

Issy-les-Moulineaux, 7 April 2023

Publication of the Group SFCR and Solo SFCR reports of CNP Assurances at 31 December 2022

Today CNP Assurances published its Group and Solo Solvency and Financial Condition Reports (SFCRs) at 31 December 2022, in accordance with the company's regulatory requirements under Solvency II.

The reports were approved by the Board of Directors of CNP Assurances at its meeting on 6 April 2023. Only the French versions of the documents have been published; the English versions will be posted online on Friday, 19 May 2023 at www.cnp.fr.

The SFCR is a narrative report addressing the general public as required by the Solvency II Directive since 2016. Two versions are published annually:

- A **"Group" version for CNP Assurances Group**, covering the consolidated activity of CNP Assurances SA and its subsidiaries in France and around the world
- A **"Solo" version for CNP Assurances SA**, covering the business activity of CNP Assurances SA excluding that of its subsidiaries

Key points of the Group SFCR and Solo SFCR of CNP Assurances at 31 December 2022

The Group's SCR¹ coverage ratio stood at 230% at end-2022 (+13 points compared with 2021), bolstered primarily by a positive market effect. The increase can notably be attributed to the integration of profit net of dividends (+5 points), the upward market trend in 2022 (+18 points), a reversal of the surplus participation provision (-5 points), the issue of €500 million in Tier 3 debt ² in Q1 2022 less €1 billion in redemptions in Q4 2022 (-3 points), and the regulatory decrease in the Ultimate Forward Rate³ (-2 points). **This financial strength comes from a sound and cautious 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 €36.4 billion** at end-2022, including a surplus participation provision for €9.8 billion calculated using the method recommended by the ACPR (French Prudential Supervision and Resolution Authority).
- **The Group SCR amounted to €15.8 billion** at end-2022, with 47% for market risk and 42% for underwriting risk. Risk diversification benefits are estimated at 27%.
- **CNP Assurances' Solo SCR coverage ratio stood at 266%** at end-2022.

¹ Solvency Capital Requirement (SCR).

² Pursuant to the Solvency II Directive, own funds components are classified into three categories, or tiers. They are classified according to their quality, assessed on the basis of their availability, their degree of subordination, and their duration or permanence.

³ The Ultimate Forward Rate is a regulatory rate used to update the long-term commitments of insurers subject to Solvency II in the absence of relevant market data.

1. SCR coverage ratio

The SCR is the amount of own funds required to absorb material losses and provide reasonable assurance that commitments to insureds 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 grandfathering⁴ 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 2022, own funds eligible for inclusion in the SCR coverage ratio at Group level amounted to €36.4 billion, and the SCR stood at €15.8 billion.

Own funds eligible for inclusion in the Group SCR coverage ratio include €28.9 billion in Tier 1 capital, including €9.8 billion in the surplus participation provision (which has been recognised in eligible own funds since end-2019).

The Group SCR coverage ratio includes 100% of the SCRs of subsidiaries, including those that are not fully consolidated (Ariac CNP Assurances Retraite, CNP Retraite, 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 SCR contributions** (€3.8 billion including minority interests⁵, or 24% of the Group SCR at 31 December 2022), as these are not recognised by the regulator at Group level under non-fungibility rules.

The CNP Assurances Solo SCR coverage ratio stood at 266% at year-end 2022, 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 ratio⁶

The MCR is the minimum amount of own funds that can 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. The MCR for each entity must fall between 25% and 45% of the SCR. The Group MCR corresponds to the sum of all the entity MCRs, without taking into account any diversification benefits between subsidiaries.

At 31 December 2022, own funds eligible for the Group MCR coverage ratio came to €30.1 billion, including €26.0 billion in unrestricted Tier 1 capital. The Group's MCR amounted to €7.7 billion.

The Group MCR coverage ratio stood at 394% at end-2022.

CNP Assurances' Solo MCR coverage ratio stood at 532% at end-2022. The MCR coverage ratios of the other Group entities were also substantially higher than 100%.

⁴ 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.

⁵ Representing €2.1 billion in minority interests not available at Group level at 31 December 2022.

⁶ Minimum Capital Requirement (MCR)

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 out the impact over time. **The 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 2022 were as follows:

Impact of the volatility adjustment	31/12/2022	31/12/2021
On the Group SCR coverage ratio	+7 pts	+4 pts
On the Group SCR	-€0.3bn	-€0.1bn
On the own funds eligible for the Group SCR coverage ratio	+€0.5bn	+€0.2bn

How to obtain our SFCRs

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

Investor calendar

- 2022 annual results under IFRS 17: Tuesday, 11 April 2023 at 10:30 a.m.
- Interim results at 30 June 2023: Thursday, 2 August 2023 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 in Europe – particularly in Italy, its second largest market – and in Latin America, mainly in Brazil. As an insurance, coinsurance and reinsurance provider, CNP Assurances has more than 32 million insured parties in personal risk/protection insurance worldwide and more than 14 million in savings/pension. 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. As a responsible insurer and investor that is working towards an inclusive and sustainable society and taking action to protect as many people as possible, CNP Assurances included its corporate mission in its articles of association on 16 April 2021.

CNP Assurances is a subsidiary of La Banque Postale. It reported net profit of €1.939 billion in 2022.

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