SCOR Global Life, succeeding in a changing environment

Paolo De Martin
CEO SCOR Global Life
SCOR Global Life has delivered on all “Optimal Dynamics” expectations and has a clear vision to succeed in a changing environment.

Life has met or exceeded all “Optimal Dynamics” targets & assumptions...

- Grew strongly and profitably, self-funded, while returning EUR 1 billion cash to the Group
- Further energized organization with new setup while completing Generali USA integration
- Successfully grew franchise while improving Life competitive position

... and has a clear vision to succeed in a changing environment

- Fully leverage healthy and performing in-force as the bedrock of the Life entity portfolio
- Seize opportunities created by the changing environment through the Life division’s unique set of capabilities
- Leverage an efficient, innovative and inclusive organization
Since 2013, SCOR Global Life grew strongly and profitably, self-funded, while returning EUR 1 billion cash to the Group.

Met or exceeded all “Optimal Dynamics” targets & assumptions

- GWP - in EUR billions (rounded)
  - Financial Solutions: 0.9 (2013), 1.0 (2014), 1.0 (2015), 1.0 (2016E), 1.0 (2016OD)

- Technical Result - in EUR millions
  - 2013: ~400
  - 2016E: ~500

- Cash flow upstream to the Group - in EUR millions
  - 2013: 183
  - 2014: 326
  - 2015: 236
  - 2016E: ~225
  - Total: ~EUR 1bn

Strong growth generating strong profitability

- NTM\(^2\): 7.1% (2013), 7.2% (2014), 7.0% (2015), 7% (2016E)

1) Constant FX growth calculated based on exchange rates as of 30/06/2016; 6.2% CAGR over 2013-2016
2) NTM = Net Technical Margin
3) Return above pricing “Risk-free rate” (reflecting average duration of treaties); 2016 estimate based on Q1 2016
Note: 2014-2015 actuals as reported; 2013 pro forma actuals
Three key achievements allowed SCOR Global Life to complete its transformation, closing the gap with key competitors.

**2013-2016: three key achievements**

- **Successfully completed Generali USA acquisition & maintained US leadership position**
  
  - Life Reinsurer of the Year, North America

- **Further energized organization with new setup**
  - Created 3 regions to enhance expertise
  - Established Global Financial Solutions & Longevity and Global Distribution lines

- **Successfully grew franchise both in Protection footprint and product lines**
  - x4 Longevity
  - x2 Protection in Asia-Pacific

**Significantly improved competitive position**

![Chart showing competitive position improvement](chart)

- NMG 2015 Business Capability Index – All respondents – SCOR target market

1) Target market composed of 400 insurers globally identified as key clients or prospects

Source: NMG Consulting global Life reinsurance studies

2) Based on gross written premiums growth over 2013-2016
SCOR Global Life, with an established franchise, is well positioned for the future

<table>
<thead>
<tr>
<th>Tier 1 global franchise</th>
<th>Complete offering with strict biometric focus</th>
<th>Presence in all key markets &amp; strong leadership positions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2016E GWP estimate – in EUR billions</strong></td>
<td><strong>2016E GWP estimate – in EUR billions</strong></td>
<td><strong>SCOR Global Life main locations and resources</strong></td>
</tr>
<tr>
<td><strong>Americas</strong></td>
<td><strong>Longevity Financial Solutions</strong></td>
<td><strong>Americas</strong></td>
</tr>
<tr>
<td>55%</td>
<td>7%</td>
<td>404</td>
</tr>
<tr>
<td>50%</td>
<td>13%</td>
<td><strong>EMEA</strong></td>
</tr>
<tr>
<td><strong>EMEA</strong></td>
<td><strong>Protection</strong></td>
<td><strong>331</strong></td>
</tr>
<tr>
<td>32%</td>
<td>80%</td>
<td><strong>Asia-Pacific</strong></td>
</tr>
<tr>
<td>10%</td>
<td>62%</td>
<td>127</td>
</tr>
<tr>
<td>7%</td>
<td><strong>Life</strong></td>
<td><strong>Global product lines &amp; central functions</strong></td>
</tr>
<tr>
<td><strong>Asia-Pacific</strong></td>
<td><strong>Health</strong></td>
<td><strong>Top3</strong></td>
</tr>
<tr>
<td>13%</td>
<td>18%</td>
<td>#1</td>
</tr>
<tr>
<td>6%</td>
<td></td>
<td><strong>Top3</strong></td>
</tr>
<tr>
<td>2%</td>
<td></td>
<td>#1</td>
</tr>
</tbody>
</table>

1) Includes Medical, Critical Illness, Disability and Long-Term Care
2) As at end June 2016
3) SCOR own estimates & research
SCOR Global Life's environment is changing, creating overall strong tailwinds for Life reinsurance

<table>
<thead>
<tr>
<th>Issue</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shifting of growth to emerging &amp; evolving markets</td>
<td></td>
</tr>
<tr>
<td>Changing demographics; increasing longevity awareness and demand in</td>
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<tr>
<td>retirement</td>
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<tr>
<td>Prolonged low yield environment changing product mix &amp; putting</td>
<td></td>
</tr>
<tr>
<td>pressure on profitability</td>
<td></td>
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<tr>
<td>Widening protection gap presents opportunities</td>
<td></td>
</tr>
<tr>
<td>Changing regulatory environment impacts clients' solvency &amp; go-to-</td>
<td></td>
</tr>
<tr>
<td>market strategies</td>
<td></td>
</tr>
<tr>
<td>Reduced public spending increases reliance on private coverage</td>
<td></td>
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<tr>
<td>Technology potentially disrupting offering and distribution channels</td>
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</tbody>
</table>
SCOR Global Life has a clear vision to succeed in this environment

I. Ensure a thorough understanding and **active management of in-force book's risks and opportunities**

II. Implement **comprehensive franchise strategy** to seize market opportunities

III. Ensure an **efficient, innovative and inclusive** organization attracting and retaining the best talent

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**Deliver**

**sustainable value & dividends to the Group with a true passion for our business**

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No material change in the risk profile or risk appetite
Healthy in-force book is the bedrock of SCOR Global Life's portfolio and has showed consistently strong performance over time.

~75% of SCOR Global Life's book is long-term in-force from prior years of activity.

Excellent MCEV results with a consistent profitability.

In-force book delivers consistent value while funding SCOR Global Life growth.

1) In-force book = all long-term treaties signed in 2015 or earlier
2) Market Consistent Embedded Value
3) Embedded Value
Five developments will enable the delivery of the in-force portfolio’s full value

Five developments to strengthen in-force management and unlock value

- Intensify R&D efforts
- Pursue streamlining of data flows
- Continue in-force optimization work
- Explore possibility of accelerating cash-flows
- Increase operational efficiencies

Manage and optimize a healthy profitable in-force book\(^1\) to deliver consistent result

| GWP (in EUR billions) & TR\(^2\) (in EUR millions) |
|----------------|----------------|
| 2016E | 2019E |
| ~400 | ~350 |
| ~6.0 | ~5.6 |

2016 in-force book expected to deliver ~EUR 350 million of technical result in 2019

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1) In-force book = all long-term treaties signed in 2015 or earlier
2) Technical Result
Comprehensive franchise strategy to seize market opportunities, leveraging a unique set of capabilities

- **Expansion of footprint** in Protection to defend and strengthen market presence around the world
- **Diversification of risk profile** by growing health and longevity
- **Growth of consumer demand** by supporting clients with unique distribution solutions

Note: the three key elements of the “Deepen the franchise” section of the plan are deeply interconnected, therefore premium volumes and results cannot be added up
Expansion of footprint: three different strategies required to address shifting growth patterns in Protection markets

Three areas of focus to address the shift in growth patterns...

...leading to a greater diversification of geographies

1) Source: SCOR own estimates & research
2) New business contribution reflects the impact in 2019 of new business written over 2016-2019
Expanding the Asia-Pacific Protection footprint: market is growing due to favourable macro-trends and a shift to protection

**Strong tailwinds from changing environment...**

<table>
<thead>
<tr>
<th>Favourable macro-trends</th>
</tr>
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<tbody>
<tr>
<td><strong>Shifting of growth to emerging markets:</strong></td>
</tr>
<tr>
<td>- Asia-Pacific: ~50% of global growth&lt;sup&gt;1)&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Aging population:</strong></td>
</tr>
<tr>
<td>- Japan population over 65: from ~25% in 2015 to 40% in 2050&lt;sup&gt;2)&lt;/sup&gt;</td>
</tr>
<tr>
<td>- China: from 10% to 24%&lt;sup&gt;2)&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Fast growing middle class:</strong></td>
</tr>
<tr>
<td>- Share of ~30%-50% by 2020&lt;sup&gt;2)&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Evolving prudential regulation:</strong></td>
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<tr>
<td>- China: C-ROSS</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Shift to protection</th>
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</thead>
<tbody>
<tr>
<td><strong>Shifting product mix:</strong></td>
</tr>
<tr>
<td>- Shifting from savings to protection due to low yield environment</td>
</tr>
<tr>
<td><strong>Increasing reliance on private coverage:</strong></td>
</tr>
<tr>
<td>- Gradual withdrawal of state welfare systems towards private sector</td>
</tr>
<tr>
<td><strong>Widening protection gap:</strong></td>
</tr>
<tr>
<td>- China, South East Asia</td>
</tr>
</tbody>
</table>

**...resulting in an expanding reinsurance market**

<table>
<thead>
<tr>
<th>Yearly Contestable Cessions&lt;sup&gt;3)&lt;/sup&gt;, GWP - in EUR billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016E</td>
</tr>
<tr>
<td>2019E</td>
</tr>
</tbody>
</table>

- Estimated 2016-2019 CAGR
  - +7% p.a.
  - >10%
  - >10%
  - ~5%
  - 3-5%

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1) Share of global GDP growth; Source: International Monetary Fund
2) Source: OECD
3) Includes new cessions on both new and existing treaties by insurers, and short-term business up for renewal; "Core protection", excluding Health, Financial Solutions and Longevity
Expanding the Asia-Pacific Protection footprint
Example of China: strong fundamentals driving long-term growth

**Massive protection gap to be filled**

- Proportion of the richer households\(^1\) with at least one Life Insurance policy
  - Protection gap
  - China: 29%
  - Hong-Kong: 87%
  - Taiwan: 92%

**~70% population as high-income class and Mass affluent by 2025**

- Population structure by household income\(^2\)
  - High end: 2010 - 1%, 2015E - 7%, 2025E - 11%
  - Mass affluent: 2010 - 81%, 2015E - 28%, 2025E - 58%
  - Mass: 2010 - 11%, 2015E - 11%, 2025E - 25%
  - Low-income: 2010 - 11%, 2015E - 11%, 2025E - 6%

**Government & Regulatory directions to provide stimulus**

- “Pension & Health government measures” to boost industry:
  - New National 10-year Guidelines
  - Tax incentives for individual health
  - Tax deferral policies under study

- Expected positive impact from C-ROSS on Protection products:
  - Implementation of capital charges favourable to protection products

**Reinsurance cessions expected to grow >10% p.a. by 2019**

1) Richer households referring to: High-end and Mass-affluent classes. Source: Towers Watson
2) High-end > 500,000 RMB > Mass-affluent > 100,000 RMB > Mass > 37,000 RMB > Low-income. Source: Roland Berger
Expanding the Asia-Pacific Protection footprint: building on strong foundations to “Surf the wave” in Asia-Pacific

**Established presence in Asia-Pacific with careful entry strategy**

- Established longstanding presence in the region, reaching 8 offices in all key markets with over 120 people
- Built strong regional platform, with key capabilities and excellent understanding of risks & context
- Carefully grew the book, with sound profitability

**Building on strong foundations**

- Continuation of investments:
  - Pursue selected and profitable growth in Group & Individual Life
  - Further strengthen strong position thanks to new product development
- Launching of new investments:
  - Expand through product development, Health offering and C-ROSS solutions
  - Expand through product development, Group business and large tenders
  - Establish presence in individual life market with Fac Underwriting capabilities

**Material growth expected, thanks to strong fundamentals**

**Asia-Pacific GWP** – in EUR billions

<table>
<thead>
<tr>
<th></th>
<th>2016E</th>
<th>2019E</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>1.7</td>
<td></td>
</tr>
</tbody>
</table>

TR\(^2\) ~EUR 55m ~EUR 115m

1) Gross Written Premiums; all product lines
2) Technical Result
Diversification of risk profile: unique set of capabilities coupled with changing environment driving Health & Longevity growth

**Overall share of Longevity and Health to grow by 5 points by 2019**

- **Total GWP - in EUR billions**
  - **2016E**
    - Life: ~65%
    - Financial Solutions: ~13%
  - **2019E**
    - Life: ~61%
    - Financial Solutions: ~12%

- **GWP - in EUR billions**
  - **2016E**
    - Longevity: ~8.0
      - Health: ~22%
    - Health: ~13%
    - Life: ~7%
  - **2019E**
    - Longevity: ~9.4
      - Health: ~27%
    - Health: ~15%
    - Life: ~16%

**Longevity and Health to represent half of new business contribution by 2019**

- **2016-2019 New business contribution**
  - **GWP - in EUR billions**
    - **Longevity**
      - ~25%
    - **Health**
      - ~49%
    - **Life**
      - ~37%
    - **Financial Solutions**
      - ~14%

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1) Broader definition of Health including Medical, Critical Illness, Disability, Long-term Care
2) New business contribution reflects the impact in 2019 of new business written over 2016-2019
Diversification of risk profile – Health: leverage existing capabilities and client relationships to grow Health business

Favorable macro-trends driving demand for Health insurance

- Strong macro-trends: aging population, growing middle class, gradual withdrawal of State welfare
- Increase in treatment cost and growing Health spending
- Sizeable reinsurance market expected to grow ~6% per annum worldwide

Medical and the broader Health offering are at the core of our clients’ business

<table>
<thead>
<tr>
<th>Clients with Medical business</th>
<th>Clients with Health¹) business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 50 SGL clients</td>
<td>Top 50 SGL clients</td>
</tr>
<tr>
<td>66%</td>
<td>84%</td>
</tr>
</tbody>
</table>

Leverage unique set of capabilities to build strong Health offering

<table>
<thead>
<tr>
<th>Health¹) GWP - in EUR billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>RoW 0.8</td>
</tr>
<tr>
<td>Asia²) 0.4</td>
</tr>
<tr>
<td>2016E ~EUR 65m</td>
</tr>
<tr>
<td>2019E ~EUR 100m</td>
</tr>
<tr>
<td>+8% p.a. Potential to reach EUR 1.8bn in 2021</td>
</tr>
</tbody>
</table>

¹) Broader definition of Health including Medical, Critical Illness, Disability, Long-term Care
²) Health GWP also included in the “expanding the Asia-Pacific footprint” figures on page 49
³) Technical Result
Diversification of risk profile – Longevity: growing awareness of longevity risk supporting strong growth

Strong macro trends increasing awareness of longevity risk...

...and strong track record will enable Longevity to keep growing

Societies are rapidly aging

<table>
<thead>
<tr>
<th>Year</th>
<th>% of aged (65+) people</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>10%</td>
</tr>
<tr>
<td>2000</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
</tr>
<tr>
<td>2030</td>
<td></td>
</tr>
<tr>
<td>2040</td>
<td></td>
</tr>
<tr>
<td>2050</td>
<td></td>
</tr>
</tbody>
</table>

Super-aged societies

- Prolonged low yield environment putting pressure on asset returns
- Increasing capital charges (e.g. Solvency II) for Longevity risk

GWP - in EUR billions (rounded)

<table>
<thead>
<tr>
<th>Year</th>
<th>TR2)</th>
<th>New business kept at constant levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016E</td>
<td>~EUR 20m</td>
<td>~0.6 x2</td>
</tr>
<tr>
<td>2019E</td>
<td>~EUR 40m</td>
<td></td>
</tr>
</tbody>
</table>

- UK to remain the cornerstone of longevity strategy, thanks to strong track record
- Ready to capture opportunities in North America & EMEA
- Strict biometric focus maintained
- Levels of Longevity new business set to maximize diversification, within SCOR’s risk appetite

1) Source: OECD Factbook 2009, Council for Economic Planning and Development
2) Technical Result
Growth of consumer demand: support clients to establish valuable and sustainable relationships with their consumers

**SCOR Global Life’s Clients are facing a challenging environment**

- Technological disruption:
  - Digitalization affecting traditional distribution models
  - Data becoming a valuable commodity

- Untapped Protection gap:
  - Decreasing levels of coverage globally

**Global Distribution Solutions already has strong capabilities to support SCOR Global Life’s clients**

**Insurers consider reinsurance support to be key in developing new distribution channels**

<table>
<thead>
<tr>
<th>Perceived relevance of reinsurers for distribution support – continental Europe¹</th>
<th>Relevant</th>
</tr>
</thead>
<tbody>
<tr>
<td>All insurers</td>
<td>58%</td>
</tr>
<tr>
<td>Large insurers</td>
<td>78%</td>
</tr>
<tr>
<td>Small insurers</td>
<td>52%</td>
</tr>
</tbody>
</table>

~EUR 250 million of premiums (+17% p.a.) and ~EUR 30 million of technical result enabled by distribution solutions by the end of the plan

¹) Example of European insurers (Continental Europe, excluding UK & Ireland)

Source: NMG Consulting 2015 global Life reinsurance study
Growth of consumer demand: two examples of SCOR Global Life capabilities, Velogica and an e-underwriting tool

Adding new data sources to address fully underwritten space

Velogica Algorithm

- Application
- Electronic lab data
- Criminal history
- Credit history
- Smoker information
- Electronic Health records
- Other data Sources 1)

Determine decision based on weighted average scoring

Expected to process 1 million applications in 2017

1) Other data sources including MIB reports & MVR

Creating consumer journeys with e-underwriting experience

- Credit & Bank information
- Basic lifestyle questions
- Guarantee & Rate offers
- Insurance certificate with paperless underwriting
Ensure an efficient, innovative and inclusive organization attracting and retaining the best talent

**Pave the way for the future**

Building an innovative and inclusive organization

**Become a client-centric organization**
- Enrich the value proposition to clients
- Adapt resource allocation to business potentials

**Develop further value innovation**
- Leverage Digital strategy to propose new client services & optimize processes
- Increase focus on R&D to enhance offering

**Leverage our diversity**
- Define a shared and more consistent identity
- Encourage best practice sharing

**Manage our talents**
- Help talents & experts grow
- Promote pride on belonging

**Attract & retain talent**

**Increase productivity through innovation**

+10% productivity gain over the plan

<table>
<thead>
<tr>
<th>Year</th>
<th>Premium</th>
<th>Productivity¹</th>
<th>Direct costs²</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016E</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019E</td>
<td></td>
<td>+10%</td>
<td></td>
</tr>
</tbody>
</table>

1) Productivity calculated as Premium / Direct cost
2) Direct costs includes costs directly controllable by SCOR Global Life

Note: based on Q4 closing FX

- 17 projects in progress or under study to drive innovation and process efficiency
- Streamlining of back office to allow increased focus on front-office
  → 28% efficiencies to be reached in the US platform by the end of 2017
“Vision in Action” will deliver sustainable value and dividends through strong profitable growth

### Strong franchise growth...

<table>
<thead>
<tr>
<th>Region</th>
<th>2016E</th>
<th>2019E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia-Pacific</td>
<td>~1.7</td>
<td>~9.4</td>
</tr>
<tr>
<td>EMEA</td>
<td>2.5</td>
<td>~4.8</td>
</tr>
<tr>
<td>Americas</td>
<td>4.4</td>
<td>~2.9</td>
</tr>
</tbody>
</table>

- **Strong growth across all geographies**

### ...increasing technical result...

<table>
<thead>
<tr>
<th>Year</th>
<th>Technical results - in EUR millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016E</td>
<td>~500</td>
</tr>
<tr>
<td>2019E</td>
<td>~600</td>
</tr>
</tbody>
</table>

- **New business RoE > 10%**
- **Net Technical margin: 6.8% - 7.0%**

### ...with significant value creation

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital surplus - in EUR billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016E</td>
<td>~1.9bn</td>
</tr>
<tr>
<td>2019E</td>
<td>~2.8</td>
</tr>
</tbody>
</table>

- ~EUR 0.9 billion of capital surplus creation
- Continue strong repatriation to Group

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1) (Own funds – SCR); SGL SE gross of retro to Group; estimate
2) Return above pricing “Risk-free rate” (reflecting average duration of treaties)