complex. Reinsurers will have to absorb the bulk of the claims, which could amount to more than USD 2 billion. ☉

Expert insights — Looking at 2021

# Long-term risks of Covid-19

*More than two years into the Covid-19 pandemic, medical science has delivered many solutions and revealed a breadth of new information on the SARS-CoV-2 virus. However, many questions remain unanswered and new ones continue to emerge. Primary among these is: What are the long-term effects? —*

**W**hile acute illness from Covid-19 has by no means been eradicated, application of the

scientific method, evidence-based medicine and randomized controlled trials have led to great advances. Vaccines have been created in a surprisingly short time – which has eased the threat among the vaccinated population – improved techniques for ventilation have been developed, and therapeutics have been repurposed. Yet as the pathogen continues to evolve and mutate into variants, another pressing question remains: How do we deal with the long-term effects of Covid-19?

## What is “Long Covid”?

— “There is no agreed-upon name for the symptoms that persist after an individual tests positive for SARS-CoV-2,” says Dr. Regina Rosace, VP and Medical Director in SCOR’s Life & Health business unit, “although ‘Long Covid’ is often used.” Likewise, there is no agreed length of time nor specific symptomatology to define this syndrome. Studies at-

tempting to measure or describe Post-Acute Sequelae of SARS CoV-2 infection (PASC) use time intervals that may vary anywhere from 3-4 weeks to more than 12 months post PCR test. Some studies do not even require a positive test, be it PCR, antigen or antibody; rather, they include patients who “think” they have had Covid-19.

Despite these and other difficulties, some information can be gleaned from the data. Those most affected by ongoing symptoms tend to have suffered more severe, acute illness, although mild illness is not completely excluded. The majority affected tend to be in the 35-69 age range, although not the entirety. The most common symptoms are fatigue, shortness of breath, loss of taste and/or smell, difficulty concentrating or brain fog, headaches, trouble sleeping and anxiety. Lingering effects may also include organ dysfunction, residual inflammation, neuropsychiatric symptoms, thrombosis with microangiopathy and the reactivation of another virus.

“All this begs another important question,” says Dr. Rosace: “Compared to what?” The long-term consequences of a Covid-19 infection may depend greatly on the individual’s baseline health, and several groups are attempting to discover a predictor of PASC or a root cause for developing it.

Then there is the question of what to study. Some look at the presence of autoantibodies or of SARS-Cov-2 in the bloodstream, while others look at Epstein-Barr virus reactivation and type 2 diabetes mellitus. Some concentrate on brain fog versus pre-existing cognitive risk factors. Still others examine stool samples and gut microbiota composition over time – certain gut bacteria are known to participate in the regulation of immunology and inflammation.

Most likely, a combination of these mechanisms is behind PASC. Eventually, several different syndromes and mechanisms may be identified, rather than one illness called PASC.

## The way forward

— “The journey to discover the origins, causes and solutions to the many faces of PASC will not be simple,” emphasizes Dr. Rosace. “The comorbidities of the study group, the existence of a previous or a recurrent infection, or the controls, may greatly affect results, as may the individual’s vaccination status or the length of time since vaccination. Patients diagnosed in early 2020 with Covid-19 may find answers that don’t apply to those with newer strains of SARS-CoV-2, including Omicron. More and more often, people who start the trials without evidence of SARS-CoV-2 infection may later acquire the illness, either with symptoms or without. The determination of which particular variant the individual was infected with may also make it very difficult to generalize among regions or countries.”

Medical professionals are actively sharing knowledge on Covid-19 and its pathophysiology, epidemiology, treatment, and prognosis. The health (re)insurance industry needs to be part of this knowledge exchange in order to provide solutions that correspond to patients’ needs. Covid-19’s multiple potential impacts on the health of a patient present underwriters with challenges far beyond those previously faced in the industry. In addition, its far-reaching macro consequences extend beyond the virus itself – to healthcare services, the economy, lifestyles, occupations, and freedom of movement, just to name a few. All these factors must be taken into consideration for the continuing application of sound and fair underwriting decisions. ☺

*“At SCOR we continue to share our expertise and knowledge, advising our clients on underwriting and morbidity linked to Covid-19 as we work to understand its potential outcomes.”*

**Regina Rosace, MD** —  
VP and Medical Director



**Interview** — Ian Kelly, Group Chief Financial Officer

# "A strong franchise"

## What is your overall assessment of SCOR's performance in 2021?

— As you know, 2021 was a challenging year for the industry, dominated by Covid-19 as well as a series of large natural catastrophes, specifically floods in Europe and Hurricane Ida in the United States. Worth noting as well was the changing macroeconomic environment, with rising inflation and the prospect of increasing interest rates. In this context I am very happy with SCOR's performance last year.

We remain a very well capitalized group: our solvency ratio, at 226%, is actually stronger than it was a year ago.

Our profitability has significantly improved, as you can see from the EUR 456 million net income combined with the return on equity of 7.2%. We continue to successfully develop our franchise and our rebalancing towards P&C business. Group gross written premiums stand at EUR 17.6 billion, up 9.8% compared to 2020. This was driven by P&C business (up 16.7% at constant FX), and steady Life growth (up 3.6% at constant FX), with continued franchise expansion in all regions, particularly in Asia.

In P&C, we published a combined ratio of 100.6% in 2021, which was heavily impacted by a higher than budgeted CAT load of 12.8%, mainly driven by the European floods, the U.S. severe winter storm and Hurricane Ida.

The underlying performance remains strong, benefiting from management actions implemented in 2020 and 2021.

On the life & health side, excluding Covid-19 claims and the one-off impact of the life in-force retrocession transaction, the revised "Quantum Leap" range of ~8.2-8.4% for the technical margin was exceeded.

## What are the main actions you foresee for the future?

— Unfortunately, we were not able to unveil our new strategy on March 29 due to the terrible events that are currently taking place in Ukraine; we will communicate it when the timing is more appropriate. This strategy will be built on the commitments made in 2021. We will continue to reduce the volatility of our underlying business by reducing the weight of CAT and U.S. mortality in our business mix. The GWP mix obtained at the January 1 renewals demonstrates the implementation of this strategy. In the meantime, we will continue to focus on growing our book profitably, focusing on specific geographies such as Asia and product lines such as Specialty. As we implement this strategy, we will also focus on improving efficiencies within the Group. We are working towards a target operating model that will enable us to better service our clients and to deliver stronger margins for our business.

## When will the new strategy be launched?

— We will communicate the new strategy in two stages. Before the summer, we will provide an update on the "Quantum Leap" actions we have continued to execute in 2022, delivering on the commitments we made. At the same time, we will present SCOR's strategic priorities, how we see the environment evolving, and the opportunities for business initiatives and operational efficiencies. We will also look at the future IFRS 17 value creation framework. On November 9, together with our Q3 results, we will provide further detail on our new Strategic Plan under IFRS 17, as well as an update on where we stand in the implementation of SCOR's transformation roadmap. ☘

"2021 was a challenging year for the industry, dominated by Covid-19 as well as a series of large natural catastrophes, specifically floods in Europe and Hurricane Ida in the United States."



Watch the video interview with Ian Kelly:  
[scor.com/en/videos](https://scor.com/en/videos)



Financial performance — Robust, resilient, on target

# Amid challenges, SCOR remains strong

2021 was marked by the continuation of the Covid-19 pandemic, with the emergence of new variants and the prolongation of government policies introduced to prevent the virus from spreading. For the fifth year in a row, a high frequency of natural catastrophes was also observed. At the same time, the rise of inflation across Europe and the United States increased the pressure on central banks to raise interest rates. —

**I**n this challenging context, SCOR continued to honor all its commitments to its clients and to demonstrate its shock-absorbing capacity. The Group is very well capitalized, with a 226% solvency ratio. Profitability has significantly improved, with a net income of EUR 456 million, resulting in a return on equity of 7.2%. These solid results were achieved against a backdrop of heavy CAT activity (EUR 838 million of claims net of retrocession and before tax) and the ongoing impact of Covid-19 (EUR 575 million net of retrocession and before tax for the Group for 2021 alone).

The prospect of a more favorable future environment should enable SCOR to successfully pursue the implementation of its “Quantum Leap” strategic plan, extended until December 31, 2022, and to look ahead with new ambitions. The Group will continue to build on its global platform and expertise to seize market opportunities by leveraging its strong Tier 1 credentials based on the consistent execution of a clear and proven strategy, a recognized lead position in the market with a high-quality franchise, a very strong financial profile, and established technical expertise. ●

Standard & Poor's	AA- / negative outlook
Moody's	Aa3 / stable outlook
Fitch Ratings	AA- / stable outlook
AM Best	A+ / stable outlook

**€17.6 bn**

gross written premiums

**7.2%**

return on equity

**€456 m**

net income

**10.3%**

Life technical margin

**2.3%**

return on invested assets

**226%**

year-end 2021 solvency ratio

**100.6%**

net combined ratio

**€6.4 bn**

shareholder equity

**€51.5 bn**

balance sheet

## Solid operating cash flows enabling attractive capital return

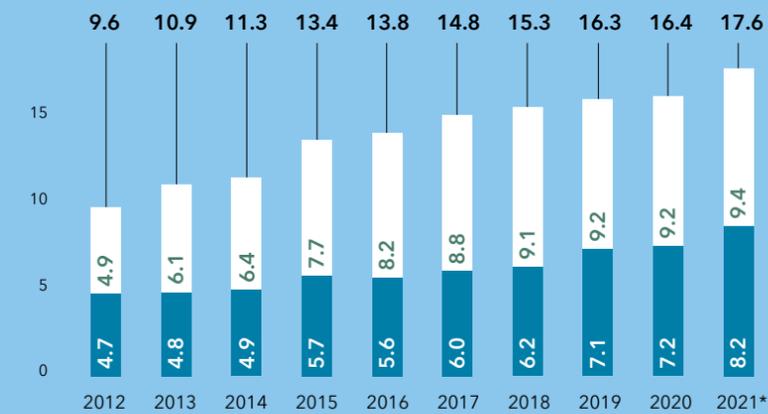
- Dividend per share (in EUR)
- ..... Life in-force transaction (in EUR millions)
- Group operating cash flows (in EUR millions)



\* 2021 dividend subject to approval of the 2022 shareholders' Annual General Meeting, pursuant to the decision of the Board of Directors at its meeting of February 23, 2022, to adopt the Group's accounts and consolidated financial statements as of December 31, 2021

## Evolution of gross written premiums since 2012

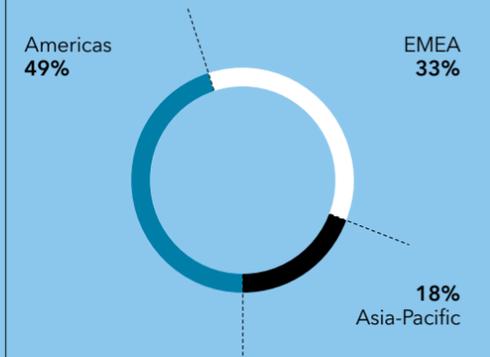
- Life & Health (in billion EUR)
- P&C (in billion EUR)



\*Proforma

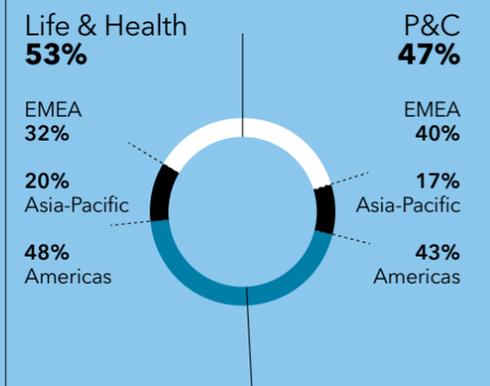
## Geographical split in 2021

(gross written premiums)



## A well-diversified Group in 2021

(gross written premiums)



Extra-financial performance — *Committing to a sustainable tomorrow*

# Responsible, sustainable, engaged

*SCOR firmly believes that the (re)insurance industry has a leading role to play in sustainable and responsible development. At the 2021 SCOR Shareholders' Meeting, the Group confirmed its raison d'être: Combining the Art and Science of Risk to protect societies. —*

## Responsible Business

### 30%

reduction of carbon footprint per employee since 2014

### 64%

of SCOR's office buildings are certified green

### 80%

of SCOR P&C transactions were paperless in 2021

### 67%

of electricity in SCOR offices is renewable energy

## A solid commitment to climate

— Shielding people and property from natural catastrophes and encouraging sustainable development are integral parts of SCOR's mission. This is particularly important in today's context of intensified climate risk and increasingly frequent extreme events.

SCOR's longstanding commitment to combating climate change is based on a holistic and integrated approach: developing models to assess risks, following strict underwriting and investment policies, promoting the energy transition and the adoption of low-carbon technologies, supporting research and science, and stimulating public-private partnerships.

As a top-tier life & health reinsurer, SCOR contributes to exploring the effect of climate change on the wellbeing, health and mortality of populations, as well as its potential impact on the risk of global pandemics.

## Green Investment

### 7.5%

of the investment portfolio is in green assets

### 49%

of green investments are in direct real estate

### 28%

of green investments are in green bonds

## ESG Ratings

• MSCI:	<b>BBB</b>
• S&P ESG score:	<b>59 / 100</b>
• CDP:	<b>C</b>
• Vigeo ESG overall score:	<b>58 / 100</b>

## A carbon-neutral portfolio

— Committed to making its investment portfolio carbon-neutral by 2050, SCOR has accelerated its withdrawal from coal assets and aims to divest totally from companies generating part of their revenue from thermal coal – by 2030 in OECD and EU countries and by 2040 in the rest of the world. Moreover, SCOR refrains from investing in companies developing new coal-related projects (mines, plants, power stations or infrastructure).

In July 2021, the Group joined with leading insurers and reinsurers to launch the pioneering Net-Zero Insurance Alliance, a United Nations-convened coalition aimed at transitioning members' underwriting portfolios to net-zero greenhouse gas emissions by 2050.

## Responsibility for a sustainable future

— SCOR continually examines its business to ensure that its actions contribute to – and do not detract from – a more sustainable future. The Group carefully monitors its own environmental and carbon footprint. In 2021, SCOR met its pledge to reduce per-employee carbon intensity by 30% (compared to 2014).

SCOR's efforts to make its business portfolio and operations increasingly sustainable are demonstrated by its environmental, social and governance (ESG) ratings. 🌱

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**e-accessibility®**

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**Forward-looking statements****General**

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

**Forward-looking statements**

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

No guarantee can be given regarding the achievement of these forward-looking statements and information. Forward-looking statements and information and information about objectives may be impacted by known or unknown risks, identified or unidentified uncertainties and other factors that may significantly alter the future results, performance and accomplishments planned or expected by SCOR.

In particular, it should be noted that the full impact of the Covid-19 crisis on SCOR's business and results cannot be accurately assessed, in particular given the uncertainty related to the evolution of the pandemic, to its effects on health and on the economy, and to the possible effects of future governmental actions or legal developments in this context.

**Therefore:**

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

Information regarding risks and uncertainties that may affect SCOR's business is set forth in the 2020 Universal Registration Document filed on March 3, 2022, under number D.22-0067 with the French Autorité des marchés financiers (AMF) and in the SCOR SE interim financial report for the six months ended June 30, 2021 posted on SCOR's website [www.scor.com](http://www.scor.com).

In addition, such forward-looking statements are not "profit forecasts" within the meaning of Article 1 of Commission Delegated Regulation (EU) 2019/980. SCOR does not undertake any obligation to publish changes or updates regarding these forward-looking statements and information.

**Financial information**

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

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

The calculation of financial ratios (such as book value per share, return on investments, return on invested assets, Group cost ratio, return on equity, net combined ratio and life technical margin) is detailed in the Appendices of the Q4 2021 presentation (see page 19).

The financial results for the full year 2021 included in the presentation have been audited by SCOR's statutory auditors. Unless otherwise specified, all figures are presented in Euros. Any figures for a period subsequent to December 31, 2021 should not be taken as a forecast of the expected financials for these periods.

The solvency ratio is not audited by the Company's statutory auditors. The Group solvency final results are to be filed to supervisory authorities by May 2022 and may differ from the estimates expressed or implied in this report.

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# SCOR around the world

**EMEA\***: Belgium / France / Germany / Ireland / Italy / Russia / South Africa / Spain / Sweden / Switzerland / United Kingdom / **Americas**: Argentina / Brazil / Canada / Chile / Colombia / Mexico / United States / **Asia-Pacific**: Australia / China / Hong Kong / India / Japan / Malaysia / Singapore / South Korea / Taiwan

\*Europe, Middle East, Africa



To learn more about  
SCOR's strategy, goals,  
commitments  
and markets, visit our  
website.

**[www.scor.com](http://www.scor.com)**

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