

Publication of the CNP Assurances Solo and Group SFCRs at 31 December 2021

CNP Assurances today publishes its 2021 Solo and Group Solvency and Financial Condition Reports (SFCR), in accordance with regulatory requirements.

These reports cover the 2021 financial year and were approved by the CNP Assurances Board of Directors on 7 April 2022. This announcement concerns the French versions of these documents. The English versions will be published online soon.

The SFCR is a narrative report aimed at the general public and has been required by the Solvency II Directive since 2016. It is published annually:

- In a **"Group" version for CNP Assurances Group**, covering the consolidated activity of CNP Assurances SA and its subsidiaries in France and around the world
- In a **"Solo" version for CNP Assurances SA** on a standalone basis, covering only the activity of CNP Assurances SA, without including its subsidiaries

Key takeaways from the CNP Assurances Solo and Group SFCRs at 31 December 2021

The Group SCR coverage ratio stood at 217% in 2021 (+9 pts versus 2020), mainly boosted by higher interest rates and bullish equity markets. This financial strength was due to a sound, prudent risk management policy that is consistent with the company's long term strategy.

The other solvency indicators were as follows:

- **Own funds eligible for inclusion in the Group SCR calculation totalled €39.1 billion** at year-end 2021, including a policyholder surplus reserve of €12.7 billion calculated using the method recommended by the ACPR (French Prudential Supervision and Resolution Authority). Joint ventures also reported an additional €4.0 billion in surplus own funds that are not recognised by the regulator at Group level.
- **The Group SCR amounted to €18 billion** at year-end 2021, with 59% for market risk and 29% for underwriting risk. Risk diversification benefits are estimated at 23%.
- **CNP Assurances' Solo SCR coverage ratio stood at 236%** at year-end 2021.

1. SCR coverage ratio

The SCR (solvency capital requirement) is the amount of own funds needed to absorb material losses and to provide reasonable assurance that commitments to policyholders and beneficiaries will be honoured as they fall due.

CNP Assurances calculates its SCR coverage ratio using the standard formula, without applying prudential equivalence or transitional measures except for the grandfathering¹ of subordinated debt. CNP Assurances applies Solvency II requirements to all the subsidiaries included in the prudential consolidation scope, including the Brazilian subsidiary, so as to present consistent risk measurements across the Group.

At 31 December 2021, own funds eligible for inclusion in the SCR coverage ratio at Group level amounted to €39.1 billion, and the SCR stood at €18 billion.

Own funds eligible for inclusion in the Group SCR coverage ratio include €30.1 billion in Tier 1 capital, including €12.7 billion in the policyholder surplus reserve (which has been recognised in eligible own funds since the end of 2019).

The Group SCR coverage ratio includes 100% of the subsidiaries' SCR, including those that are not fully consolidated (Ariol CNP Assurances, XS5 Administradora de consorcios S.A., Wiz Soluções e Corretagem de Seguros S.A). **It does not include the subsidiaries' surplus own funds beyond the contributed SCR** (€4.0 billion including minority interests², or 22% of the Group SCR at 31 December 2021), as these are not recognised by the regulator at Group level under non-fungibility rules.

The CNP Assurances Solo SCR coverage ratio stood at 236% at year-end 2021, higher than the Group's ratio. This includes the subsidiaries' surplus own funds in proportion to CNP Assurances SA's ownership percentage.

2. MCR coverage ratio

The MCR (minimum capital requirement) is the minimum amount of own funds to be held by an insurer, failing which its operating licence may be withdrawn.

CNP Assurances calculates its MCR in accordance with the Solvency II Directive. The MCR is a metric based on the volume of premiums, benefits and capital at risk. At the level of each entity, the MCR must fall between 25% and 45% of the SCR. The Group MCR is the sum of all the entity MCRs, without taking into account any diversification benefits between subsidiaries.

At 31 December 2021, own funds eligible for the Group MCR coverage ratio came to €34.7 billion, including €30.1 billion in unrestricted Tier 1 capital. The Group's MCR stood at €9.1 billion.

The Group MCR coverage ratio stood at 382% at the end of 2021.

The CNP Assurances Solo MCR coverage ratio stood at 463% at the end of 2021. The MCR coverage ratios of the other Group subsidiaries were also well above 100%.

¹ Subordinated notes issued before the application of Solvency II are treated as either Tier 1 capital (for perpetual subordinated notes) or Tier 2 capital (for dated notes) for a period of ten years ending on 1 January 2026.

²Representing €2.0 billion in minority interests not available at Group level at 31 December 2021.

3. Impact of the volatility adjustment and transitional measures on technical provisions and interest rates

CNP Assurances uses the volatility adjustment (VA), which adjusts the risk-free discount curve used to measure technical provisions.

The Solvency II prudential framework includes transitional measures to give insurance companies time to adapt before fully applying the new requirements and to spread the impact over time. **CNP Assurances Group does not use transitional measures on interest rates or technical provisions.**

The impact of transitional measures on the Group's solvency indicators at 31 December 2021 were as follows:

	Impact of transitional measure on technical provisions	Impact of transitional measure on interest rates	Impact of the volatility adjustment at year-end 2021	<i>Reminder: Impact of the volatility adjustment at year-end 2020</i>
Groupe SCR coverage ratio	N/A	N/A	+ 4 pts	+ 9 pts
Group SCR (€ bn)	N/A	N/A	-€0.1 bn	-€0.3 bn
Own funds eligible for the Group SCR coverage ratio (€ bn)	N/A	N/A	+€0.2 bn	+€0.9bn

How to obtain our SFCRs:

- On the CNP Assurances website (tab: financial reports): <https://www.cnp.fr/le-groupe-cnp-assurances/newsroom/publications> (french version) or <https://www.cnp.fr/en/the-cnp-assurances-group/newsroom/publications> (english version, coming soon)
- By contacting one of your dedicated contact persons at infofi@cnp.fr (see Contacts section below)

Investor Calendar

- General Meeting of Shareholders: Friday 22 April 2022 at 2.30 p.m.
- Performance indicators at 31 March 2022: Thursday 12 May 2022 at 7.30 a.m.
- Interim results at 30 June 2022: Thursday 28 July 2022 at 7.30 a.m.

This press release and all regulated information published by CNP Assurances Group pursuant to Article L.451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq of the General Regulation of the AMF (French Financial Markets Authority) are available on the investor relations website at <https://www.cnp.fr/en/the-cnp-assurances-group/investors>.

About CNP Assurances

A leading player in the French personal insurance market, CNP Assurances operates in 19 countries, including 17 in Europe, particularly Italy, and in Latin America – where it is very active in Brazil, its second-largest market. As an insurance, coinsurance and reinsurance provider, CNP Assurances has more than 36 million insured parties in personal risk/protection insurance worldwide and more than 11 million in savings/pensions. In accordance with its business model, its solutions are distributed by multiple partners and adapt to their physical or digital distribution method, as well as to the needs of customers in each country in terms of their protection and convenience.

CNP Assurances has been listed on the Paris Stock Exchange since October 1998 and is a subsidiary of La Banque Postale. It reported net profit of €1.552 billion in 2021.

Contacts

Press

Florence de Montmarin +33 (0)1 42 18 86 51
Tamara Bernard +33 (0)1 42 18 86 19
Alexis Chauffrein +33 (0)1 42 18 85 73

servicepresse@cnp.fr

Follow us on:



Investors and analysts

Céline Byl +33 (0)1 42 18 77 95
Pascale Fargnier +33 (0)1 42 18 93 27

infofi@cnp.fr



Disclaimer:

This document may contain forward-looking statements referring to projections, future events, trends or objectives which, by their very nature, involve inherent risks and uncertainties that may lead to significant differences between actual results and those explicitly or implicitly implied by these statements. These risks and uncertainties may concern, for example, economic trends, movements in the financial markets, legal or regulatory decisions or changes, the frequency or severity of insured risks, interest rates and foreign exchange rates, changes in central bank or government policies, legal proceedings or action, the impact of acquisitions or disposals, and general factors affecting the competitive environment. Further information regarding these risks and uncertainties is included in CNP Assurances' filings with the AMF (French Financial Markets Authority). CNP Assurances does not undertake to update any forward-looking statements presented herein to take into account any new information, future event or other factors.

Some data from the previous financial year may be restated to ensure consistency with data from the current year. The sum of figures provided in this document may not exactly correspond to the totals shown in the tables or referred to in the text. Percentages and changes in percentages are calculated using full figures including decimals. For this reason, this document may contain slight differences between the sums and percentages due to rounding. CNP Assurances is required report its final solvency information to the supervisory authorities at a later date and this final data may differ from the estimates explicitly or implicitly given in this document.

This document may contain alternative performance indicators that CNP Assurances considers useful (for example, EBIT), but which are not recognised in the IFRS adopted by the European Union. As a result, these indicators should be considered additional information and not replacements for the balance sheet and income statement prepared in accordance with IFRS. Since not all companies use the same definition of these indicators, they may not be comparable with indicators with the same name used by other companies.