Insuring
a more
open world

2022
Annual Results

IFRS 9 and IFRS 17

Disclaimer

This presentation comprises preliminary unaudited information, that may be supplemented and adjusted.

Some of the statements contained in this document may be forward-looking statements referring to projections, future events, trends or objectives that, by their very nature, involve inherent risks and uncertainties that may cause actual results to differ materially from those currently anticipated in such statements. These risks and uncertainties may concern factors such as changes in general economic conditions and financial market performance, legal or regulatory decisions or changes, changes in the frequency and amount of insured claims, changes in interest rates and foreign exchange rates, changes in the policies of central banks or governments, legal proceedings, the effects of acquisitions and divestments, and general factors affecting competition. Further information regarding factors which may cause results to differ materially from those projected in forward-looking statements is included in CNP Assurances' filings with the Autorité des marchés financiers – AMF. CNP Assurances does not undertake to update any forward-looking statements presented herein to take into account any new information, future events or other factors.

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This document may contain alternative performance measures (such as EBIT) that are considered useful by CNP Assurances but are not recognised in the IFRSs adopted for use in the European Union. These measures should be treated as additional information and not as substitutes for the balance sheet and income statement prepared in accordance with IFRS. They may not be comparable with those published by other companies, as their definition may vary from one company to another.

Contents

Key messages

The Company's underlying qualities are unchanged

The new accounting environment does not affect the **underlying qualities** of the Company's **business model**:

Our **solvency**, **liquidity**, **ratings**, ability to generate **recurring profits** and **strategy** are **unchanged**

Reduced volatility of our **equity** versus increased **volatility** of **profit**

Our equity is robust and is becoming **less volatile** thanks to the **cushioning effect** of the **CSM** and **better financial matching of assets and liabilities**

Our profit, derived in part from transfers from the CSM, is becoming **more volatile** due to **market effects affecting the CSM**

Financial communication adapted and **realigned** based on the new accounting environment

IFRS17 is based on **three new indicators** (**contractual service margin-CSM**, **Risk adjustment-RA**, **Insurance Service Result**) reflecting our forward-looking business expectations.

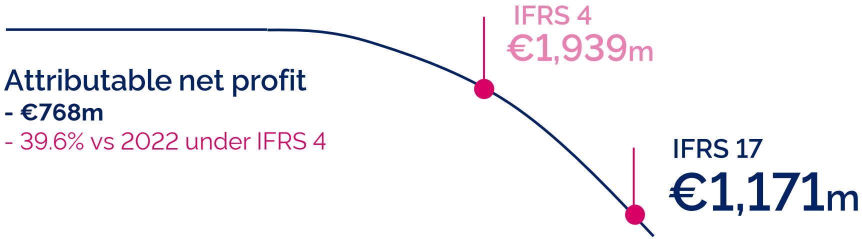
The **usual key financial indicators** will still be presented (**EBIT**, **Attributable Net Profit**, **Equity**, etc.) but they will be calculated differently.

Key figures

A difference in equity that reflects CNP Assurances' resilience in a rising interest rate environment

Equity
+ €1,643m
+ 9.6% vs 2022 under IFRS 4

A difference in attributable net profit due to the impact of the standard on revenue from own-funds portfolios.



Attributable net profit
- €768m
- 39.6% vs 2022 under IFRS 4

Future profits preserved

€17.3bn (-€0.2bn)[1]
CSM
New rate at which profits are recognised in the income statement

€29.8bn (-€2bn)[1]
NCSM[2] + Equity
New representation of the Company's economic value

Underlying qualities retained

230%
Consolidated SCR ratio
Unchanged

€36.2bn
Non-GAAP Premium income[3]
Unchanged

€14.1bn
Policyholders' surplus reserve
Unchanged

A1 / A+ / A+
Moody's / Fitch / S&P
Unchanged

40% - 50%
Dividend policy
Unchanged

1. Change compared to the amount at the transition date of 1 January 2022 / 2. NCSM corresponds to the CSM net of non-controlling interests and tax / 3.Add-back of volumes excluded under IFRS 4, including unit-linked products without any guarantee

01
Transition to the new standards

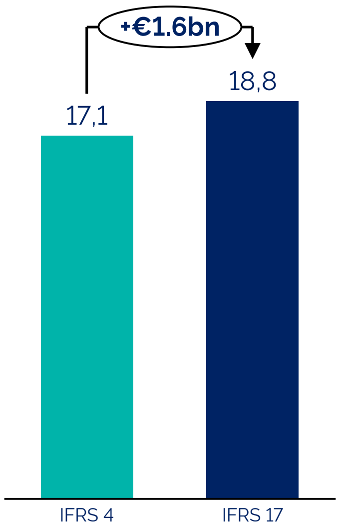
IAS 39 to IFRS 4

IFRS 9 to IFRS 17

Offsetting effects between equity and attributable net profit

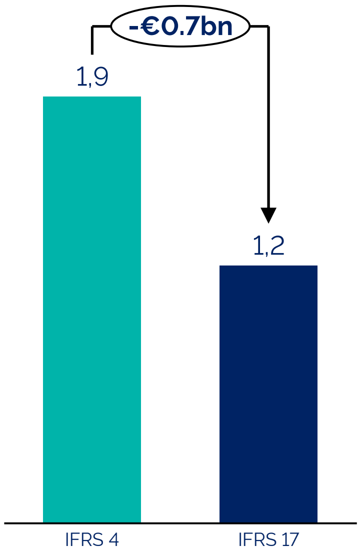
Equity at 31 December 2022

(€bn)



2022 attributable net profit

(€bn)

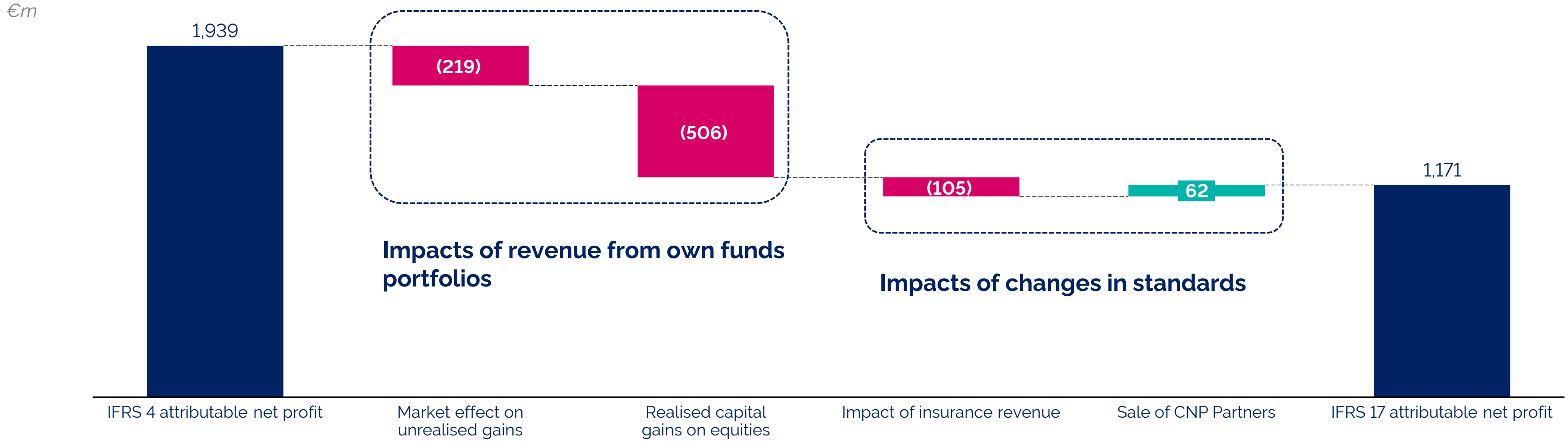


In a rising interest rate environment, **equity** is more resilient under IFRS 17 than under IFRS 4 thanks to better asset/liability matching; as liabilities are measured at market value under IFRS 17, when interest rates rise, the values of assets and liabilities evolve in a similar manner**.**

An Attributable net profit difference of -€0.7bn due to the lower contribution to EBIT of revenue from own funds portfolios.

An Attributable net profit difference of - €0.7bn

Due to the repositioning of revenue from own funds portfolios



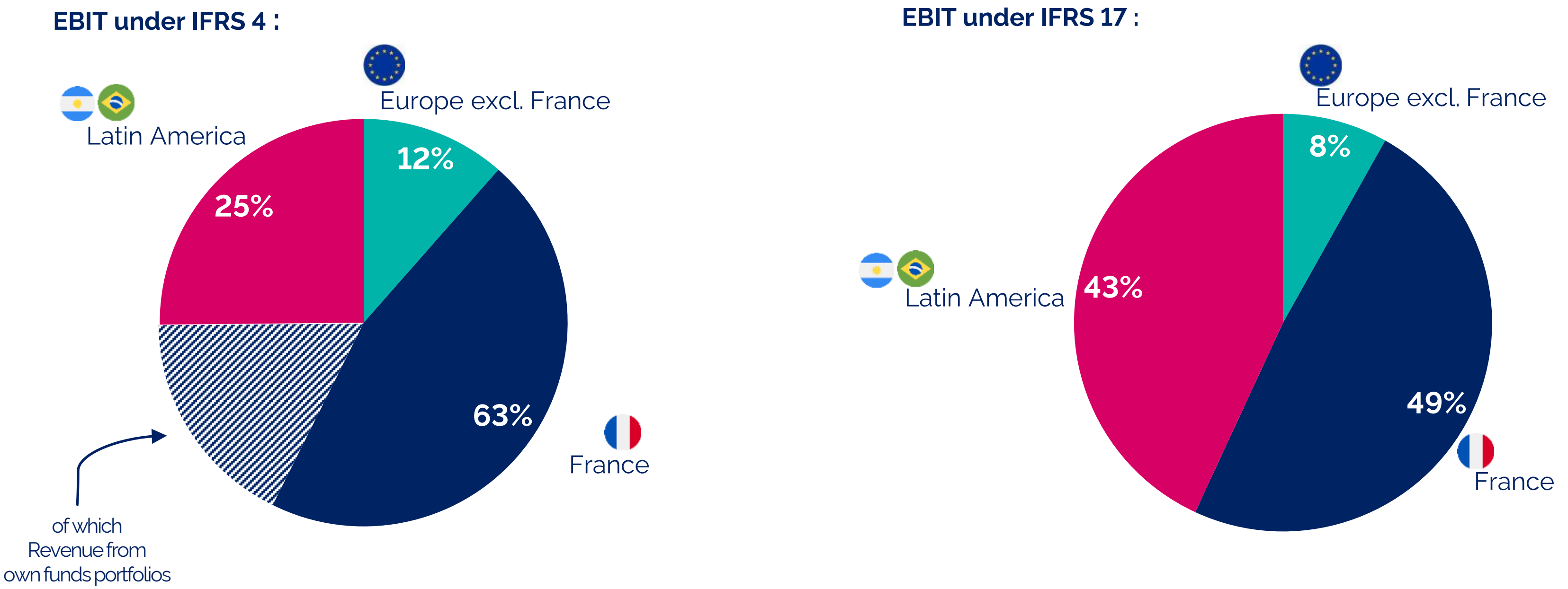
IFRS 17 attributable net profit amounts to €1.2bn vs €1.9bn under IFRS 4, a gap of €768m corresponding to:

realised gains on equities (€506m), which no longer contribute to attributable net profit

unrealised gains and losses (on UCITS, investment property and unlisted securities) which are now recognised through profit or loss (€219m negative impact)

the impact of the transition to IFRS 17 representing a **negative €43m,** reflecting:
- the negative effect on the insurance service result of forecast unfavourable changes in economic indicators (rising interest rates, higher inflation, falling stock markets)
- remeasurement of the CNP Partners balance sheet in accordance with IFRS 9/17, which transformed the €3m loss on the sale of this business into a €59m gain

Changed contributions to EBIT

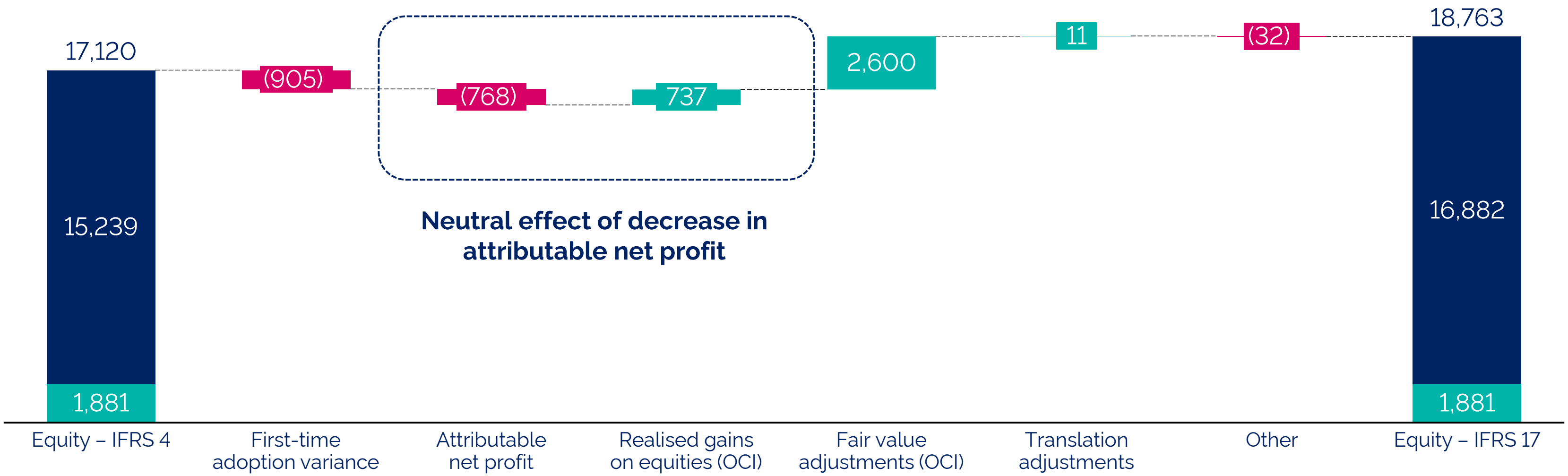


France's contribution to EBIT decreases from 63% to 49%, mainly due to the exclusion of revenue from own-funds portfolios.

The contribution of Latin America increases from 25% to 43%, due to a higher rate of transfers from the CSM and the decrease of France's contribution

An Equity difference of + €1.6bn

Reflecting better asset/liability matching



Equity : A gap of -€0.9bn on first-time adoption of IFRS 17.

€2.6bn positive mark-to-market effect due to improved symmetry between the change in value of liabilities and the change in value of assets. Changes in asset and liability values under IFRS 17 are more symmetrical. As a result, the difference between changes in assets and changes in liabilities is smaller, resulting in a lesser impact on IFRS 17 equity.

Reduced contribution of attributable net profit. The decrease in attributable net profit is offset by the **reclassification of gains on equities** to OCI not recycled through profit or loss for €737m. This change is explained by the difference in classification of financial assets, which results in the change in unrealised gains or losses being recognised either through equity (OCI) or through diluted profit or loss.

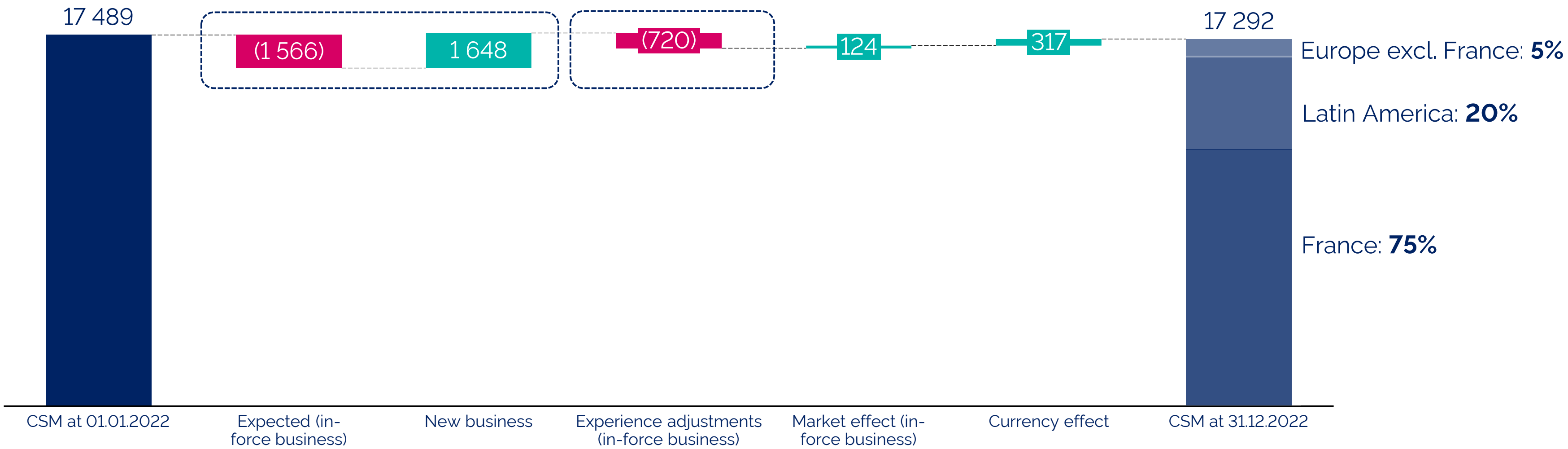
02
Financial performance

The CSM, pool of future profits, is stable

It is partially replenished by new business

Group CSM

(from 01,01,2022 to 31,12,2022 / €m)



The expected transfer to the insurance service result (**- €1.6bn**) reduces the CSM**.**

The contribution of new business (**+ €1.6bn)** refreshes the CSM, excluding non-recurring effects

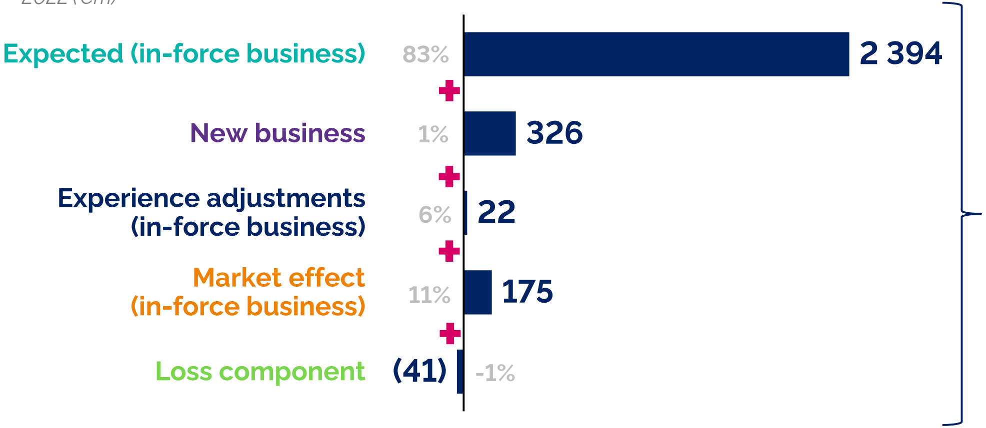
Non-recurring effects (-€0.7bn) mainly concern France and correspond to (i) the effect of inflation on administrative costs and inflation-indexed annuities, and (ii) the adjustment of term creditor insurance surrender rates

The market effect included in the CSM concerns the Savings/Pensions business and is neutral overall (**+€0.1bn**), with positive effects in France and Latin America mitigated by negative effects in Europe excluding France**.**

Analysis of the consolidated insurance service result

Reflects the rate of transfers from the CSM

2022 (€m)



= Insurance service result: €2.9bn

France: 57%

Latin America: 34%

Europe excl. France: 10%

Unearned future profits (CSM) and the risk adjustment (RA) are transferred to the income statement each year – as a component of the insurance service result – at rates[1] pro rated to the lives of the contracts **(10% in France, 18% in Latin America, 15% in Europe excluding France).**

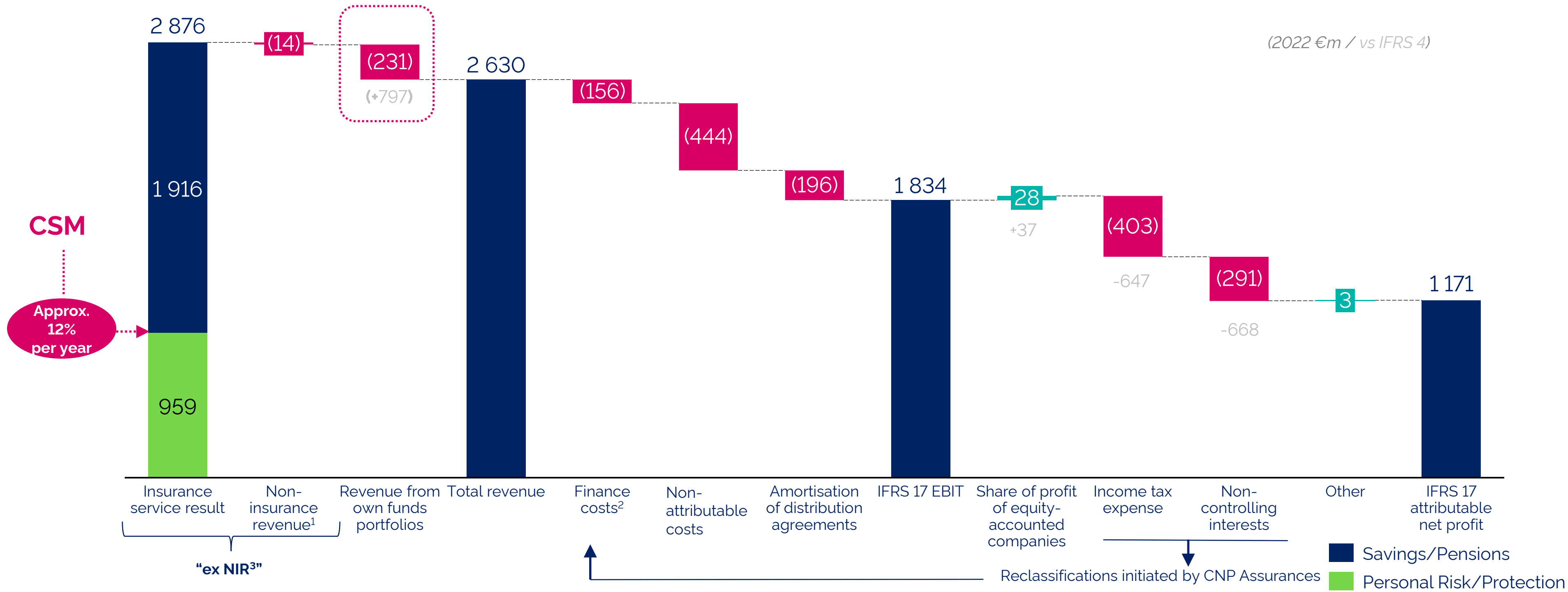
New business contributed for €326m to the result of the year (of which €164m for Latin America and €124m for France).

The effect of experience adjustments is favourable for international subsidiaries, with the improved loss experiences at CVP and CSH recognised in full in profit, but is unfavourable in France, reflecting the adjustment of surrender rates, cost inflation and the effect of inflation on annuity payments, cushioned by the recognition of the CSM.

Higher interest rates have a positive impact on the Savings/Pensions segment by increasing the rate at which the CSM is transferred to profit

1. Transfer rate at 1 January 2022

IFRS 17 income statement



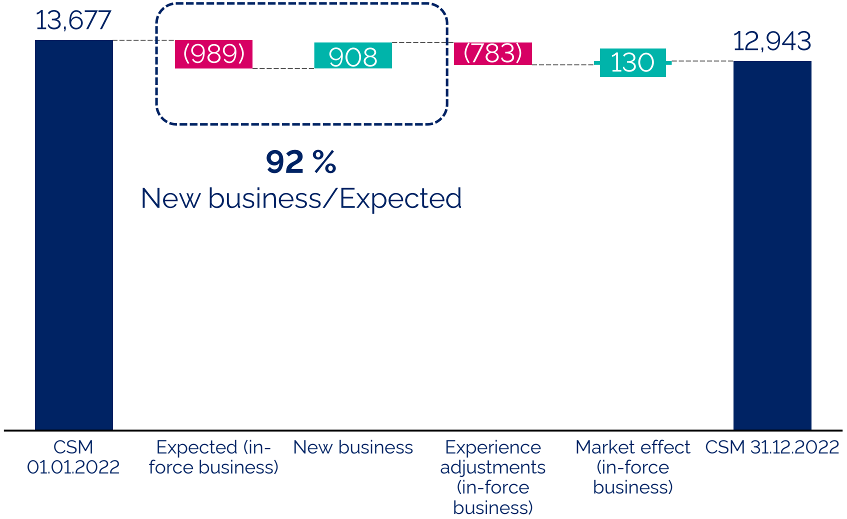
Attributable net profit amounts to €1.1bn, taking into account **the recognition directly in equity of realised gains on equities (€506m negative impact on profit) and mark-to-market adjustments to UCITS** now recognised in profit **(€219m negative impact).**

Non-attributable costs are part of total administrative costs (non-GAAP indicator). Most administrative costs are now **classified as attributable costs and included in the insurance service result, for €565m.**

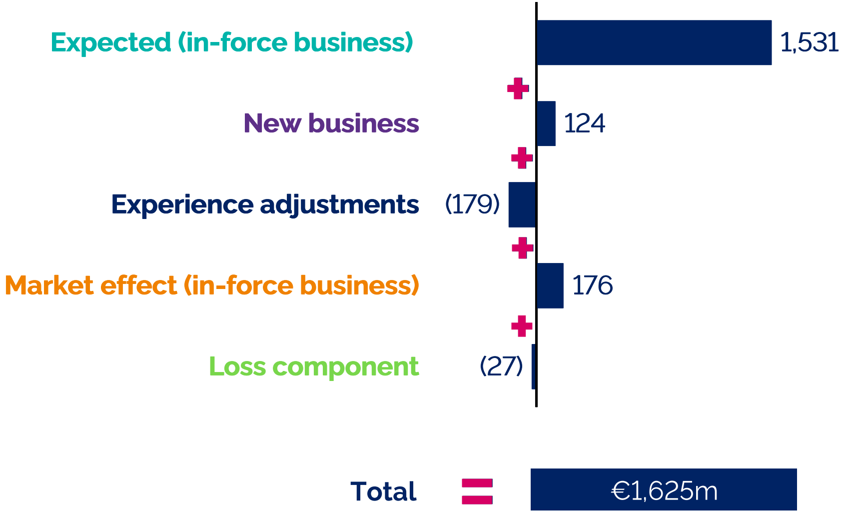
1. Non-insurance revenue: unit-linked, Consórcio, etc. / 2. Finance costs including interest on the cash flow hedge on the $700m subordinated debt / 3. Net insurance revenue under IFRS 4 was not based on forward-looking estimates and did not include a share of administrative costs.

France: decline in CSM due to the macroeconomic context

Change in CSM
(1 January to 31 December 2022 / €m)



Analysis of insurance service result
(€m)



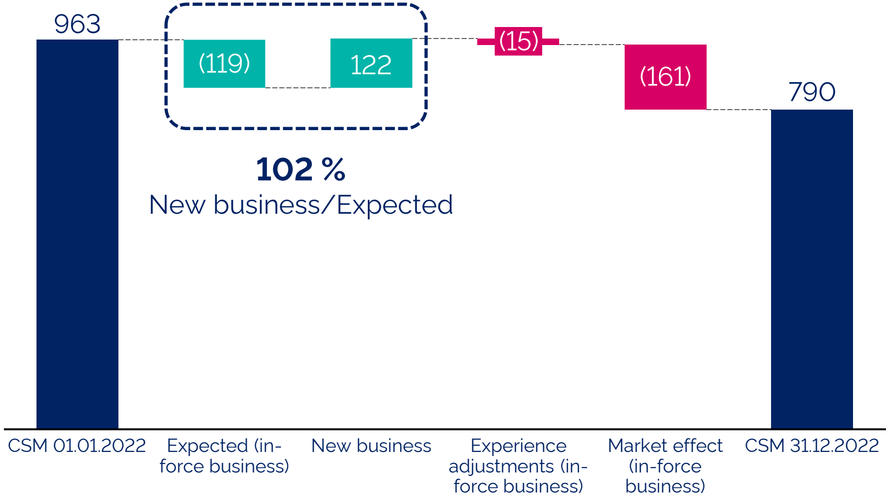
The CSM is down by €734m (or 5.4%), mainly due to experience adjustments (inflation and adjustments to term creditor insurance surrender rates)

New business in CSM (€908m) partly replaces transfers from the CSM (€989m) to insurance service result (expected in-force business): **92%**

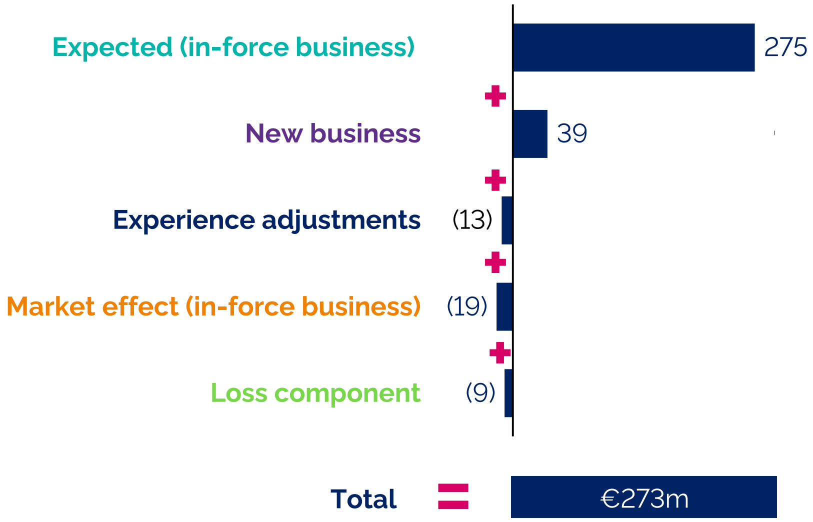
The positive insurance service result of €1.6bn primarily reflects expected transfers to profit from the CSM and technical provisions, for a total of €1,531m. It is increased by the favourable effect of the rise in interest rates (€176m) and the contribution of new business (€124m), mitigated by the impact of inflation and adjustments to term creditor insurance surrender rates (-€179m)

Europe excluding France: CSM impacted by changes in the financial markets

Change in CSM
(1 January to 31 December 2022 / €m)



Analysis of insurance service result
(€m)



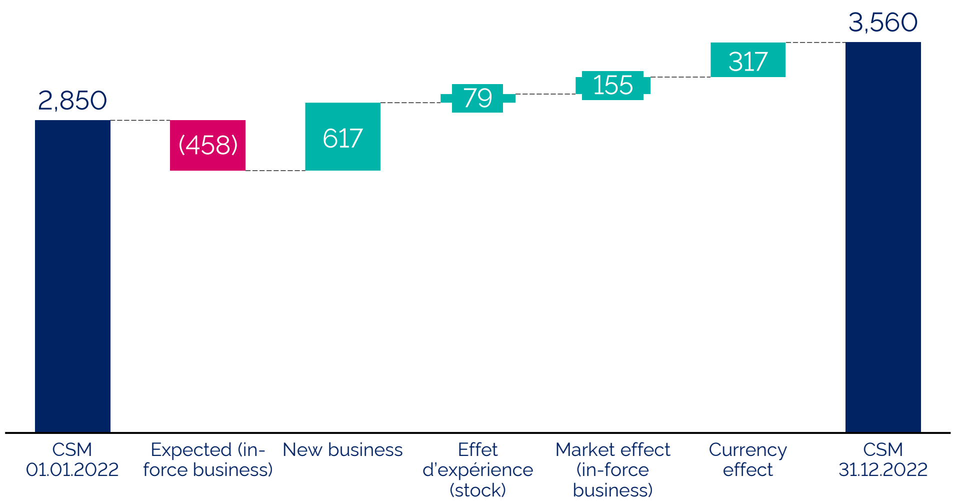
The CSM is down €174m (or 18.0%), reflecting unfavourable market effects in Italy.

New business in CSM (€122m) replaces transfers from the CSM (€119m) to insurance service result (expected in-force business): **102%**.

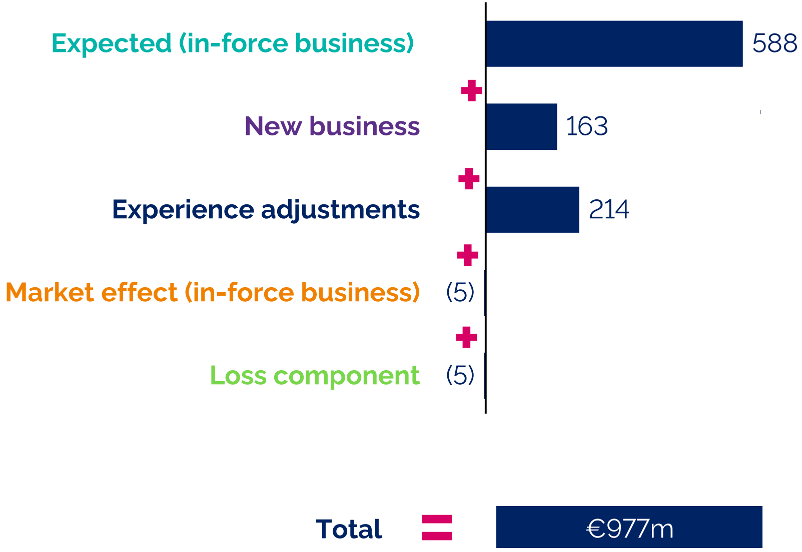
Insurance service result of €273m, consisting mainly of the contribution by CNP Santander (€118m). The contribution of the Italian subsidiaries is €69m for CUV and €68m for CVA.

Latin America: strong growth in new business

Change in CSM
(1 January to 31 December 2022 / €m)



Analysis of insurance service result
(€m)



The CSM is up €711m (or 24.9%), reflecting higher Savings/Pensions technical provisions, the improved claims experience and favourable market effects on unit-linked portfolios.

New business in CSM (€617m) drove an increase in CSM: **135%**.

The positive insurance service result of €977m consists mainly of expected transfers from the CSM and technical provisions (€588m). The improved claims ratio (€214m) and the contribution of new business (€163m) have a positive impact on the insurance service result.

IFRS 17 attributable net profit by region

(€m)	France	Latin America	Europe excl. France	CUV	CVA	Santander	Other
Insurance service result	1,625	977	273	69	68	118	18
Total revenue	1,309	1,063	258	45	67	138	8
EBIT	894	790	149	36	34	77	3
ATTRIBUTABLE NET PROFIT	**866**	**234**	**72**	**14**	**22**	**33**	**3**

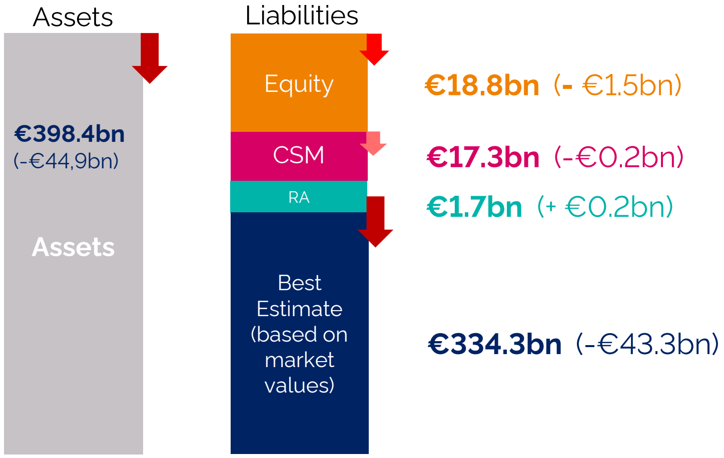
03
Balance sheet management

Better asset-liability matching

On the balance sheet

2022 background:
10-Year OAT = 3.1% (+290 bps); CAC40 = 6474 pts (-9.8%)

IFRS 9-IFRS 17 balance sheet



The transition to IFRS 17 **reduces the volatility of equity due to financial market fluctuations.**

- **The values of assets and liabilities move in a more symmetrical manner, because they are both measured at market value.** The gap between changes in value of assets and liabilities is narrower, leading to a smaller impact on equity under IFRS 17.
- **The CSM and BE absorb part of the market effect,** which is now partly recognised in profit and not directly in equity for the full amount.
- At 31 December 2022, expected credit losses **(ECL) amounted to €298m** under IFRS 9

Preponderance of the VFA model

insurance liabilities' distribution
(31.12.2022)

Building Block Approach (BBA) is the general liability measurement model **for indirect participation or non-participating contracts**

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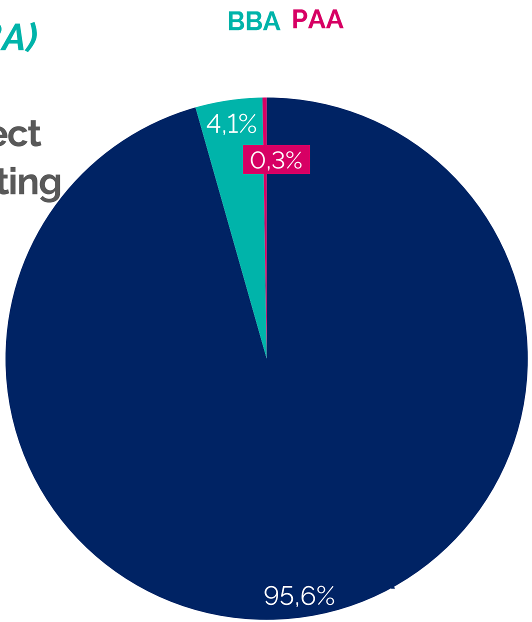

Premium Allocation Approach (PAA) is the model used for **short-term (less than 1 year) non-participating contracts** whose cash flows to policyholders do not vary with the return on assets

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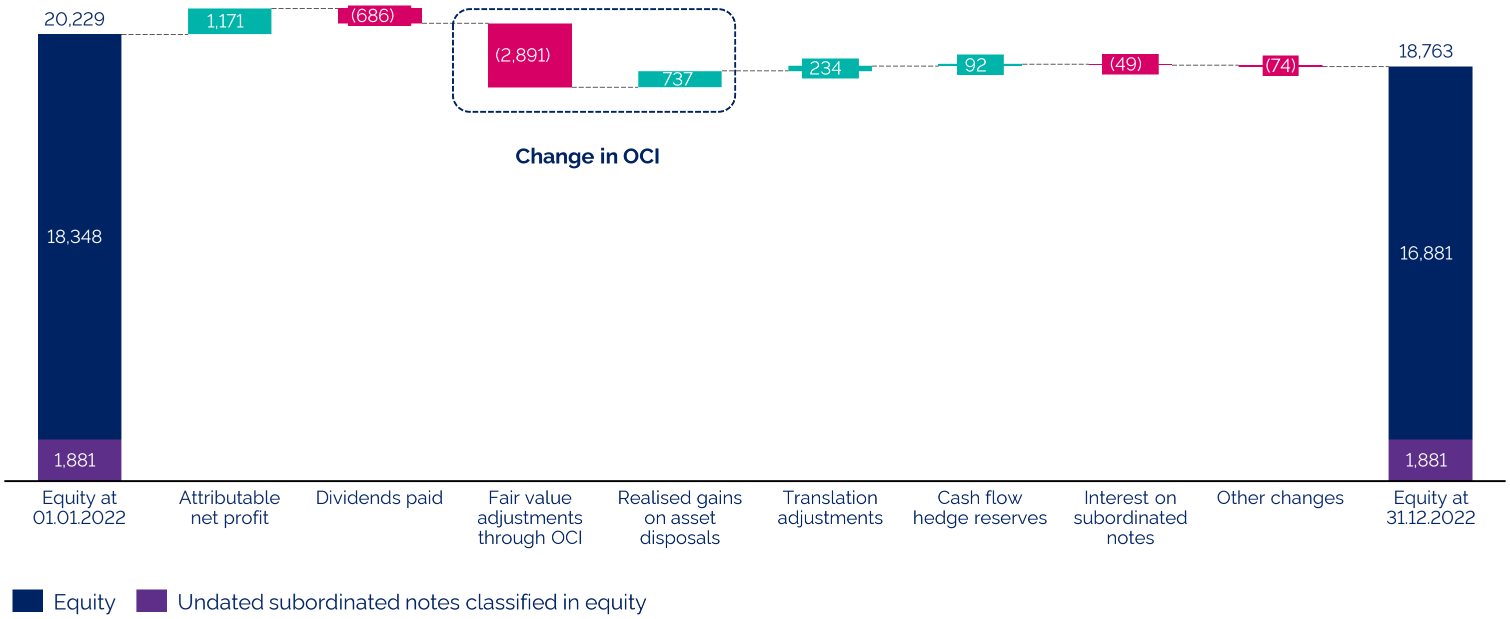
Variable Fee Approach (VFA) is **mandatory** for **direct participation Savings/Pensions contracts**

04
Company's economic value

Change in equity

From first-time adoption (FTA) to 31 December 2022

€m



Equity at 31 December 2022 is €1.5bn lower, a more moderate decline compared to the **€4bn decrease under IFRS 4**.

Changes in the fair value of assets recorded in OCI represent a net loss of €2.9bn (net of deferred tax), including a €28bn recyclable loss[1] and a €2.8bn non-recyclable loss, partly offset by the €28bn in income from changes in the fair value of liabilities recorded in OCI.

In the IFRS 17 financial statements, part of the gain realised on disposal of assets (€737m) is now recognised in equity through OCI.

1. Recyclable: income and losses subsequently recycled to profit or loss

Total NCSM + Equity

Representing the Company's economic value

CNP Assurances Group €m	31/12/2022	Transition date 01/01/2022	Change
Group equity and CSM net of deferred taxes and non-controlling interests	**29,828**	**31,830**	**- 2,002**

The **economic value** of CNP Assurances is made up of its **equity** and **net CSM**, which together represent the **sum of the wealth already recognised** plus its expected **future wealth**.

It **contracted by €2bn** in 2022 (down 6.3%), due to:

- a €1.5bn decrease in equity, which is affected by a combination of higher interest rates and lower stock market prices.

- a €0.5bn decrease in discounted future profits (NCSM) after taking into account non-controlling interests in Brazil.

The combination of equity and net CSM will be used for measuring the Group's **debt ratio** (the level of Group indebtedness) and thus its solvency

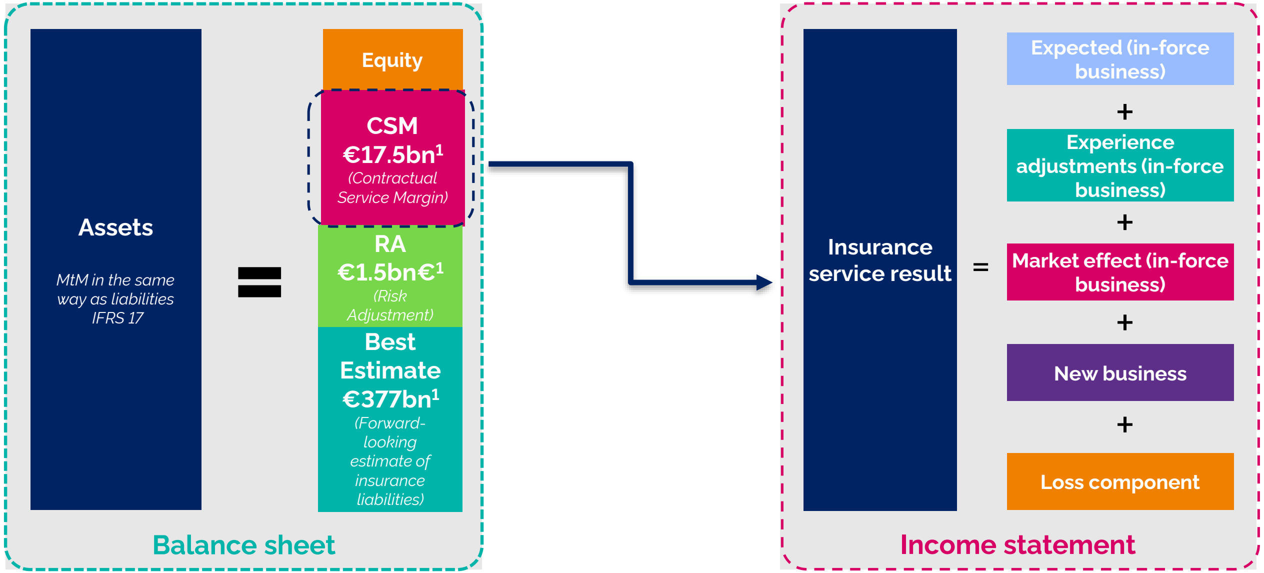
CNP assurances

05
Appendices

IFRS 17 introduces the CSM, the pool of future profits

IFRS 17 introduces a forward-looking framework for measuring provisions, leading to the application of two key principles:

Measurement of liabilities at market value and recognition in liabilities of the pool of future profits (CSM) to be transferred to the income statement over the lives of the contracts



The CSM corresponds to the **pool of expected future profits** available to absorb the effect of financial market fluctuations on Savings/Pensions technical provisions and changes in future earnings estimates. It is recorded when the contract is sold (or on first-time adoption of IFRS 17), and **transferred to the income statement as the insurance service is provided,** making a **significant contribution to net profit for the year.**

1. Transition-date values (at first-time adoption on 1 January 2022)

Liabilities: CSM calculation methods

Impacts on profit, CSM and OCI

	VFA	BBA	PAA
	95.6% **Savings/Pensions** Participating savings/pensions and unit-linked savings contracts	**4.1%** **Term creditor and death/disability insurance** (individual & group, excluding CNP Santander)	**0.3%** **Group death/disability contracts and property & casualty insurance** (+ CNP Santander)
Changes in **technical** assumptions	affect **CSM**	affect **CSM**[1]	affect **Profit**
Changes in **financial** assumptions	affect **CSM**	affect **Profit**[2] or **OCI** OCI option applied to substantially all contracts measured using **BBA**	affect **Profit** or **OCI**

OCI (Other Comprehensive Income): income or expenses recognised directly in **equity** without passing through the income statement

1.To a lesser extent, use of the BBA also affects the RA through transfers from the CSM
2. Recognition of market effects

Assets: effect of applying IFRS 9

Accounting treatment of investments

Financial instruments	IAS 39 (before 01/01/2023)	IFRS 9 (as from 01/01/2023)
Equities	FVTOCI	FVTOCI
UCITS	FVTOCI	FVTPL[1]
Bonds	FVTOCI	FVTOCI or amortised cost
Structured bonds	FVTPL	FVTPL
Derivatives	FVTPL	FVTPL
Investment property (IAS 40)	Amortised cost	Amortised cost or FVTPL

In connection with the application of IFRS 17 to liabilities, **CNP Assurances has elected to apply certain asset measurement options available under IFRS 9 in order to avoid asset/liability mismatches.** Concerning the equity portfolios, changes in market value and disposal gains and losses are now recognised in OCI – with a direct impact on equity – and no longer in profit or loss.

CNP assurances

1. Through profit or loss, either indirectly through transfers from the CSM or directly depending on the model (BBA, VFA or PAA)

Contractual Service Margin, Best Estimate and Risk Adjustment calculation methods

The main assumptions used to calculate technical provisions are as follows:

Methodological choices

- **VFA** (with a carve out[1]) used **in the majority of cases** (**95% of contracts** based on technical provisions net of reinsurance)
- A Solvency II-inspired **yield curve (bottom-up approach)**: risk-free rate + liquidity premium (e.g., on first-time adoption in France: volatility adjustment[2] of 64 bps)
- **Different modelling approaches compared to Solvency II**: measurement of future Savings/Pensions cash flows, attributable costs, etc.
- Risk adjustment: quantile approach based on **80% confidence level**
- **FVTOCI option** applied to liabilities under VFA and BBA

1 - Option avoiding the need to distinguish between cohorts for the application of the VFA.
2- A measure to ensure appropriate treatment of insurance products with long-term guarantees under Solvency II. The volatility adjustment applies only to the risk-free component of the interest rate.

Income statement

2022 (€m)

Insurance service result	**2,875**
o/w France	1,625
o/w Europe excluding France	273
o/w Latin America	977
Other insurance revenue	(14)
Revenue from own-funds portfolios	(231)
Total revenue	**2,630**
Finance costs	(156)
Administrative costs	(444)
Acquisition-related items	(196)
IFRS 17 EBIT	**1,833**
Share of profit of equity-accounted companies	28
Income tax expense	(403)
Non-controlling interests	(291)
M&A	3
Reported IFRS 17 attributable net profit	**1,171**

Glossary

Building Block Approach (BBA)

General liability measurement model for indirect participation or non-participating contracts (i.e., direct participation contracts whose cash flows to policyholders nevertheless vary with the return on assets).

Variable Fee Approach (VFA)

Model adapted from the BBA; mandatory for direct participation contracts (contracts where the policyholder is entitled to a share of the return on a portfolio of assets).

Premium Allocation Approach (PAA)

Model used for short-term (less than 1 year) non-participating contracts whose cash flows to policyholders do not vary with the return on assets. Optional model for short-term business.

Contractual Service Margin (CSM)

Represents the pool of future profits transferred to the income statement as the insurance service is provided. The CSM cannot become negative. If the amount is negative, the underlying contract is qualified as onerous and is transferred to the loss component.

Risk Adjustment

A technical provision designed to capture the uncertainty associated with non-financial risks with a view to measuring the insurance liability on an economic basis.

Expected (in-force business)

Component of the insurance service result. Corresponds to the expected transfer to profit of the CSM and RA on in-force contracts held at the beginning of the year (based on opening CSM before changes in assumptions and market effect)

Experience adjustments (in-force business)

Component of the insurance service result. Impact of experience differences between expected and actual (direct P&L impact or CSM impact transferred to the P&L) as well as changes in technical assumptions.

Market effect (in-force business)

Component of the insurance service result. Impact of the change in the economic environment (direct impact on P&L for BBA contracts or CSM impact transferred to the P&L for VFA contracts) + financial margin for BBA contracts.

New business

Component of the insurance service result. Insurance service result on new business written during the year (P&L impact of recognising new business CSM).

Loss component

Component of the insurance service result. When a group of contracts is recognised as onerous at the inception of the contract, the expected loss is recognised immediately in the income statement. The loss component is a provision for losses which is released to the income statement as the insurance service is provided.

Investor calendar

H1 2023

H2 2023

11 April – 10:30 am CEST

Results indicators based on IFRS 17
Full-year 2022

2 August

Results indicators based on IFRS 9/17
First-half 2023

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