

CNP Assurances strengthens its voting policy by specifying its criteria for reviewing *Say on Climate*¹ resolutions and publishes the encouraging results of its policy of dialogue with companies in the coal sector

As a responsible investor with an equity portfolio of €21bn², CNP Assurances implements an active policy on voting at the general meetings of the listed companies in which it is a shareholder. In accordance with the Shareholder Rights Directive and article 29 of the French Energy and Climate Act, CNP Assurances is today publishing its 2022 shareholder engagement policy, which covers both its voting policy and its policy of dialogue with companies, as well as the report on its 2021 shareholder engagement policy.

Vincent Damas

Group Head of CSR of CNP Assurances



"As part of our climate change strategy, we encourage companies with high greenhouse gas emissions to hold regular shareholder votes on their environmental strategy and goals. In line with our objective of phasing-out thermal coal from our portfolio and after two years of dialogue with them, CNP Assurances is suspending from 2022 any new investment in four companies that have an insufficient or non-existent thermal coal phase-out plan."

¹ Say on Climate consists of having shareholders vote on the environmental strategy of companies and the associated goals.

² Market value of listed equities held directly by CNP Assurances at the end of 2021.

CNP Assurances strengthens its voting policy by specifying its criteria for reviewing *Say on Climate* resolutions

As part of its strategy to combat climate change, CNP Assurances is in favour of introducing a regular vote on companies' environmental strategy and the associated goals, as well as a report detailing the implementation of this strategy. CNP Assurances particularly encourages companies with high greenhouse gas (GHG) emissions to put these resolutions to a shareholder vote.

CNP Assurances votes on a case-by-case basis on the *Say on Climate* resolutions submitted by the board of directors to shareholders, taking into account the stringency, completeness and transparency of the transition plan.

CNP Assurances bases its analysis on the following criteria:

- **Ambition:** Goal of achieving carbon neutrality by 2050 at the latest
- **Alignment:** Aligning the GHG emission reduction trajectory with a 1.5°C scenario
- **Scope:** Quantitative GHG emission reduction targets covering all scope 1 & 2 emissions and the most material scope 3 emissions of the company
- **Timeframe:** Short-term (~5 years) and medium-term (~10 to 15 years) intermediate goals
- **Just transition:** Consideration of the transition plan's social impacts on employees and consumers
- **Frequency of *Say on Climate*:** Annual advisory vote on two separate resolutions presented by the board of directors
 - One on the company's climate strategy (*ex ante* resolution)
 - The other on the implementation of this strategy (*ex post* resolution)
- Significant integration of *Say on Climate* goals in the variable remuneration of executive directors

In the interests of transparency, CNP Assurances is committed to publishing its votes on all *Say on Climate* resolutions from 2022.

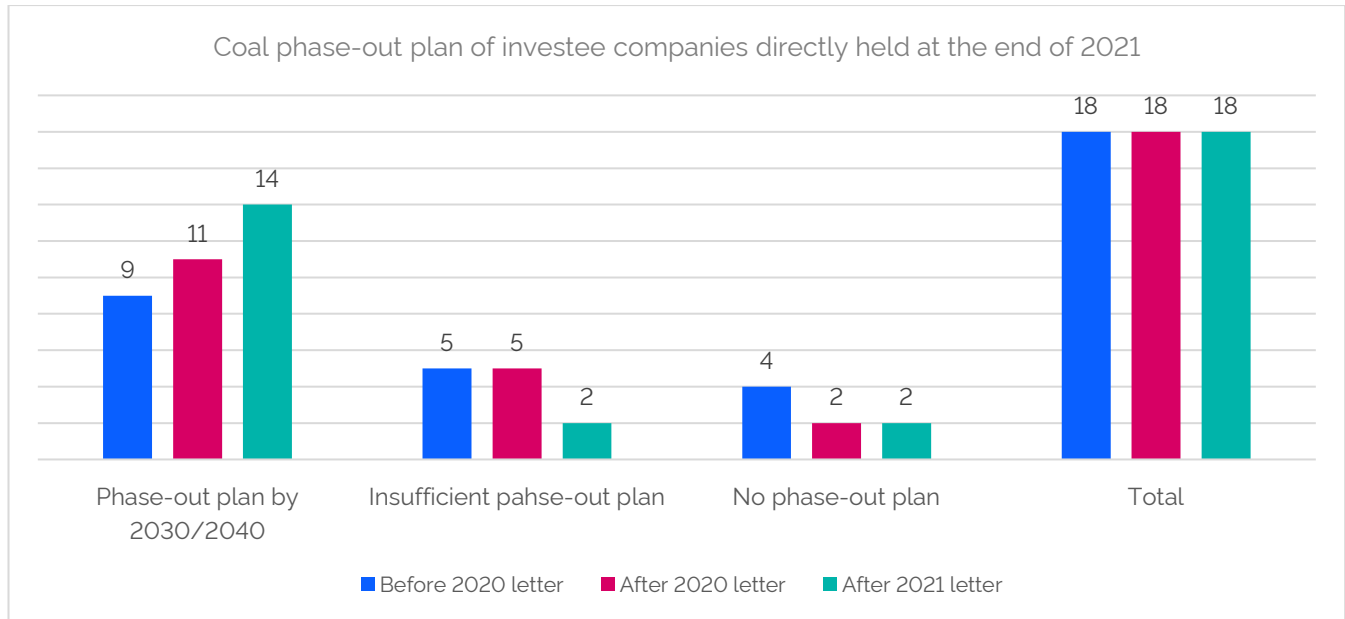
More generally, CNP Assurances supports environmental resolutions (whether or not they are approved by the board of directors) provided they are part of an ambitious drive to combat climate change or protect biodiversity.

A policy of dialogue with companies in the coal sector that is starting to bear fruit

In 2015, CNP Assurances initiated a strategy of dialogue with companies with high greenhouse gas emissions to support them in their transition. By promoting direct dialogue with the companies in which it is a shareholder, CNP Assurances seeks to improve their governance and implement its climate and biodiversity strategy.

In September 2021, for the second year in a row, CNP Assurances' CEO sent a letter to the CEOs of companies in the coal sector (electricity producers and thermal coal mine operators) asking them to publish by the end of 2021 a thermal coal phase-out plan by 2030 in European Union and OECD countries, and by 2040 in the rest of the world.

The following graph shows the results of letters sent to investee companies in 2020 and 2021:



After two years of dialogue between CNP Assurances and the 18 directly held investee companies, the results as of the end of 2021 are as follows:

- 14 companies have published a thermal coal phase-out plan by 2030/2040, an improvement on the situation at the end of 2019 (9 companies)
- 2 companies have published a thermal coal phase-out plan that is insufficient compared to our expectations, an improvement on the situation at the end of 2019 (5 companies)
- 2 companies have not published a thermal coal phase-out plan, an improvement on the situation at the end of 2019 (4 companies)

In total, as of the end of 2021, 4 out of 18 companies still do not meet CNP Assurances' expectations: 2 have an insufficient phase-out plan and 2 have no phase-out plan.

To ensure that its exclusion policy is consistent with its objective of phasing-out thermal coal by 2030/2040, CNP Assurances is suspending all new investments in these 4 companies from 2022.

More detailed information is available in French in the following documents (English versions will be available soon):

[*Download the 2022 Shareholder Engagement Policy*](#)

[*Download the 2021 Shareholder Engagement Policy Report*](#)

About CNP Assurances

A leading player on the French personal insurance market, CNP Assurances is present in 19 countries, in Europe and Latin America, with a strong presence in Brazil, its second-largest market. As an insurer, co-insurer and reinsurer, CNP Assurances designs innovative personal risk/protection and savings/retirement solutions. The company has over 36 million policyholders worldwide in personal risk/protection and over 12 million in savings/retirement. In line with its business model, its solutions are distributed by multiple partners and are adapted to their distribution method, physical or digital, and to the needs of customers in each country.

CNP Assurances has been listed on the Paris Stock Exchange since October 1998. The Group generated net profits of €1.552 bn in 2021.

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