

Open

CNP Assurances, from A to Z



Insuring
a more
open world

Annual Report **2020/2021**

CNP Assurances, from A to Z

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After linking up with La Banque Postale and becoming part of the major state-owned financial group, we have laid down our corporate mission and are looking ahead to a new chapter in our development. Together with our partners, we commit to building a more inclusive and sustainable society, and are setting out our global ambitions, our appetite for expansion and, above all, our aim of broadening insurance's appeal. Read on to find out **more...**

CNP Assurances

From A to Z

An international group

CNP **A**ssurances. France's leading personal insurer has a **M**ultinational presence, extending from Europe to **B**razil. Today, our new governing body makes no secret of our international ambitions and its **C**onfidence in our people's expansion goals. Our recent breakthrough in Italy is proof-positive of this and has made us a truly **W**orld-class insurer.

A multi-partnership model

All our solutions are distributed by a broad range of **P**artners. We enter into all types of partnerships – exclusive or non-exclusive, over twenty-five years or just the short term, via joint ventures or simple agreements. Our model and our minds are **O**pen.

Priority focus on customers

Our **H**uman touch is at the heart of everything we do. We aim to build towards an inclusive society by leaving **N**o one behind. We look after those on low incomes, individuals with medical risks, and new types of **F**amilies who cannot be pigeonholed. **C**ustomers are the motivation for our innovation and our link-up with **L**a Banque Postale, which has brought us even closer to our policyholders and provides the prospect of even better-fitting solutions.

Innovation as a driver

Systemic **R**isk represents a challenge to risk pooling. **T**rends in interest rates, currently at very low levels, are a drag on performance in life insurance. In response, we are innovating, integrating **U**nit-linked products, to pep up performance and make savings count, exploring insurance formulas covering groups of friends via **Y**ouse and broadening insurance's appeal among Generation **Z**. In response to the digital transition, we have embraced **D**igital solutions to simplify customer pathways without losing the human touch, and cultivated a high **Q**uality of life at work, which underpins successful customer relationships, even remote ones.

Public service

Acting in the interests of as many people as possible is hard-wired into CNP Assurances' DNA, as our **K**PIs show. As France's third-ranked institutional **I**nvester, we support businesses in the real **E**conomy. We have raised the bar for our investments in the Green economy, targeting net **Z**ero carbon emissions for our portfolios, engaging in more and more **S**olidarity actions via our Corporate Foundation and playing a full part in industry initiatives that make us an **X**XL player in efforts to build an inclusive and sustainable society.

170 years in a changing world	350 partners	19 countries	5,156 employees, including 2,247 outside France	€326 billion in average technical reserves in 2020
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CNP Assurances,

170 years of engaging with the world

As pioneers of protection for employees in the 19th century, members of France's state-owned financial group and a subsidiary of La Banque Postale, we have a key role to play in rising to the major demographic, environmental and digital challenges of the 21st century, which certainly present opportunities, but leave some people at risk of being left behind.

As responsible insurers and investors driven by the civic calling of our Group, we promote an inclusive and sustainable society with our partners by providing solutions that protect and facilitate all walks of life to as many people as possible.

That's our corporate mission. It combines a human touch, sound ethics and a spirit of innovation that serve as a source of motivation for our people. It informs our decisions and guides our actions everywhere we operate, from Europe to Latin America. It's now enshrined in our Articles of Association and binds us all.

We commit to:



Providing a protection solution that suits everyone, for every stage in their life



Harnessing the talents of our employees by building a diversified and closely-knit team



Future-proofing protection together with our partners



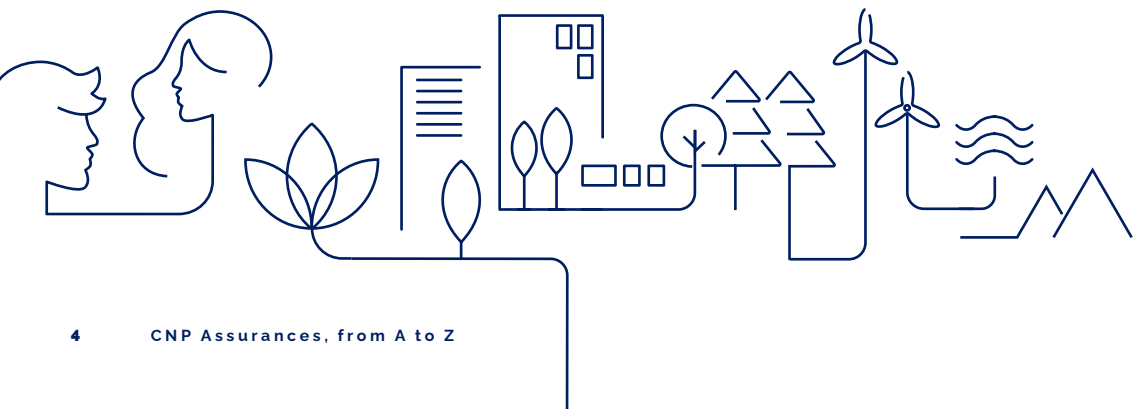
Delivering sustainable and responsible economic performance



Taking action to address global warming and preserve the natural world



Helping to establish a society in which there is a role for everyone





for **Assurance**

36 million
personal risk and protection
policyholders worldwide

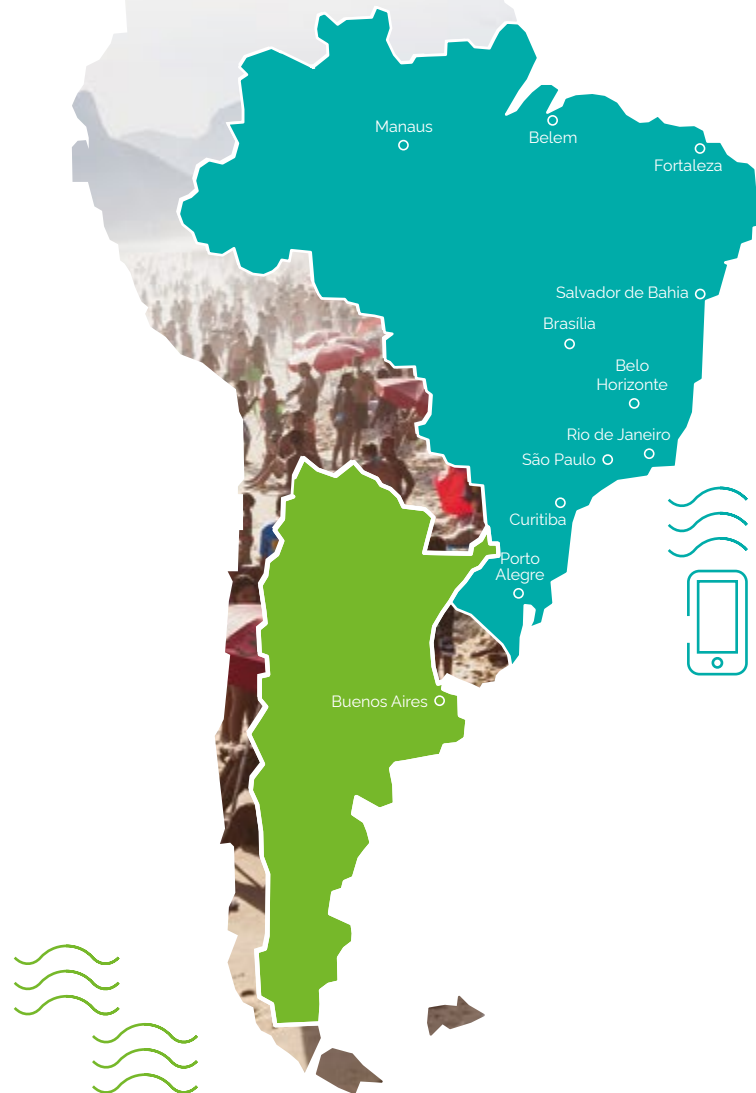
12 million
savings account and pension
policyholders worldwide

Providing personal insurance and the Assurance and peace of mind it brings is CNP Assurances' main business. Our offering extends from protection for borrowers in the event of a major life event, through to solutions for health, personal protection and long-term care needs. It also includes life insurance-based long-term savings for financing projects, and supplementary pension plans. All these solutions help to protect individuals, employees, civil servants and self-employed professionals, and make their life easier. In France, personal insurance accounts for close to 72%⁽¹⁾ of the total insurance market, alongside property and casualty insurance, which provides cover for fires, accidents and other risks. CNP Assurances has gained specialised expertise in Brazil and Cyprus, among other territories, and we are now getting ready to ramp up in that area after joining forces with La Banque Postale.

(1) 2020 figure, FFA.

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B for Brazil



It was twenty years ago that CNP Assurances first moved into Brazil alongside Caixa Econômica Federal, the country's most popular public-owned bank, making substantial headway thanks to an entirely Brazilian approach. The secret lay in our simple, attractive products, perfectly attuned to local needs and customs, such as capital-building plans with random draws. We established multiple distribution channels covering the places regularly visited by Brazilians in their daily lives, such as Caixa branches, favela-based non-profits and lottery offices, even deep in the Amazon. From death cover affordable for as many people as possible to micro-insurance, we signed up millions of policyholders as the middle classes expanded.

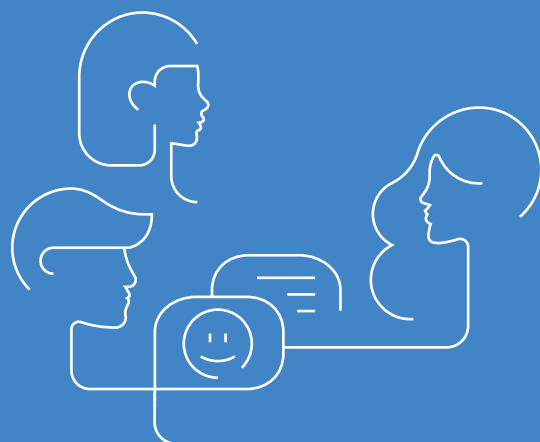
Today, Brazil has become our second-largest continent, and a hotbed of innovation for us. Our Youse subsidiary, the country's first entirely digital insurance company, has pioneered community-based insurance, and the partnership we recently extended until 2046 with Caixa Econômica Federal harbours tremendous potential.

100% digital,
the Youse
insurance platform

— under 24s
account for
19.5% of the population

Source: CIA World Factbook, 2021 estimate.





Confidence (noun) — (Latin: *confidentia*, via late Middle English) • A feeling of **self-assurance** arising from an appreciation of one's own abilities or qualities: *Facing up to difficulties with confidence.* The feeling or belief that one can have faith in or rely on someone or something: *Our friendship is based on mutual confidence.* A feeling of assurance and safety inspired in the public by the stability of affairs and the political situation: *Savers' confidence in the government.*

Source: Oxford Languages.

Assurance is in the first definition of **confidence**.

It's what the insurance industry aims to achieve and the driving force powering CNP Assurances' expansion. Our model harnesses the strengths of our partners and keeps our feet on the ground. However, our unique expertise as a personal insurer with 36 million personal risk and protection policyholders around the world and the success we have had in Brazil help to underpin our confidence, especially since our contribution to the economy through the €300 billion under our management make us France's third-ranked institutional investor. We have every confidence in our stakeholders – our customers, partners, shareholders and the regulator – to challenge us and drive us forward. Our managers are confident in the ability of front-line teams to innovate successfully. We are confident in our ability to expand in a more open world.

D for Digital



Can we digitalise everything – customer pathways, relationships and processes – without losing our human touch? That's the challenge CNP Assurances intends to take on. Customer experience is the starting point for all our innovations and our ambitious transformation plans. In our efforts to build a truly unique platform of insurance services, we have not shied away from a complete overhaul of our information system to embrace the most agile and most advanced technologies. We have automated our partner pathways from end to end to speed up customer response times. We have focused on delivering a digital, people-focused customer pathway, with just the right amount of self-care, to provide them with independence without losing the personal touch.

secure

Practically speaking, the number of electronic signatures, which have simplified life insurance formalities in France and accelerated take-up of term creditor insurance, rose 110% in 2020 (to 55,000 signatures per month). Today, 24% of customer correspondence (i.e., 4.2 million emails) and 29.2% of portfolio statements are sent electronically. The fully digital e-beneficiary pathway streamlines the formalities when a loved one passes away, while tutorial, a conversational chatbot, and a dedicated hotline provide support at what is always an emotionally challenging time. The introduction in 2021 of FranceConnect, an identification and authentication solution, has tightened up security arrangements for access to the beneficiary area, building trust in CNP Assurances.

human touch

And in the future, the "I need help" and "I'm not satisfied" customer pathways will instantly trigger action by a Group's employee. That will only strengthen our digital/human mix and heighten the difference we can make.

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E for Economy

Personal insurers meet policyholders' needs for long-term protection and invest the savings entrusted to them in the **economy**. That's how we support the development of businesses of all sizes – from the CAC 40 giants down to family-owned SMEs – commit to major infrastructure projects, which help to **make the regions more attractive**, and play our part in initiatives to kickstart a sustainable economic recovery.

Connect

CNP Assurances has acquired a 50% stake in Orange Concessions alongside La Banque des Territoires and EDF Invest. This Orange group company is responsible for the **fibre roll-out in rural areas** and its remit covers more than 4.5 million households. That will help to alleviate the digital divide – one of the most acute inequalities facing the regions.

Build back

As early as last year, French insurers and Caisse des Dépôts committed **€3.8 billion to the "Relance Durable France" programme**. It aims to spark a **sustainable recovery for SMEs and mid-market businesses**, the tourism industry, which was badly hit by the pandemic, and the healthcare sector so as to make France less reliant on other countries in that regard. In 2021, the commitments made by 18 insurers, CNP Assurances among them, raised €11 billion in "Relance" participating loans to shore up the SME recovery, illustrating the leading role played by insurers in the real economy.

Support

Over €300 billion invested across all sectors of the economy.

F for Family (in all its forms)

"Outside the box" is the title of CNP Assurances' new advertising campaign. While the focus remains on people, with the Chostakovich waltz again featuring as the soundtrack to capture the whirlwind of life, the future is **no longer presented as mapped out in advance.**

In today's world, people no longer necessarily get married before having children, and they may have two jobs to make ends meet or take in a lodger when they retire to help cover their housing costs.

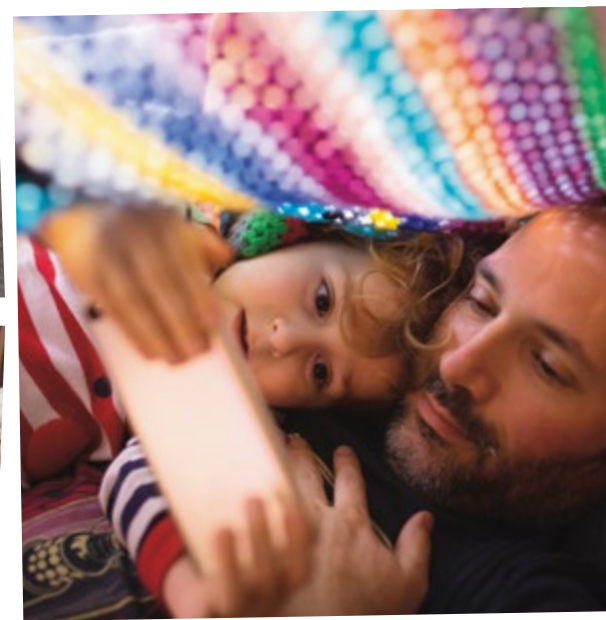
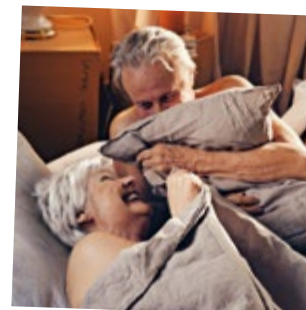
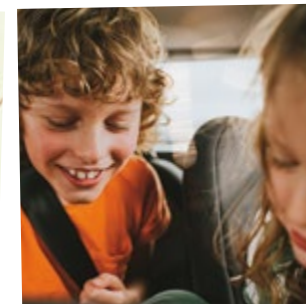
With our 170-year history of observing trends and protecting people, we have decided to take these new types of families under our wing, to support these non-linear journeys and provide **insurance solutions for a more open world**, in keeping with our DNA as a public insurer.

Our Research and strategic foresight department has been studying trends. After a year of analysis with the assistance of a hundred specialists, its first forward-looking *"Families, generations and communities"* publication explores these new types of, **single-parent, blended and multi-generational** families and sketches out possible trends.

It foresees three likely scenarios by 2030. In the first, the family remains a place of refuge, but becomes more open to life's events. In the second, individual personal development is valued above what are flexible, ephemeral family ties. In the third, lifelong family attachments persist, but become broader, with living together eclipsing biological ties. Irrespective of which scenario materialises, we will stand alongside our policyholders, ready to insure a more open world.



The Foresight report is available at
www.cnp.fr





for **Governance**

Transformation

The overhaul of CNP Assurances' ownership builds on our link-up with La Banque Postale, which is opening up fresh new horizons for all involved. It has enriched the distribution model and has brought both teams closer to customers so they can better meet expectations. The addition of property insurance has bolstered CNP Assurances' business model. It is a natural extension of CNP Assurances' longstanding multi-partnership-based, international model, to which our refreshed Board of Directors remains fully committed.

Being part of the public financial group alongside Caisse des Dépôts and Le Groupe La Poste will also help safeguard our values and commitments. For the benefit of the regions in France, we insure local authorities and businesses and intend to step up in our role as a leading investor in the local economy. For the benefit of citizens, we will be adding personal services, an area in which Le Groupe La Poste leads the way. That will help raise quality of life for the largest possible number of people and bridge the expanding geographical and social divides.

Continuity

CNP Assurances' widely acclaimed commitment to combating climate change will also gain fresh impetus. In 2020, we raised our targets for reducing the carbon footprint of our portfolios by 2025 and set strict guidelines for our investments in oil and gas. In addition, our Board of Directors has taken steps to ensure its environmental and social priorities are embedded into its decision-making and to foster a more inclusive and sustainable society, in line with our corporate mission, which is now enshrined in our Articles of Association.

The new and larger entity we are now part of is perfectly attuned with what has always made CNP Assurances truly unique – our public service culture, our multi-partnership model, our long-term vision and our commitment to act responsibly – and what will help us thrive and flourish in the future.



For further governance information, go to
www.cnp.fr

Véronique Weill,
Chairwoman of CNP Assurances' Board
of Directors



"The new and larger entity we are now part of is perfectly attuned with what has always made CNP Assurances truly unique and what will help us thrive and flourish."

Stéphane Dedeyan, CNP Assurances' Chief Executive Officer



"Insurance serves such a crucial purpose."

As a career-long insurer, what's the top priority facing the industry today?

The pandemic has demonstrated the social benefit of insurance through the unprecedented measures our industry has taken to shield people and the economy. Our contribution to France's sustainable recovery, with our huge support for the real economy, is further evidence of this benefit insurance serves such a crucial purpose, but it's one that is not widely understood. It's up to us to educate people about what we do, and we need to talk about it in clear and simple terms, and apply a service-minded logic to support customers through good times and bad.

CNP Assurances has drawn up its corporate mission. What does it say?

S. D.: The starting point lies in our roots as a public insurer and La Banque Postale's – our parent company's – commitment to being a good corporate citizen. It involves our partners, who form the cornerstone of our model. It encapsulates who we are and what matters to us: supporting as many people as possible, protecting and making life easier for customers on their journey through life. Our corporate mission is so much more than a mantra – it provides the driving force for our transformation.

What benefits do you anticipate from the link-up with La Banque Postale?

S. D.: It provides myriad opportunities. Firstly, the link-up will bring us even closer to our customers, and there's no better source of innovation than them. It will also open the way for us to become a full-service insurer, with the addition of property insurance to our offering, and La Banque Postale's exclusive insurer, while allowing us to push ahead with our multi-partnership-based development. Being part of Le Groupe La Poste puts us at a strategic advantage as we seek to embrace a unique approach based on personal services with a real purpose.

What proportion of future development will be outside France?


S. D.: Our major position in Brazil and recent expansion in Italy have set the example. International expansion represents a key avenue of development and transformation for CNP Assurances as we make the leap from a French group with international interests to a world-class insurance group.

What do you see as the keys to success for CNP Assurances?

S. D.: Confidence in ourselves, and in our collective ability to deliver on our expansion goals. We have everything we need – the people and the financial wherewithal – to do so. Engaging with others and the world around us, something I learned to do when I joined CNP Assurances, will make a tremendous difference.

"Engaging with others and the world around is what will make the difference."



 **Start the ball rolling**



 **Break new ground**



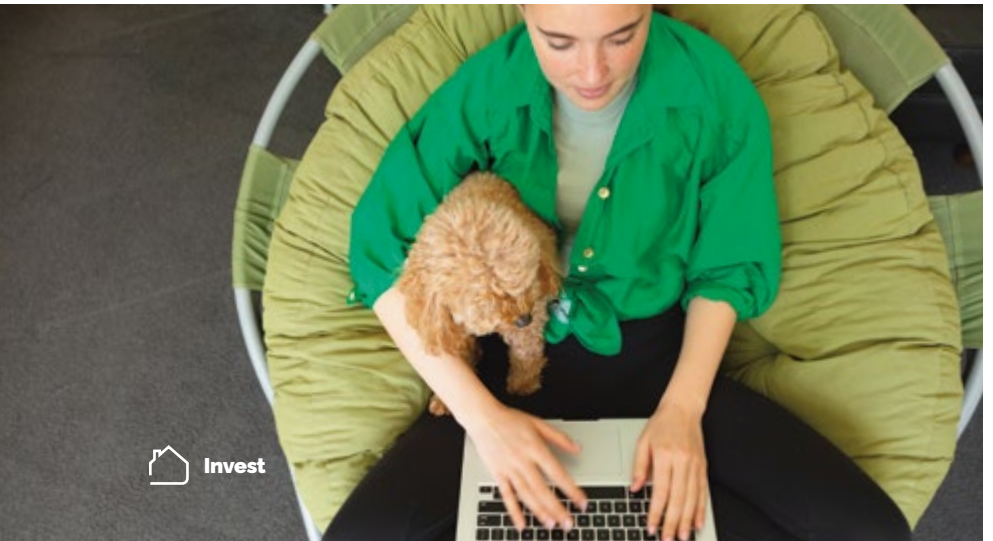
 **Take the initiative**



 **Engage**



 **Seize opportunities**



 **Invest**



Policyholders entrust us with the task of protecting everything they hold dear

– their loved ones, their projects, their possessions – being an insurer is all about showing a human touch.

Simply showing up in tough times is not enough. Our primary task is to protect and make people's lives easier by helping them deal with setbacks and seize opportunities. It all boils down

to staying in touch more regularly with policyholders so we can better understand their needs and deliver more effective advice about their current and future decisions.

A human touch has always been part of the CNP Assurances way, the engine powering our model, the source of inspiration for our solutions and the key motivation for our employees.



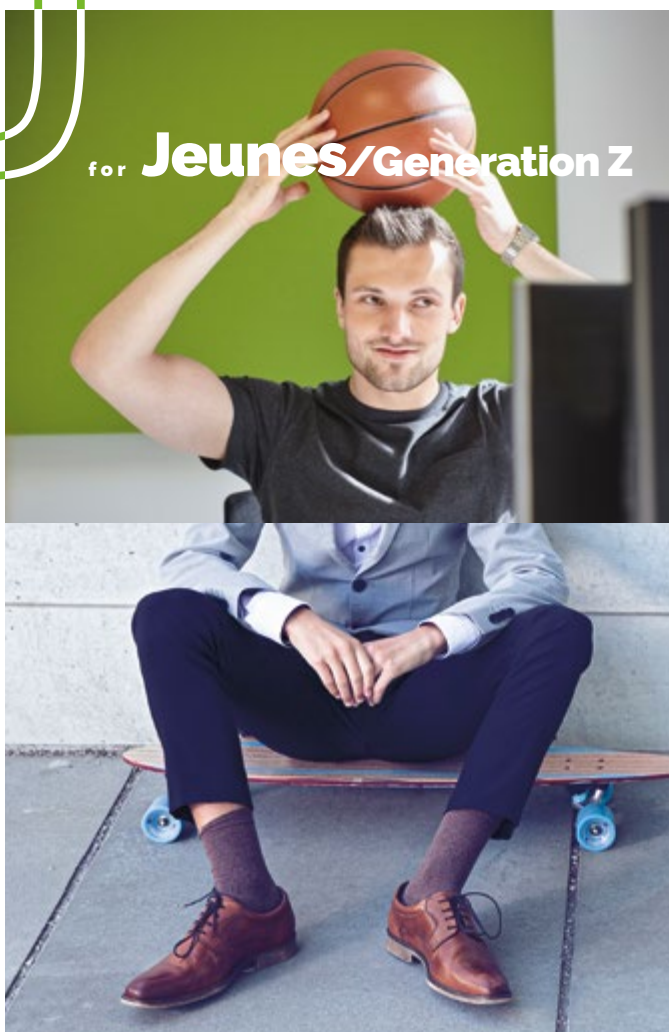
for Investors

Investing is the other key focus of our activities, and we take a twin approach.



As a long-term investor, we manage policyholders' risks and safeguard the money they put into their premiums and savings over time. The horizon of our investments – long-term government debt, strategically important infrastructure, equities and bonds issued by businesses targeting sustainable growth – reflects this.

As a responsible investor, a public-sector group listed on the Paris Stock Exchange driven by La Banque Postale Group's people-first agenda, we can see beyond investment returns and endeavour to maximise the positive impact of our investments. We pick and manage assets by screening them using environmental, social and governance criteria. That means we exclude certain businesses active in coal, oil, gas, tobacco and weapons, and we set great store by respect for human rights and by the gender balance on the governance bodies of the groups in which we invest. (See also **E**conomy, **U**nit-linked, **G**reen and **N**et zero carbon.)



Supported

The pandemic denied students part-time work opportunities and caused them great financial and psychological hardship. From March 2020, we scaled up our support for FAGE (French Federation of student associations), one of our partners since 2016. Our emergency €150,000 grant enabled FAGE to provide badly needed food parcels and mental health support services.

Understood

The fully digital EasyVie life insurance contract is designed to fit with the way Generation Z lives. Our totally "SRI-oriented" Easy Actions Citoyen solution is fully aligned with their goal of keeping tabs on the social and environmental impact of their savings. With a minimum investment of just €500 and competitive management costs, the solution fits perfectly with young people's desire to do the right thing.



Happy!

More than nine out of ten interns would recommend an internship at CNP Assurances to their friends. This thumbs-up has gained us ChooseMyCompany's HappyIndex®/Trainees 2021 quality label for the second year in a row.

Ambitious

Become a risk specialist. Every year, we recruit (via an internship, work-study programme, or permanent contract) around 50 young actuaries and train them in asset-liability management, risk management and data science.

K for KPI

Key Performance Indicator:

metric used to measure the effectiveness of an initiative or programme and aid decision-making. Below are a selection of KPIs revealing our priorities.

36

million
personal risk/protection
policyholders worldwide,
protected through risk pooling.

A1

(Stable outlook):
despite the very poor pandemic
and economic situation,
Moody's confirmed in March 2021
CNP Assurances' financial
strength rating and also its first-class
credit quality.

5

No.
insurer out of 236 in the sustainability
rankings and one of the top **100** most
sustainable corporations worldwide
all sectors combined, according to
Corporate Knights. That's the result of the
exacting CSR policy we have introduced
right across the CNP Assurances Group.

52%

**of savings and pension revenue
generated by unit-linked** products
in 2020. This shift has been crucial
to achieve the best security-return
profile for long-term savings and is just
reward for the financial engineering
and the customer education work we
have done together with our partners.

99

/100
**rating in terms of equal pay
for men and women.**

For the third year in a row,
CNP Assurances scored
99/100 in January 2021
on the gender equality index –
with full marks across almost
all five indicators.

5,156

employees worldwide,
who proudly help protect as many
people as possible and work hard
to insure a more open world.

for La Banque Postale

La Banque Postale supports 20 million customers, both individuals and legal entities, with a complete range of banking products and services and insurance solutions catering for all. It's a subsidiary of Le Groupe La Poste and has a nationwide network, with 17,000 contact points, including 7,600 post offices. La Banque Postale, a longstanding partner of ours and the leading distributor of our products in France, was previously one of our core shareholders.

On 5 March 2020, through the formation of the major state-owned financial group, La Banque Postale became CNP Assurances' majority shareholder.

This link-up will unlock myriad opportunities. It keeps us in direct touch with our end customers and gives us tremendous scope for innovation. Integrating La Banque Postale's property and casualty⁽¹⁾ activities will make us a full-service insurer. Together we now possess everything we need to build a European leader in bancassurance and responsible finance.

(1) Fire, accident and other risks.

Ownership of CNP assurances' share capital
at 31 December 2020

16.1%
BPCE



62.8%

La Banque Postale,

wholly-owned by
Le Groupe La Poste, which
in turn is 66%-owned by
Caisse des Dépôts and
34%-owned by the French State

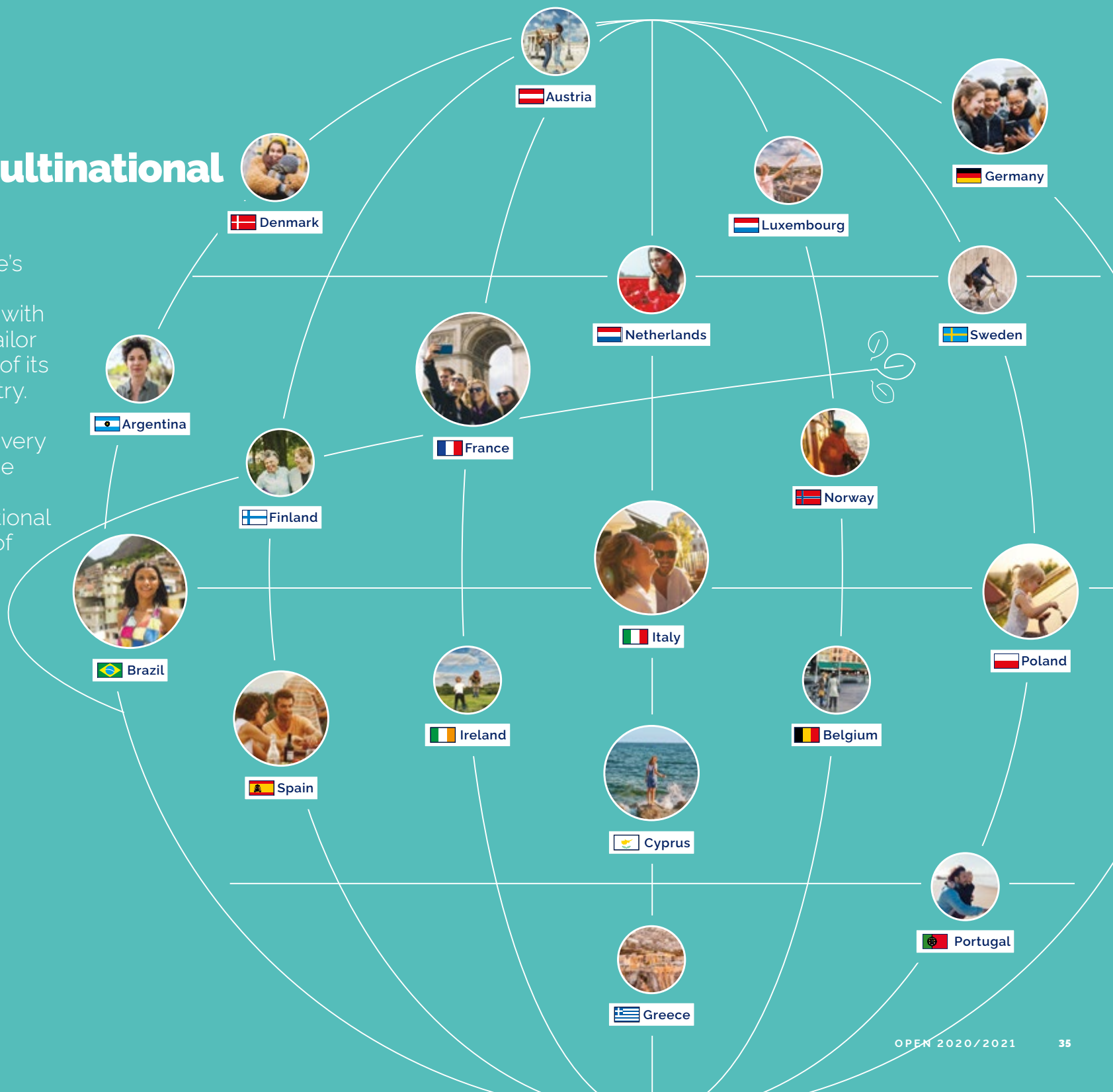
21.1%
Institutional
and individual
shareholders



M for Multinational

CNP Assurances, Europe's no. **7** insurer⁽¹⁾ and no. **3** insurer in Brazil⁽²⁾, works with its banking partners to tailor its offering to the needs of its customers in each country. Previously focused on personal insurance with very strong positions in France and Brazil, we are now accelerating our international expansion with the aim of becoming a full-service global insurer.

(1) Bloomberg, ranking based on technical reserves, November 2020.
(2) SUSEP (Brazilian Prudential Supervisory Authority), November 2020.



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for **No one left behind**

We see our mission as being a personal insurer and design our offerings for the benefit of as many people as possible.

In France, some of our life insurance policies are available for an initial investment of just **€75**, and the CNP Immo Prestige unit-linked vehicle opens up the prospect of earning returns on upscale real estate in Paris from an investment of just **€5,000**.

In Brazil, Amparo funeral insurance costs as little as 30 reals (€4.50) p.a. At present, it covers more than **500,000** low-income individuals.

In term creditor insurance, we have kept our refusal rate for severe health risks down to **0.2%** for over 10 years.

To support as many people as possible, we draw on our extensive knowledge of the risks and on its risk pooling expertise. It's time for a more inclusive society.



Open to the world,
to its social, economic,
environmental and digital priorities,
and ready to respond alongside our
partners who are in direct contact
with policyholders and get to grips
with the real substance of their needs.
(See Partners.)

Open to families
and how they are changing – be
they single-parent, blended or
multigenerational – and all types
of life journey, with no taboos
and no one left behind.

Open to innovations
and to startups via Open CNP
to reinvent effective protection
solutions: from Alan, fully online
mobile insurance for entrepreneurs
(now Licorne), through to Tehtris,
a European leader in technology
providing protection against
cyberespionage and cybersabotage
and PayLead, a specialist in
customer loyalty through advanced
banking data analysis.

Open to discussions of new ideas
and ready to break the mould by
engaging with philosophers, thinkers
and scientists to better understand
behaviours and emerging
technologies, better protect people
and everything that they hold dear,
and to show the way forward...


Listen to the
"Open voice"
podcasts
organised in
conjunction
with RTL on our
YouTube channel
(in French).



P for Partners

Multi-partner approach

Around 350 partners distribute CNP Assurances solutions, from Brasilia through Hamburg and Milan to Paris. Banks, brokers, mutuals and non-profits are among them. The multi-partner approach is hard-wired into our DNA, illustrating our engagement with the world and re-energising us for 170 years.

Multi-format

Our partners vary enormously from a geographical, structural and cultural perspective. We adapt partnerships to each partner, their history and their needs. They range from shareholders' agreements to joint ventures, from 25-year exclusive distribution agreements to short-term non-exclusive partnerships, and from single-product deals through to a full range of protection solutions.

Multi-strength

Our Group is well known for the excellence of the relationships we build with our partners. Our ability to interface with their processes, their systems and their sales channels is a real strength. We adjust our offering to their customers and the world they operate in, which makes them successful. In addition, the partnerships mutually enrich each other, and our model is proving its worth in a changing world.

European expansion

Nurturing existing partnerships is a strategic priority for us at CNP Assurances. With Santander Consumer Finance, for example, our goal is to add services, such as an extended warranty and roadside assistance, to our range of term creditor insurance covering an automotive loan. In Italy, the acquisition of Aviva's life insurance division has breathed fresh life into our partnership with UniCredit. (See World-class.)

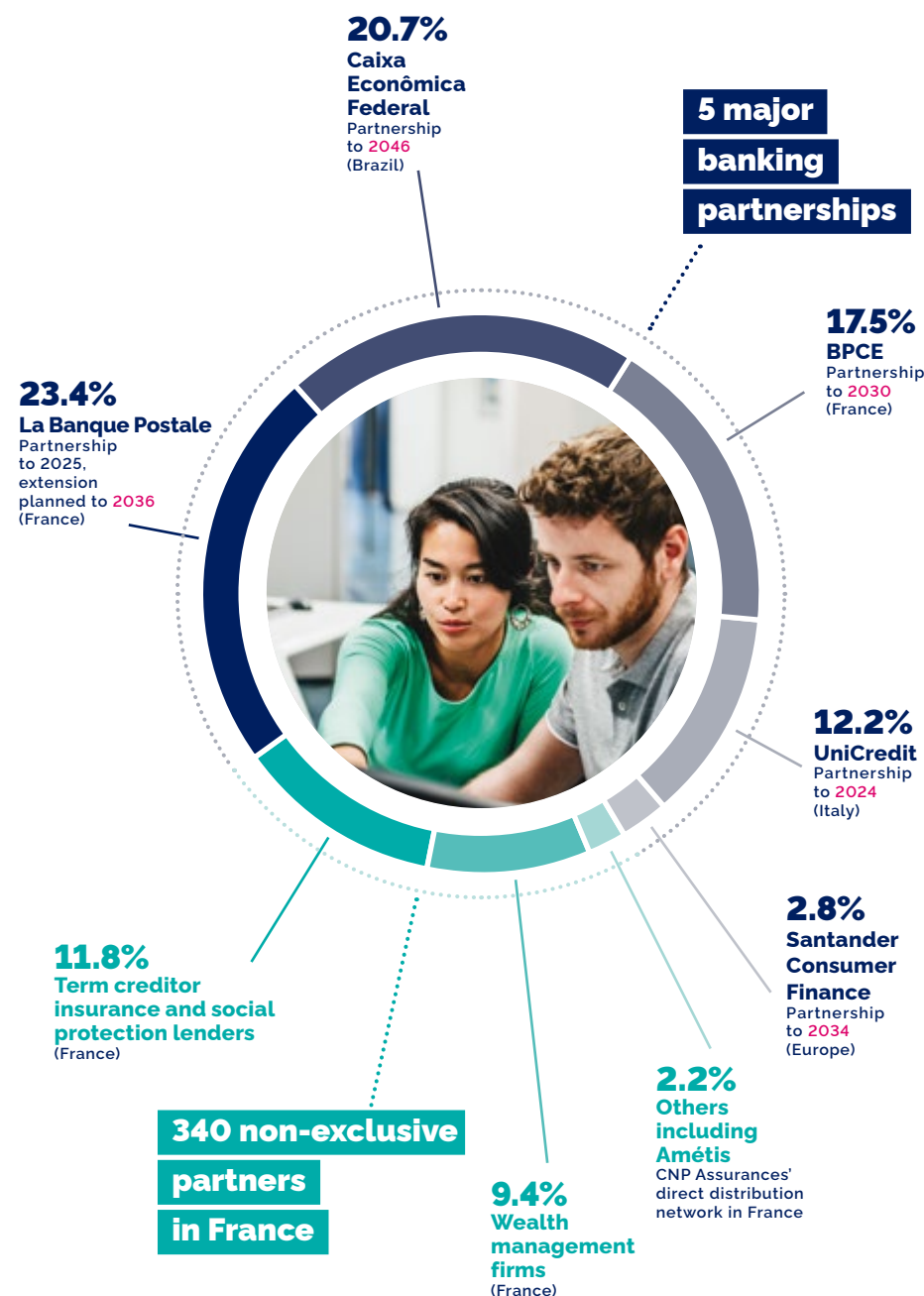
Major milestone in Brazil

CNP Assurances has sealed two exclusive distribution agreements with the Caixa Econômica Federal network. The main one for the period out to 2046 covers retirement savings, personal protection and consumer loan insurance products. The other 20-year deal covers the consórcio⁽¹⁾ segment. In addition, our non-exclusive distribution agreement for capital-building products and dental insurance with Correios, the Brazilian post office, replicates the multi-partner in a single market model we have adopted in France, and opens up new horizons.

(1) An alternative solution to a real estate or automotive bank loan in which each member pays a monthly premium, entitling them to participate in a random draw that unlocks the loan.

PREMIUM INCOME BY DISTRIBUTION PARTNER

at 31 December 2020



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Our quality of life at work

initiative has been unanimously welcomed by employee representative organisations through a new agreement covering the 2020-2023 period. It reflects our fast-track transformation. With the introduction of remote working and wholesale digitalisation, without any drop-off in productivity or quality of service, the new agreement extends the option of working from home up to three days per week. Quality of life at work underpins the quality of customer relationships, one of our key points of emphasis.



"We seamlessly went from an enforced period of working from home as a result of the pandemic to having the choice of working from home up to three days per week."



"The corporate social network helped maintain ties while reaping the benefit of collective insights across all our existing communities."



"All Group's employees were able to have their say on CNP Assurances' corporate mission, even remotely and despite being in the middle of a pandemic!"

"Designing working spaces at our future new headquarters at Issy-les-Moulineaux together has made us really keen to move in there and see our colleagues again."



R for Risk

Risk lies at the very heart of an insurer's business, and the fundamental dichotomy that characterises it. An insurer needs risk to exist, but at the same time has to mitigate it to fulfil its mission over the long term.

An insurer has a **risk appetite**. It needs to protect against risks to achieve its mission as a loan insurer. It needs to take financial risks to manage long-term savings effectively. An insurer manages and transforms risks – that's its job. Conversely, an insurer is exposed to known and emerging risks that represent threats. These include cyber attacks, catastrophes and pandemics that affect it in two ways – as an insurer of human lives, but also as an organisation. Its risk tolerance reflects its capacity to deal with them.

Risk trends are measured using metrics known as **KRIs** or **Key Risk Indicators**. While KPIs (Key Performance Indicators) are used to measure the attainment of strategic objectives, KRIs can help spot in advance risks that could hinder their achievement and influence decision-making. As a result, customer satisfaction monitoring represents a KPI, while the level of credit risk exposure is a KRI.

Risk management, a core part of an insurer's expertise, relies on the law of large numbers, one of the key mathematical underpinnings of insurance, to create **risk pooling opportunities**. Assessing the overall risk together and sharing it creates a form of affinity for CNP Assurances, which regards it as a means of inventing effective and inclusive protection solutions.



"Risk is essentially what makes progress, hope, human life and even humankind possible."

Jacques Attali,
economist



"It's very, very important to reintroduce a degree of risk tolerance into the structure of education."

Cynthia Fleury,
philosopher



"The pandemic experience has taught us in one fell swoop that risk is part of life."

Christophe Galfard,
physicist



Excerpt
from the
"Open voice"
podcasts
on our YouTube
channel (in French).

S for Solidarity

Our CNP Assurances Corporate Foundation is celebrating its 20th anniversary in 2021 – twenty years it has dedicated to opening up new health outreach possibilities.

Reducing inequalities

As France's leading sponsor of programmes alleviating social inequalities in health, the CNP Assurances Corporate Foundation focuses on young people and educational initiatives to raise awareness about best health and wellbeing practices. Its partnership with FAGE⁽¹⁾, for example, has helped build up a network of subsidised grocery stores at the heart of campuses, so students struggling financially are able to buy healthy food at a price they can afford.

Over 60,000 young people, including over **20,000 students,** benefited from initiatives supported by the Corporate Foundation in 2020.



(1) FAGE (French Federation of student associations).

Saving lives

The CNP Assurances Corporate Foundation has pioneered efforts to improve care and treatment for people in cardiac arrest and supported the roll-out of 4,725 defibrillators across France over ten years.

61 departments covered and a network of **over 500,000 community first-responders** contactable via the SAUV Life app to provide front-line emergency care for cardiac arrest victims pending the arrival of paramedic teams.

Energising employees

Solidarity goes even further thanks to the efforts of our employees. Some of them sponsor projects led by non-profits. Others provide the benefit of their expertise to partner non-profits, such as by coaching students in priority areas. Together, our employees take on sporting challenges and in so doing raise funds for causes that we back financially.

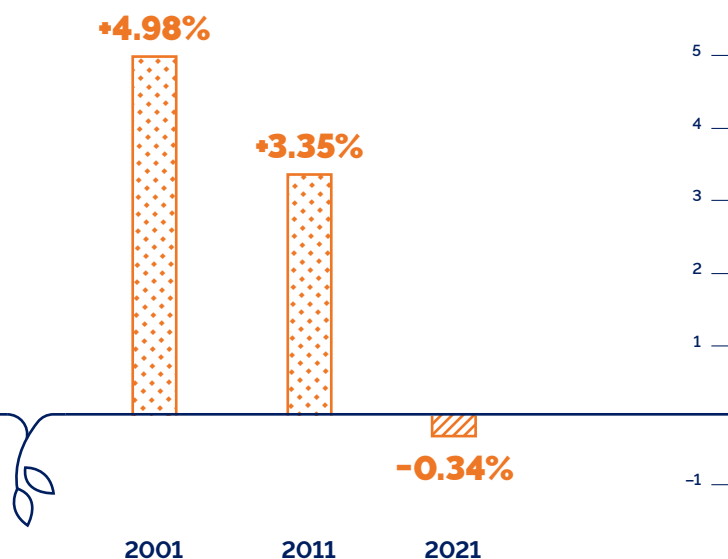
Donations totalling €100 thousand have been made to the French Food Bank Federation and Secours populaire français, a non-profit that aims to combat poverty and discrimination, by employees taking part in the live fitness classes on the "Bougeons Solidaires platform".



Trends (in interest rates)

INTEREST-RATE TRENDS OVER THE PAST 20 YEARS⁽¹⁾

Yields on 10-year OATs⁽²⁾ at 1 Jan. in the relevant year



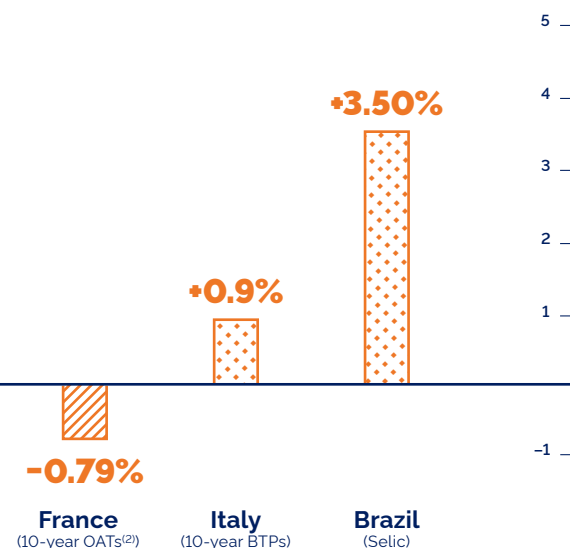
Low, very low and even negative interest rates are a reality affecting all the global economies and likely to persist. They drag down the returns generated by euro-fund-based savings and pensions and insurers' traditional portfolios.

Security, liquidity and returns, the three factors that underpinned the glory years of capital-guaranteed life insurance, are no longer sustainable. Our priority is to overhaul our savings offering so we can offer higher returns to savers, without affecting the equilibrium achieved by our model.

(1) Source: Bloomberg.

GLOBAL INTEREST RATES⁽²⁾

at 1 June 2021



Savers need to weigh up the security, liquidity and return factors and choose the savings formula that best fits their profile and their risk appetite.

The time is ripe for multi-vehicle life insurance, for unit-linked products pepping up returns and for next-generation euro funds to take centre-stage going forward. They will be crafted to fit particular stages in life or holding periods and will deliver returns personalised according to each individual's plans and risk appetite.

(2) 10-year OATs: average interest rate on French government bonds used as a reference index for fixed-rate real estate loans.

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for Unit-linked

Unit-linked contracts: consisting of a multi-vehicle life insurance contract to pep up savings returns in exchange for a degree of risk-taking. Unit-linked contracts may contain investments in listed or unlisted equities, government or corporate bonds, real estate and/or cash. As their performance is linked to the markets, it may produce capital gains or losses. Depending on their risk appetite and investment target, policyholders determine how much to allocate to euro funds and how much to unit-linked accounts. Flexible management of the unit-linked portion can make all the difference. That's why we provide as many savers as possible with access to specialist investment managers.



Returns and liquidity

In France, the CNP Immo Prestige unit-linked vehicle opens up the prospect of investing in upscale real estate in Paris, a segment previously reserved for institutional investors. The vehicle offers the scope for returns in the very near and long term with liquidity guaranteed by CNP Assurances.



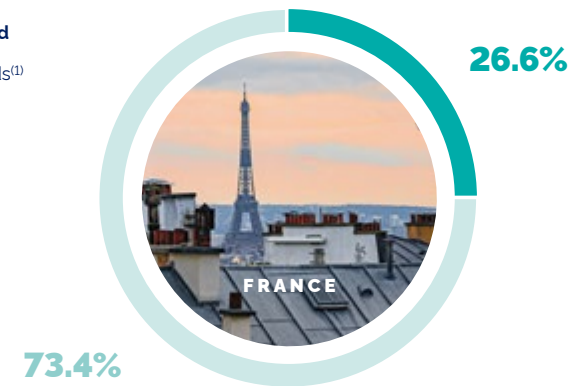
Returns and positive impact

Responsible, green and community-focused unit-linked contracts make a difference through the savings invested in them, such as by helping to combat climate change or creating new jobs. In 2020, more than 5 million investments totalling €11.1 billion were recorded by CNP Assurances.

UNIT-LINKED/EURO FUND BREAKDOWN OF CNP ASSURANCES' SAVINGS AND PENSION REVENUE

(2020 results)

Unit-linked
Euros funds⁽¹⁾



(1) Local currencies outside the euro zone.

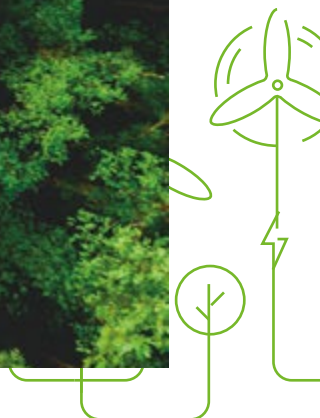


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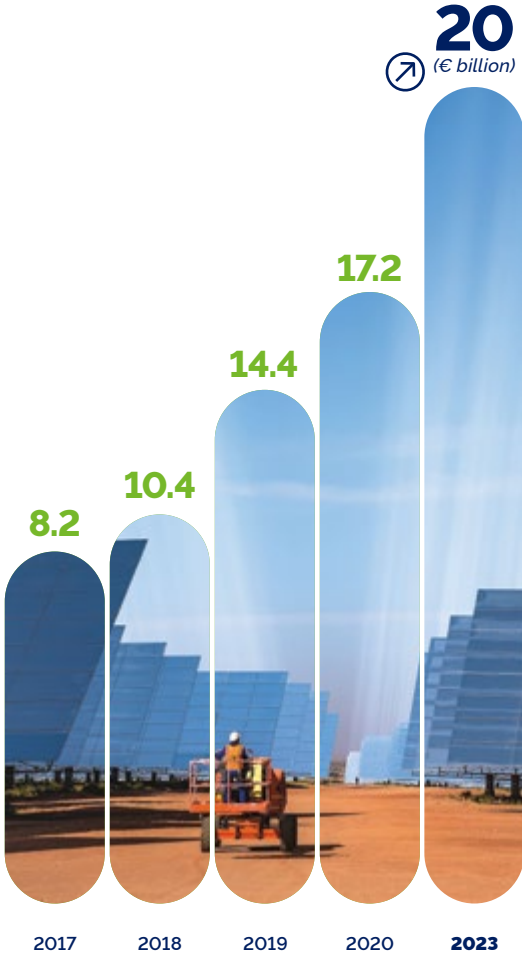
Over 56,000 hectares

CNP Assurances
is the largest private owner
of woodland in France.



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Green investments represent a key driver of our climate strategy. We invest in forests, green bonds, high energy performance buildings and green infrastructure (wind, solar, geothermal, sustainable transport). Through these investments, we aim to advance the economy-wide environmental and energy transition to achieve the 1.5° C trajectory mapped out in the Paris Agreement.



Our green investments have gone from strength to strength, doubling between 2017 and 2020 to bring the target of **€20 billion by 2023** within reach.

GROWTH IN GREEN INVESTMENTS (€ BILLION)

Over 56,000 hectares, or **close to 500,000** tonnes of CO₂ absorbed in 2020.

2%
Woodland with PEFC certification

1%
Multi-sector investments in the environmental and energy transition

60%
Sustainable buildings (label on acquisition and renovation)

High energy-performance buildings
Our new headquarters currently under construction in the Issy-les-Moulineaux eco-district, a project with five quality accreditations⁽¹⁾ and featuring positive-energy buildings, will cut our environmental footprint even further from 2022.

(1) BREEAM – Excellent rating, Bepos-Effinergie 2013, NF HQE Tertiary Building certification 2015 – Exceptional rating, WELL Argent, BiodiverCity®.

21%
Renewable energy, services and energy efficiency

11%
Transport and sustainable mobility

6%
Miscellaneous (waste, water, environmental industry, unspecified share of green bonds, etc.)



BREAKDOWN OF GREEN INVESTMENTS AT END-2020

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for **World-class**



We have doubled our market share in Italy, our second largest market in Europe, by sealing a deal with Aviva in March 2021. Once finalised, the acquisition of the Aviva group's life insurance activities will solidify our partnership with UniCredit and lift us into fifth spot in the Italian insurance rankings, with a market share of close to 6%. The deal illustrates the spirit of expansion that drives us and will help make our goal of becoming a World-class insurer a reality.

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Building back

We have joined the unprecedented commitment made by French insurers in support of the economy, under which close to €15 billion has been injected via the "Relance Durable France" programme.

Inclusiveness

As a staunch supporter of general-interest projects, we are involved in the work of the AERAS Commission (helping those with severe health risks to obtain insurance and loans) and have signed up to the AREAS industry agreement. Our term creditor insurance rejection rate has not exceeded 0.2% for many years.

Trust

Via the La Fabrique d'Assurance observatory, we instigated the 2020 white paper on trust in insurance, which lays down 27 proposals for restoring policyholder confidence, such as clearer policy documentation and more transparent use of personal data.

We are a leading personal insurer, with a strong public service mindset and firmly committed to engaging with a changing world. We play an active role in industry initiatives aimed at furthering the social benefits of insurance.

Life expectancy

Longer life expectancy has raised questions about how pensions and the cost of long-term care can be funded. As an insurer for the masses that takes a long view, we have set up an industry think tank and pioneer initiatives to help people lead a full life in their later years.

Building back
Life expectancy
Inclusiveness
Catastrophe
Trust

Catastrophe

The Covid-19 pandemic has turned the spotlight on the role that insurers play in addressing risks of extreme severity. Even though we are not yet a major player in property insurance, we have joined the French Insurance Federation's (FFA) think tank charged with sketching out plans for a special catastrophe insurance regime.



People aged 25 or under account for 19.5%⁽¹⁾ of Brazil's population. A whole generation of people brought up on digital technology are about to become fully-fledged consumers, and their modest incomes tend to make them prefer pay-to-use to ownership models.

(1) Source: CIA World Factbook, 2021 estimate.

Community spirit is highly developed in Brazil, and our Brazilian subsidiary has major plans for expansion. Youse, its fully digital insurance platform, markets Youse Friends, a motor insurance solution arranged by a group of friends who assume risks together and all share in the bonus rewarding them for driving safely.

sharing

community

practices

risk

generation

open

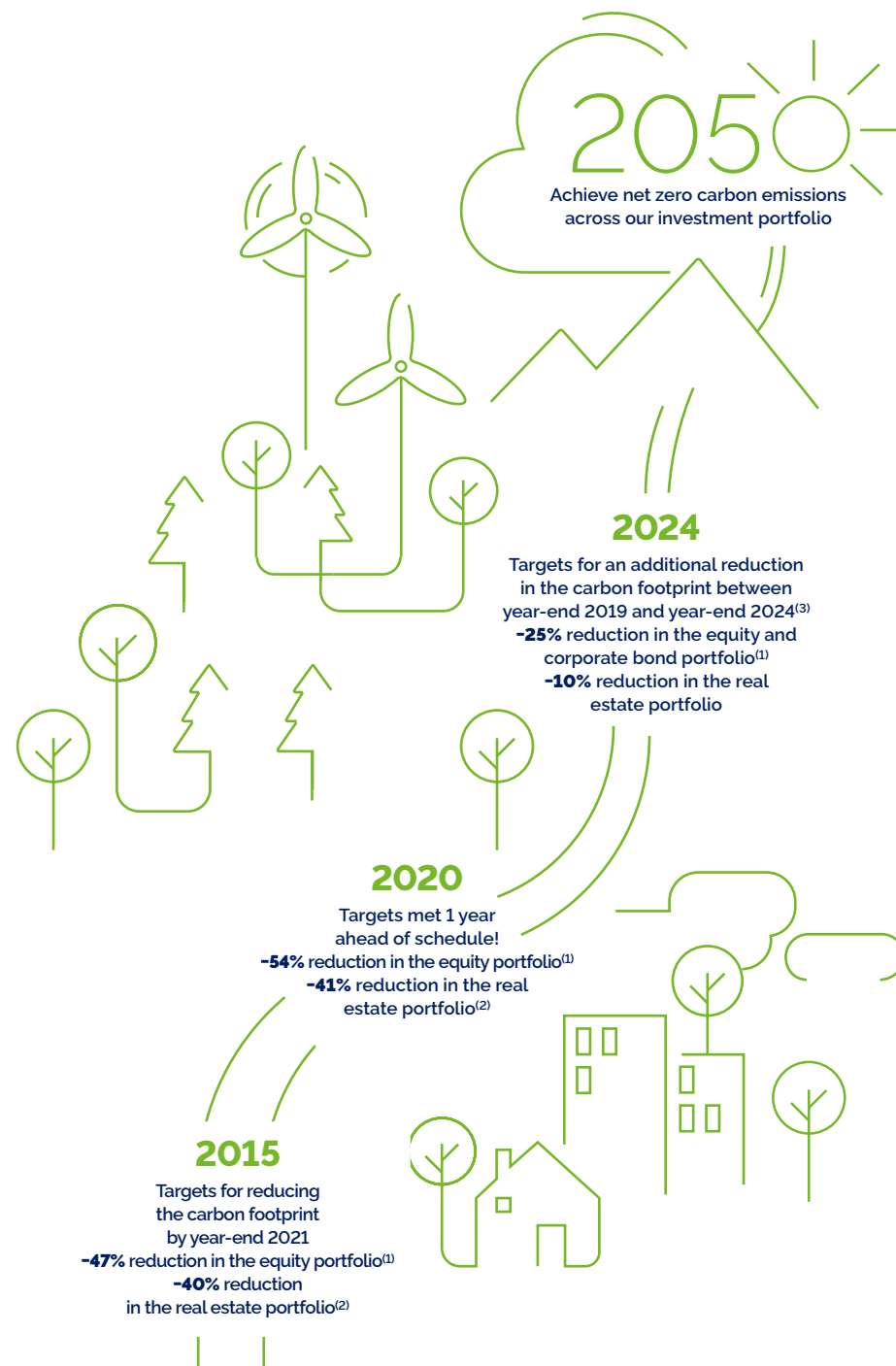
100% digital

By late May 2021, **25,000 people** had insured their car via a Youse Friend community, making it a very successful formula.

Youse Friends: sharing everything – car, insurance and bonus – cuts each individuals' motor costs and brings them closer together. Make friends by arranging cover. It will make you see insurance in a different light!

Z for Zero carbon (net)

Of CNP Assurances' greenhouse gas emissions, 99% are indirect and have nothing to do with our operational activities. They come from our investment portfolio and reflect emissions from the businesses and buildings we finance. In the wake of the Paris Agreement of 2015, we addressed the issue head-on and set ambitious targets for us to hit by year-end 2021. The results have been highly impressive: by year-end 2020, we had beaten these targets, and so we have raised the bar by signing up to the Net-Zero Asset Owner Alliance. Accordingly, we are now one of the 42 institutional investors accounting for \$6,600 billion in assets under management, working together to make their investment portfolio carbon-neutral **by 2050**.



(1) Compared with year-end 2014.
 (2) Compared with year-end 2006.
 (3) This 5-year period set by the Net-Zero Asset Owner Alliance measures the progress made collectively by Alliance members.

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