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French version shall prevail

REPORT OF THE BOARD OF DIRECORS
OF SCOR SE
ON THE DRAFT RESOLUTIONS SUBMITTED
TO THE EXTRAORDINARY GENERAL SHAREHOLDERS'MEETING
OF DECEMBER 18, 2015

(ARTICLE R.225-83, 4° OF THE FRENCH COMMERCIAL CODE)

Dear Shareholders,

You have been convened to attend this Extraordinary General Meeting in order to ask you to vote on a new authorization to be granted to the Board of Directors in order to freely allocate existing ordinary shares of the Company to the salaried employees of the SCOR Group and its executive directors (*dirigeants-mandataires sociaux*). This new authorization results from a profound reorganization of the legal, tax and social regime for free allocations of shares introduced by Law No. 2015-990 of August 6, 2015, for growth, business and equal economic opportunities (called the "Macron Law"). This new regime which is from a tax and employer's charges point of view more favorable is only applicable to the shares for which free allocation has been authorized by a decision of an extraordinary general meeting following the publication of the Law in the Official Journal, which took place on last August 7. The objective of this new authorization is to grant the Company and the employees of the SCOR Group the right to benefit from this new plan as of 2015. As for the Chairman and Chief Executive Officer, he will have to wait until 2016 in order to benefit from it. Subject to and as from your approval, this new authorization would render ineffective the authorization granted by your Combined General Meeting of April 30, 2015, with its twenty-fifth resolution, which has not yet, and would subsequently never be used.

The Board of Directors has drawn up this report to present you, the shareholders, with the resolutions upon which you will be asked to vote.

November 3, 2015

The Board of Directors

SCOR SE
Societas europaea
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In the context of the General Meeting convened for December 18, 2015, and voting on an extraordinary basis, after having provided you with the reports of the Board of Directors (the "**Board**") and of the statutory auditors (the "**Statutory Auditors"**) of SCOR, we hereby ask you to vote successively on the following resolutions, which we hope will gain your approval:

- Authorization granted to the Board of Directors in order to freely allocate existing ordinary shares of the Company to salaried employees and executive directors (*dirigeants-mandataires sociaux*);
- Powers of attorney to carry out formalities.

HUMAN RESOURCES POLICY

SCOR's human resources policy is based on the Group's corporate values.

These corporate values reflect the Group's commitment with regard to its main stakeholders, *i.e*., its shareholders, clients, employees and the society as a whole.

They include:

- profitability, related to transparency, coherence, responsibility and credibility;
- expertise, related to quality, confidence, innovation, commitment and integrity;
- operational excellence, related to fair competitive practices, mobility, leadership and the capacity to anticipate;
- responsibility, *i.e.*, equality of opportunity, diversity, respect, loyalty, professional training, partnership and team spirit;
- sustainability, *i.e.*, involvement, responsibility, sustainable development, scientific progress and openness.

SCOR’s human resources policy's main purpose is to support the implementation of the Group's strategic planning and in particular the current three-year *Optimal Dynamics* plan. This is of particular importance considering that human resource is a centerpiece in SCOR’s business model. Indeed:

- the number of employees in reinsurance companies is relatively low compared to premium volumes (in 2014 SCOR generated a turnover of over Euros 11.3 billion with just 2,450 employees), the contribution of each employee counts. This is why human resources management, and in particular remuneration policy is crucial;
- the cyclical nature of the reinsurance business leads to a fairly important gap between the moment when a decision is made (for example, risk pricing) and the actual financial consequences of such decision (profits or losses): it is very difficult to assess the impact of a decision, particularly in the short term; stock-based remuneration instruments allow the interests of our employees to be aligned with those of the shareholders in the long term;
- most reinsurance transactions require skills coming from several disciplines, especially, legal, technical, social, economic or others, and SCOR is composed of a group of specialists in the areas of risk pricing, finance, investment, risk management, information technology, actuarial science, control, etc. Teamwork (project development implying synergy skills) and reciprocal monitoring are essential. Risk management plays a key role; all employees are assigned each year to a specific goal as per risk management in their daily activities. SCOR's teams are made up, to a greater extent than within the average financial institutions, of highly qualified

specialists and experts whose presence and loyalty require the implementation of incentive programs, in particular free share allocation plans and *stock option* plans;

- the job market open to these specialists is relatively narrow and located in just a few sites worldwide, some of which are also particularly competitive job markets (New York, London, Zurich, Singapore, Hong Kong, etc.).

More specifically, in terms of compensation policy:

- SCOR takes an aggregate and global view of remuneration. For all the Group employees, remuneration follows a similar structure and consists of several aspects: a fixed and a variable part, one part paid immediately and another at a future date, one part on an individual basis and one on a collective basis. These factors include basic pay, annual bonuses and, as the case may be, shares and stock options and other benefits as applicable. Employees who have the status of "Partners"[1] (approximately one quarter of the total workforce) are more closely linked to the Group's success via allocations of shares and stock options.

- the Group's remuneration policy favors, for its “Partners”, the free allocation of shares and stock options over variable cash remuneration. Therefore, the part of the bonus paid in cash is significantly lower at SCOR than at most of its competitors, and this is off-set by the greater recourse made to allocations of shares and *stock options*. This policy is based on several considerations:

  - the willingness to achieve the best possible alignment between the interests of employees and those of the shareholders, both during the period used to measure performance conditions and beyond, by having employees holding SCOR shares in the long-term (rather than by the payment of cash bonuses);

  - the willingness to retain the Group's best performing employees. As at September 2015, employee *turnover* within the Group stood at 8.4% on an annualized basis, i.e., stable in comparison with 2014.

  - the willingness to achieve the best possible control of costs: in particular in France, since the entry in force of the "Macron Law", employer's charges and taxation are lower for free shares than for cash remunerations.

Each year, acting upon delegation of the General Shareholders' Meeting, the Board determines the interest, the quantum and the conditions for the free allocation of shares, and for the *stock options*. This process is prepared by the Compensation and Nomination Committee (composed of independent directors only, excluding the director representing employees), which suggests to the Board in advance the methods to be used for the allocation and the conditions governing the eligibility and exercise of the corresponding rights (in particular, any performance conditions applicable as well as the list of proposed beneficiaries) for the fiscal year in question and is kept informed, after the conclusion of the process, of all individual allocations of shares and options performed. In this respect, each year, your Board provides you with an account, in its special reports, of the allocations of options and shares performed over the course of any given fiscal year on the basis of the authorizations granted.

[1] The « Partners » comprise executive managers, managers, key experts ad high potentials identified as such within the Group.

DESCRIPTION OF THE RESOLUTION APPROVED BY THE COMBINED GENERAL MEETING OF APRIL 30, 2015,

During your last Combined General Meeting of April 30, 2015, you approved the 25th resolution setting the context for the authorizations required for the implementation of the free share allocation plans, it being stipulated in particular that:

- In comparison with the authorizations granted, in the previous years, more particularly in 2013 and 2014, the authorized volume has been reduced of 1,000,000 shares to amount to 3,000,000 free allocated shares. As a reminder, the volume of free allocated shares submitted for approval to the general assembly each year is calculated by taking into account the specificity of the Group's human resources policy (favoring the allocation of free shares, as well as the *stock options* rather than cash bonuses);

- the performance conditions applicable to the plans implemented on the basis of this authorization had been brought into perfect alignment with SCOR's strategic objectives, which are two-fold: profitability (1,000 basis points above the risk-free rate in the *Optimal Dynamics* plan) and solvency (an optimal solvency rate of between 185% and 220% in the *Optimal Dynamics* plan); and

- in line with the Company's traditional policy of neutralizing the potential dilutive impact that could result from employees' profit-sharing schemes, the resolution presented to you relating to the authorization of free share allocation plans approved by the Combined General Assembly of April 30, 2015 which limits the authorization to the allocation of existing shares only (without any further option to have recourse to the issuance of new shares in order to cover such plans).

This authorization has not been used as of today, and will never be if you approve the new resolution submitted to the General Meeting.

DESCRIPTION OF THE NEW RESOLUTION TO BE APPROVED BY THE SHAREHOLDERS

SCOR is committed to involving all of its stakeholders in the Group's success. The latter has therefore paid more than euros 1.7 billion in dividends to its shareholders since 2005, who also saw the share price increased from approximately 25 euros at the beginning of 2015 to over 34 euros as of the date of this report.

It is also essential for the Group, in accordance with its human resources policy, to be able to reward its employees for their performance in order to ensure a high level of motivation and guarantee that talented employees are retained within a dynamic and competitive sector i.e. the reinsurance industry.

Within this context, SCOR wishes to align with Law No. 2015-990 of August 6, 2015, for growth, business and equal economic opportunities (called the "Macron Law"), which has substantially revised the legal, tax and social regime of the free allocation of shares, and in particular when applied to French tax residents. This law provides for:

- the reduction from 30% to 20% of the employer's contribution, with a simplified base, and payment within the month following the share's effective delivery and not within the months following the free allocation of shares which will result in cash flow increase for the Company;

- the elimination of the 10% salary contribution on the acquisition gain;

- taxation on the acquisition gain of the shares allocated freely under the capital gains on the sale of shares regime and not on the wages and salaries, which allows the beneficiaries of the allocations to benefit from deductions for the holding period.

Said changes are favorable for both the employer and the employees.

However, this new mechanism is only applicable to the shares for which the free allocation has been authorized by a decision of an extraordinary general meeting following the publication of the law, which occurred on last August 7. The date of entry into force of this new law does not therefore enable us to apply it to the authorization that has been granted by your Combined General Meeting of April 30, 2015 in its twenty-fifth resolution.

Within this context, we ask you to reiterate the principle of the authorization granted on the occasion of your Combined General Meeting of April 30, 2015 in its twenty-fifth resolution (this authorization would be made ineffective by the new resolution, without being used), and in order to allow employees to benefit, as from 2015, of the regime introduced by the "Macron Law". This approach would allow SCOR to retain its employees and its talents in order to address future challenges and ensure the development of the Group and the achievement of its ambitions, while ensuring the interest of all the parties involved (shareholders, company, employees).

Moreover, the Chairman & CEO has asked the Compensation and Nomination Committee and the Board of Directors to exclude him this year from any free share attribution based on this new resolution. This request has been approved by the Board and is explicitly reflected in the draft resolution submitted to you.

Although the "Macron Law" now offers the possibility to put in place a vesting period for the shares of one (1) year, and to not impose any holding period (provided that the vesting period is of at least two (2) years), your Board has not wished to reduce to the same extent the vesting periods and holding periods authorized by your Combined General Meeting of 30 April, 2015 but rather proposes for the allocation of shares to become final at the end of a vesting period with a minimum duration of three (3) years, without a minimum holding period that your Meeting would decide to cancel.

In particular, the performance requirements attached to the shares will be evaluated during a minimum period of (3) years, and not two (2) years as it has been the case so far. This clearly shows SCOR's willingness to take into account its shareholders' wishes.

Furthermore, regarding the executive directors and the main executives of the Group, a portion of the allocation of shares will carry out in the form of a *Long Term Incentive Plan* ("**LTIP**"), which provides for an acquisition period as well as performance evaluation period of six (6) years.

We therefore propose that you renew your trust in the Company's remuneration policy by allowing as at 2015, the free allocations of shares to be subject to the provisions of the "Macron Law" under the conditions summarized above and set out in detail below.

For your information and in accordance with the law, the authorization set out in the resolution is subject to a special report by the Statutory Auditors.

Authorization to freely allocate existing ordinary shares of the Company to salaried employees and executive directors (*dirigeants-mandataires sociaux*) (1st resolution)

You, the shareholders, voting on an extraordinary basis in the context of the General Meeting, are being asked to authorize the Board, in accordance with the provisions of Article L. 225-197-1 *et seq*. of the French Commercial Code, to freely allocate existing ordinary shares, already issued and fully paid, in favor of salaried employees or certain salaried employees of the Company and of the Company's affiliated companies or entities within the meaning of Article L. 225-197-2 of the French Commercial Code as well as in favor of the executive directors (*mandataires sociaux*) referred to in Article L. 225-197-1-II of the French Commercial Code, except for the Chairman and Chief Executive Officer for the free allocations of shares decided in 2015 regarding the said resolution, under the following conditions:

- the total number of free ordinary shares, subject, as the case may be, to the fulfillment of the performance conditions to be established by the Board pursuant to a proposal from the Compensation and Nomination Committee, may not exceed three million (3,000,000);
- the Board would determine the identity of the beneficiaries, the number of ordinary shares to be allocated to each beneficiary, the rights and conditions attached to the conditional entitlement to receive ordinary shares (including in accordance, as applicable, with the attendance and performance conditions to be established by the Board of Directors pursuant to a proposal from the Compensation and Nomination Committee), it being specified in this respect that the allocations of ordinary shares for the benefit of the executive directors (*dirigeants-mandataires sociaux*) of the Company would be wholly subject, without restriction, to performance conditions and could not represent more than 10% of the ordinary shares thereby authorized;
- the allocation of ordinary shares to the beneficiaries would become final, for all or part of the ordinary shares allocated at the end of a vesting period of a minimum of three (3) years, without any minimum retention period which your Meeting would decide to cancel. From now onwards the performance requirements would be evaluated during a minimal three (3) year period;
- however, in the event of the beneficiary's disability, pursuant to the second or third categories defined by Article L. 341-4 of the French Social Security Code, the ordinary shares would be granted before the end of the vesting period and such shares would be immediately transferable.

We would like to draw your attention to the fact that the resolution being proposed upholds the decision of your last Combined General Meeting of April 30, 2015 to remove the flexibility that existed in previous years regarding the source of the freely allocated shares (new or existing shares). Therefore, the plans put in place on the basis of this new authorization could only be honored via the allocation of existing shares, taken from the treasury shares held by the Company and acquired by the latter in the context of its share buy-back program and not via the creation of new shares. Therefore, the free share allocation plans put in place within the Group would have no dilutive impact on the shareholders as a whole.

Moreover, as previously mentioned, the aforementioned resolution is not applicable in 2015 to the Chairman and Chief Executive Officer of the Company.

This authorization would be granted to the Board for a term of twenty-four (24) months starting from the date of the General Meeting, *i.e.* until December 18, 2017, and would render ineffective, as of the date of the approval of this resolution, the authorization granted by the Meeting of April 30, 2015 in its twenty-fifth resolution, an authorization that would thus never be used.

As required, please note that if this draft resolution were to be rejected, the authorization granted to the Board of Directors via the twenty-fifth resolution approved at the April 30, 2015 General Shareholders' Meeting would be implemented until the expiration of its initial term.

The resolution proposed to you does not change the performance conditions regarding the authorization granted at your Meeting of April 30, 2015, in its twenty-fifth resolution. In this regard, we wish to remind you that that the Board decided, in accordance with the recommendations made by the Compensation and Nomination Committee at its meeting of March 3, 2015, in line with investors' wishes, to bring the performance conditions perfectly into line with SCOR's strategic objectives, which are two-fold: profitability (i.e. 1,000 basis points above the risk-free rate in the *Optimal Dynamics* plan currently in place) and solvency (i.e. an optimal solvency ratio between 185% and 220% in the *Optimal Dynamics* plan currently in place). Therefore, the potential final allocation of any shares granted would be subject, if applicable and for all or part of the shares allocated as applicable[2], in addition to the fulfillment of the condition regarding compliance with the Code of Conduct detailed below (clawback

[2] The performance conditions are applicable to (i) 100% of the shares allocated in favor of the Chairman and Chief Executive Officer, the Executive Global Partners (including COMEX members) and the Senior Global Partners (in total, around 84 individuals in 2015) and to (ii) at least 50% of the shares allocated in favor of the Associate Partners and the Global Partners (in total, around 668 individuals in 2015).

policy), to the fulfillment over a period used to measure performance conditions of between 3 and 6 years, depending on the plan, of the following conditions:

- For 50% of the allocation[3]:

  The achievement over the period used to measure the performance conditions, of a level of average return on equity ("**ROE**") equal to the average of the Company's strategic target ROE for the period (the "**Target ROE**").

  If the average ROE observed were to be below or above Target ROE, the shares would be definitely granted to their beneficiaries in accordance with the sliding scale described in the chart below:

Ratio between the average ROE observed and the Target ROE	Portion of the allocation definitely granted pursuant to this criterion
From 125%	150%
Between 120% and 124.99%	140%
Between 110% and 119.99%	120%
Between 100% and 109.99%	**100%**
Between 80% and 99.99%	90%
Between 70% and 79.99%	70%
Between 60% and 69.99%	50%
Between 50% and 59.99%	25%
Below 50%	**0%**

- For the remaining 50%[4]:

  The achievement, during the course of the period used to measure the performance criteria, of an average solvency ratio that is at least equal to the average of the Company's strategic target solvency ratio over the period (the "**Target Solvency Ratio**")[5].

  If the average solvency ratio recorded were to be lower than the Target Solvency Ratio, the shares would be definitely granted to their beneficiaries in accordance with the linear scale described in the chart below:

Difference between the average solvency ratio and the Target Solvency Ratio	Proportion of the allocation definitively granted pursuant to this

3 Portion subject to performance conditions.
4 Portion subject to performance conditions.
5 If the strategic plan sets a target or "optimal" interval, the measurement below this interval is considered for calculation purposes as being the Target Solvablity Ratio

	criterion
equal or above 0 percentage points	100%
between 0 and -35 percentage points	declining linear scale
equal or below -35 percentage points	0%

Please note that under no circumstances could the application of these performance criteria lead to the exercise of over 100% of those options allocated in total.

In addition, notwithstanding the total or partial achievement of the two conditions described above, the acquisition of the shares would be subject, in any event, to complete compliance with the Group's ethical principles as set out in the Group's code of conduct (the "**Group Code of Conduct**"). The Group Code of Conduct covers mandatory aspects of corporate responsibility, including: integrity, data protection and privacy, the fight against corruption, strict compliance with sanctions and embargos, the prevention of money laundering, transparency, promoting equal opportunities in all areas of employment, encouraging the reporting of ethical issues via a warning procedure, together with the promotion and respect of the principles of the United Nations Global Compact. In the event of non-compliance by a beneficiary with the Group Code of Conduct, none of the options granted to such beneficiary may be exercised (*clawback policy*).

As mentioned above, please note, moreover, that in order to further integrate long-term risk assessment, the Board of Directors is considering the use of part of this authorization to implement a LTIP (*Long Term Incentive Plan*) according to which the vesting period for the rights to free shares would be extended to 6 years, term over which the performance conditions described above would also be measured without a minimum retention period. This mechanism contributes to aligning the interests of beneficiaries, members of the management team, with the interests of the shareholders over a long period.

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