Registration Document

including the Annual Financial Report

2014

CNP assurances

2014 Registration Document

The following information is incorporated in this Registration Document:

- the Annual Financial Report that all listed companies are required to prepare and publish within four months of their financial year-end, in accordance with Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and with Article L.222-3 of the General Regulations of the French financial markets authority (*Autorité des Marchés Financiers* – AMF)
- the Annual Management Report of the CNP Assurances Board of Directors, to be presented to shareholders at the Annual General Meeting held to approve the financial statements for each financial year, in accordance with Articles L.225-100 *et seq.* of the French Commercial Code (*Code de commerce*).

The concordance table below provides cross references to the information provided in the two above-mentioned reports.

The French version of this Registration Document *(Document de Référence)* was filed with the AMF on 9 April 2015, in accordance with Article 212-13 of the General Regulations of the AMF. The Registration Document may not be used in connection with a financial transaction unless it is accompanied by an Information Memorandum approved by the AMF.

The document has been translated and adapted from the French *Document de Référence* filed with the AMF. The *Document de Référence* in French is available on request from the Company and can also be downloaded from the AMF website and the CNP Assurances website (www.cnp.fr). Only the French language version is binding on the Company.

PROFILE

CNP Assurances designs, develops, distributes and manages personal risk, protection, savings and pension products. Its mission is to offer across-the-board insurance protection in keeping with the Group's proud heritage and deeply-held values.

Founded over **160 years** ago

Offers a comprehensive range of products for **personal risk, protection, life insurance, savings and pensions**

Present in **Europe** and **Latin America,** with robust activity levels in **Brazil**

No. 1 in France for personal insurance [(1)]

No. 1 in France for term creditor insurance [(2)]

No. 3 in France for group pension plans [(3)]

No. 4 in Europe for personal insurance (excluding health) [(4)]

No. 6 in Brazil for insurance [(5)]

Over **28 million** [(6)] personal risk/protection policyholders [(7)] and over **13 million** [(6)] savings and pensions policyholders worldwide

Over **4,700** employees worldwide

€1,080 million profit (Group share) in 2014

€30.8 billion in premium income in 2014 (IFRS)

An average of **€307.4 billion** in technical reserves in 2014 (excluding deferred participation)

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(1) Source: FFSA, 2013 data, June 2014
(2) 2013 term creditor insurance contracts, FFSA, June 2014
(3) Source: XERFI, Le marché de l'épargne retraite et salariale, April 2013
(4) Argus de l'assurance – Europe Top 20 2013 Results, December 2014
(5) Source: SUSEP (Brazilian prudential supervisory authority), December 2014
(6) Estimates partly based on the number of contracts under management, rounded up
(7) Personal risk, health, term creditor and property & casualty insurance

SELECTED FINANCIAL AND NON-FINANCIAL DATA

Key financial data

(Source: CNP Assurances 2014 annual results)

(in € millions)	**2014**	2013	% change	% change (like-for-like)	2012
Premium income [1]	30,802	27,668	11.3%	12.2%	26,460
Revenue [2]	3,337	3,234	3.2%	6.3%	3,167
Administrative expenses	(896)	(879)	1.8%	3.8%	(889)
EBIT	2,442	2,354	3.7%	7.3%	2,278
Attributable net profit	1,080	1,030	4.8%	7.5%	951
ROE	8.1%	8.5%	-0.4 pt	-	8.9 %
New business margin	11.9%	14.1%	-2.2 pts	-	11.6 %
S1 (coverage ratio) including latent capital gains	403%	302%	+101 pts	-	298 %
MCEV© €/share	25.5	23.3	+€2.2	-	20.1 [3]
Book value [4] [5] €/share	20.5	18.2	+€2.3		18.1

(1) Premium income under IFRS
(2) Net insurance income + equity income
(3) Post-dividend and dilutive impact
(4) Before dividend
(5) Adjusted to exclude deeply subordinated notes: 686,618,477 shares at 31 December 2014

Key non-financial data

FOR PROTECTION FOR EVERYONE

- Microinsurance written by the Group: **190,000 policies** at 31 December 2014
- Refusal rate for term creditor insurance still below 0.2%
- Number of unit-linked contracts deemed to be socially responsible investments: **96,600** (up 13% on 2013)

FOR A SUSTAINABLE ECONOMY

- **€248 billion** in assets managed by the Group under ESG criteria
- Forests used as a carbon sink to capture and store **546,716 t.CO_2**
- **37%** of CNP Assurances' suppliers audited on their environmental, social and ethical performance

FOR AN ATTRACTIVE COMPANY

- Employees: **4,705**

  Including CNP Assurances Group: **3,009** and

  Consolidated French and international subsidiaries: **1,696**
- Training: **20 hours** of training a year on average per Group employee
- Percentage of women in Executive Management positions in the Group: **33%**

FOR A CARING SOCIETY

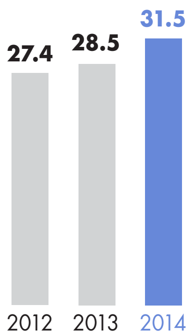
- Greenhouse gas emissions per employee reduced through adjustments to internal procedures: **2.6%** lower than in 2013
- Paper consumption cut by over **60%** in the last six years on a like-for-like basis (through adjustments to internal procedures and methods used to communicate with customers)
- **€2.5 million** donated by Group entities to health, social inclusion and community research projects in 2014

€30.8
billion in premium income in 2014

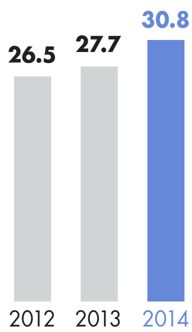
4,700
employees worldwide

No. 1
personal insurer in France

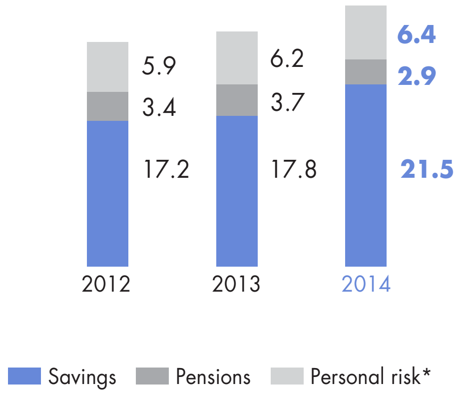
TOTAL NEW MONEY (1)
(in € billions, French GAAP)



TOTAL PREMIUM INCOME (1)
(in € billions, IFRS)

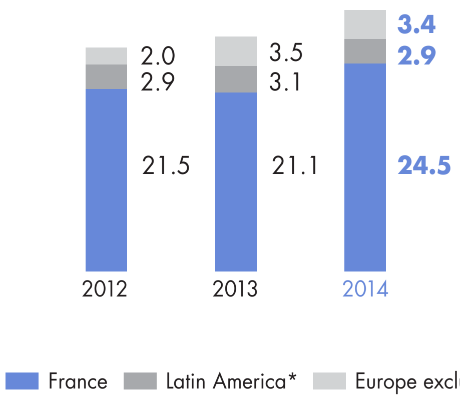


PREMIUM INCOME BY SEGMENT
(in € millions, IFRS, at 31 December 2014)



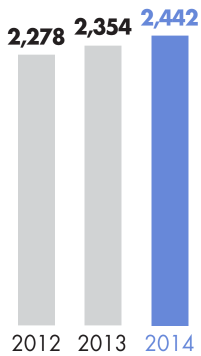
* Personal risk, health, term creditor and property & casualty insurance

PREMIUM INCOME BY GEOGRAPHICAL AREA
(in € millions, IFRS, at 31 December 2014)



* At current exchange rates

EBIT (1)
(in € millions)



(1) See definition in Note 3.20 to the consolidated financial statements
See Notes 6.3 and 6.4 to the consolidated financial statements for a reconciliation with operating profit

No. 6
in Brazil for insurance

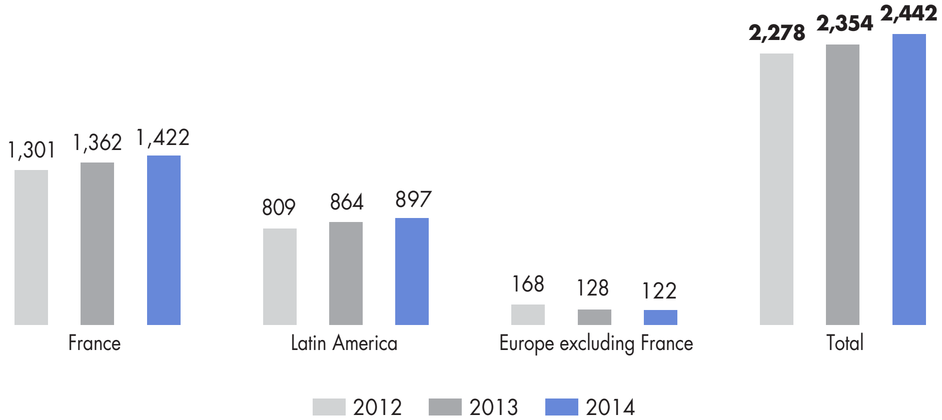
28
million personal risk/protection policyholders worldwide

13
million savings and pensions policyholders worldwide

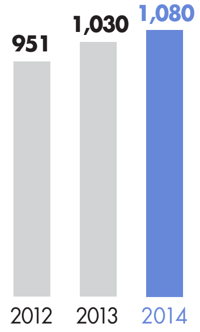
EBIT BY SEGMENT
(in € millions, at 31 December 2014)

* Personal risk, health, term creditor and property & casualty insurance

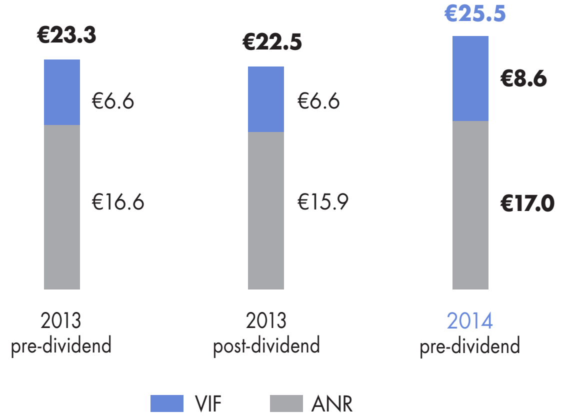
EBIT BY GEOGRAPHICAL AREA
(in € millions, at 31 December 2014)



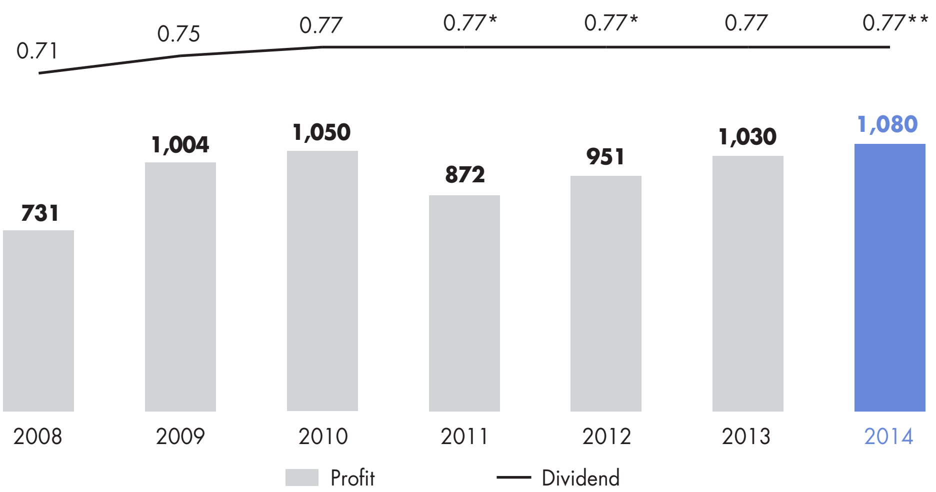
ATTRIBUTABLE NET PROFIT
(in € millions)



MARKET CONSISTENT EMBEDDED VALUE
(in €/share)



OVERVIEW OF NET PROFIT
AND DIVIDENDS
(in €/share, in € millions)



* With scrip dividend option
** Submitted to a shareholders' vote at the Annual General Meeting on 6 May 2015

RATINGS

(Source: Standard & Poor's Report – January 2015)

Standard & Poor's – *Financial Strength Rating*	A, stable outlook
Standard & Poor's – *Counterparty Credit Rating*	A, stable outlook

1

COMPANY OVERVIEW

1.1 Providing insurance for over 160 years

For more than 160 years, CNP Assurances has been committed to meeting the demand for widely accessible personal insurance products to protect against future risk.

Thanks to this longstanding experience, CNP Assurances is ideally placed to track economic and social changes and offer appropriate solutions to customers.

As a general rule, as economies become more developed, people become more risk-averse, while longer life expectancy leads to greater needs in retirement. There is only so much that families can do to meet these needs and state pension schemes can provide only partial coverage. This is where insurance companies play a critical role, enabling policyholders to protect their own future and that of their loved ones.

The personal insurer's business is to meet these needs by leveraging several overlapping areas of expertise. By assessing and pooling risks among groups of insured persons with similar characteristics and securing guarantees both administratively and financially, CNP Assurances attenuates the financial and day-to-day impact of adverse life events.

In keeping with the strong public roots of its main shareholders, CNP Assurances fulfils its social responsibility as an insurer by establishing a relationship of trust with all stakeholders and helping to combat financial and social exclusion.

KEY DATES IN THE HISTORY OF CNP ASSURANCES

1850	Creation within Caisse des Dépôts of Caisse Nationale de retraite pour la vieillesse (CNRV), France's first retirement fund.
1868	Creation of Caisse Nationale d'Assurances en cas d'Accident (CNAA), an accident insurance fund, and of Caisse Nationale d'Assurances en cas de Décès (CNAD), a death benefit fund.
1959	Creation of Caisse Nationale de Prévoyance (CNP), a state institution combining the three above-mentioned funds within Caisse des Dépôts.
1960	Launch of the first mutual fund-backed individual insurance policies with La Poste (the French Post Office) and the French Treasury.
1988	Creation of Ecureuil Vie with the Caisses d'Epargne savings banks.
1992	CNP becomes CNP Assurances, a *société anonyme* (public limited company) governed by the Insurance Code *(Code des assurances)*.
1995	Creation of Compañia de Seguros de Vida in Argentina.
1998	Stock market flotation. Signing of the CNP Assurances shareholders' agreement.
1999	Acquisition of a controlling stake in Global SA and Global Vida SA in Portugal.
2001	Acquisition of a controlling stake in Caixa Seguros in Brazil. Creation of Filassistance International in conjunction with Azur-GMF, dedicated to the provision of local services.
2003	Signing of a partnership agreement with Mutualité Française covering the period up to 2013.
2005	Establishment in Italy through the acquisition of a 57.5% stake in Fineco Vita, which became Capitalia Vita in 2006, then CNP UniCredit Vita in 2008.
2006	Extension of the shareholders' agreement with La Poste, Groupe Caisses d'Epargne, Caisse des Dépôts and the French State until the end of 2015. Establishment in Spain through the acquisition of a 94% stake in Skandia Vida, renamed CNP Vida.
2007	Purchase by CNP Assurances of the 49.9% stake in Ecureuil Vie held by Groupe Caisses d'Epargne.
2008	Establishment in Cyprus and in Greece through the acquisition of a 50.1% stake in Marfin Insurance Holdings.
2009	Signing in June of a long-term (25-year), exclusive partnership agreement with Barclays, which was strengthened by the creation in September of a joint venture called Barclays Vida y Pensiones Compania de Seguros (BVP) to distribute a full range of life insurance and pension products in Spain, Portugal and Italy.
2010	In June, CNP Assurances and mutual insurer Mutuelle Nationale Territoriale (MNT) agree to renew their partnership through to 31 December 2017. In August, CNP Assurances takes a controlling interest in MFPrévoyance SA and strengthens its ties with public sector mutual insurers.
2011	On 12 July 2011, a public consortium comprising CNP Assurances, CDC Infrastructure and Caisse des Dépôts laid the foundations for a long-term partnership with GDF SUEZ in natural gas transportation in France and the rest of Europe. The partnership is based on the acquisition of a 25% non-controlling interest in GRTgaz for €1.1 billion.
2012	Creation of Groupe Assuristance, which is 66%-owned by CNP Assurances and 34% by Swiss Life, grouping together Filassistance International and Garantie Assistance. It covers all market assistance needs.
2013	Via Caixa Seguros, its Brazilian subsidiary, CNP Assurances continues to expand in South America through its acquisition of Previsul, a personal insurance specialist in south Brazil and of Tempo Dental, one of the biggest dental insurance companies in Brazil.
2014	The partnership agreement between BPCE Group and CNP Assurances to develop the insurance protection business was renewed for a seven-year period starting on 1 January 2016. A strategic agreement was signed with the Santander Group, including the acquisition of 51% of Santander Consumer Finance's life and non-life insurance subsidiaries and a long-term exclusive distribution agreement for insurance protection products in ten European countries.

1

1.2 Business and strategy overview

Through its multi-partner business model, CNP Assurances provides its personal and group insurance partners with unique expertise in life and protection insurance.

Our business is providing personal insurance cover

CNP Assurances plays a major role in providing families and private individuals with social protection. Structural factors mean that this need is growing, be it due to family members living in various geographic locations, demographic changes or longer life expectancy in Europe, or the growth in the middle classes with access to insurance.

CNP Assurances is responding to these very specific and essential needs. It enables people to protect their own and their loved ones' futures against the risks of everyday life, to confidently enter into commitments, and to safely pass on their heritage to future generations.

Providing solutions across the needs spectrum

One distinguishing feature of CNP Assurances is that the Group works closely with each distribution partner to develop offers geared to the profiles of their respective customer bases in terms of age, risk appetite and income. The wide-ranging challenges encompass helping working people to prepare for retirement, estate planning for retirees or solutions for long-term care insurance, guaranteeing quality of life if a partner dies or having access to dental care. Whatever the need, CNP Assurances can offer comprehensive, innovative solutions to its millions of policyholders around the world thanks to its expertise in insuring the various types of risk.

The Group's offers are designed to provide insurance solutions for all budgets. Each product range includes affordable products for customers in all income brackets, thanks to very low minimum premiums offered to European customers and a microinsurance offering for the Latin American market.

To enable people with health issues to invest in real estate projects and have access to mortgages, CNP Assurances was closely involved in discussions to improve the AERAS convention on insurance and loans for people representing an aggravated health risk. The updated version of this convention came into force in 2011. CNP Assurances proactively complies with its terms. As a result, its term creditor insurance rejection rate is very low, standing at less than 0.2% for the past six years.

Two continents seeing complementary growth

CNP Assurances has strong growth potential because its business model is based on society's growing needs. The Group has a robust and balanced geographic network.

It is the leader on the French market located at the centre of a rich and mature Europe that is undergoing demographic change. As the continent's population ages, growth opportunities abound.

Boasting a strong position on the Brazilian market at the heart of the flourishing Latin American economy, the Group is taking steps to meet the insurance needs of the burgeoning middle classes. Similarly, through its microinsurance business, it can offer insurance cover to millions of very low-income Brazilians.

LEADER IN FRANCE AT THE CENTRE OF A RICH AND MATURE EUROPEAN MARKET

France

A comprehensive offering to meet everyone's needs

In the French personal insurance market, CNP Assurances has focused for more than a century on bancassurance, marketing its insurance products through the banking networks of the Group's two long-standing partners, La Banque Postale and the Caisses d'Epargne (BPCE) savings banks, both Group shareholders. La Banque Postale and the BPCE Group jointly hold a 36.3% stake in CNP Assurances. Together, the two networks, well-established on the French market, account for 63.3% of CNP Assurances' 2014 premium income (IFRS). In 2006 CNP Assurances and these two partners signed distribution agreements until the end of 2015. In 2014, the agreement between CNP Assurances and the BPCE Group was renewed for a seven-year period starting in 2016 and talks are continuing in 2015 regarding the renewal of the agreement with La Banque Postale. In keeping with its partner development strategy, the Group introduced measures in 2014 to modify its product range and stepped up the development of its personal risk range. The Group also helped its partners upgrade the long-term savings products on offer, including two new life insurance contracts backed by euro-growth *(euro-croissance)* and growth *(croissance)* funds respectively. Caisses d'Epargne began distributing these new policies in February 2015, while La Banque Postale will follow suit at the end of the year. In 2014, the Group split employees working directly with both partners into two separate business units. Improving the quality of service offered and enhancing its online customer interfaces were also key focuses in 2014.

CNP Assurances continues to focus its development strategy on the private banking segment. In February 2015, it introduced new wealth planning products and is working with key partners in this area to distribute these new products, including brokers, independent financial advisers and private banks. Alongside personal risk and protection, this new line of business forms an integral part of the Open Model Business Unit created in 2014.

Since 2004, CNP Assurances has also had a proprietary sales force, the Amétis network (formerly CNP Trésor), comprising 247 consultants. Originally founded for customers with *Trésor Public* contracts, the Amétis network is local and flexible, with offices throughout France distributing savings, pension and personal risk products. In 2014, its efforts focused on diversifying unit-linked new money and sales of personal risk policies. At the same time, it began work on developing the sale of personal risk and protection contracts to SMEs and very small businesses.

Partner business central to the social protection market

CNP Assurances is a major and long-standing player on the social protection market where it boasts firmly established relationships with the entire sector. In 2014, the Group created a social protection and services business unit in response to growing life expectancy, changes to the pension system and fluctuations in the economic climate. The business unit acts as insurer, coinsurer or reinsurer for a variety of companies, local authorities, pension funds, mutual insurers, organisations and private individuals. It boasts 557 employees (excluding subsidiaries), including the Amétis network.

A member of the Caisse des Dépôts Group, CNP Assurances has been the leading partner of Civil Service Mutuals since their creation in 1945. The Group's robustness, social responsibility and well-established expertise make it the natural partner for these societies in providing employees with health, personal risk and long-term care insurance. A specialist team is on-hand to take care of these customers' requirements and is backed up by the business unit's actuarial and financial experts.

CNP Assurances works alongside these Civil Service Mutuals to provide insurance for three million civil servants, covering mainly death, incapacity for work, permanent disability and long-term care. France's main Civil Service Mutuals societies have now joined forces with CNP Assurances to form the subsidiary MFPrévoyance. This common subsidiary company offers a comprehensive and specialised range of employee benefits to the whole of the mutual insurance sector.

For local and hospital-employed civil servants, CNP Assurances offers complementary insurance through mutual insurance societies.

Since the start of the post-war period, the Group has established close ties with mutual insurance societies specialised in offering insurance or reinsurance to independent professionals, particularly in the medical field. The sound knowledge gained of the specific issues these professions face has enabled it to offer products adapted to suit their needs, such as tax-deductible complementary insurance policies (known as "Madelin" contracts).

CNP Assurances also works closely with multi-sector mutual insurance societies to offer social protection to their members. For example, it acts as reinsurer for the home care sector's collective bargaining agreement. This agreement ensures that 220,000 people working in the sector are insured against wage reductions, incapacity for work, permanent disability and death.

CNP Assurances offers local and regional civil servants joint solutions for participation agreements as well as certified complementary insurance products.

Since the development of the social economy in the 1980s, CNP Assurances has used its experience, technical expertise (in the actuarial, financial and medical sectors) and ability to anticipate customers' future needs to provide reinsurance assistance to employee benefit funds. Again, the solutions offered can take various forms depending on the customer's needs. For example, proportional reinsurance contracts share the risk between the insurer and the reinsurer (*e.g.*, quota-share, surplus share), while non-proportional reinsurance contracts (*e.g.,* excess of loss and stop-loss) cap the potential loss and protect our partners against exceptionally high losses that could have an adverse impact on their year-end results.

Customised group insurance products

CNP Assurances develops customised solutions from its comprehensive range of complementary pension and personal risk products for the 4,600 companies and 20,000 local councils, associations and numerous mutual insurance societies and employee benefit funds it counts among its partners. For example, it was one of the first French insurance companies to venture into the long-term care insurance sector. It is currently leader in this sector where it offers compulsory and optional products that protect policyholders against the financial impact of a loss of independence.

Third-biggest player on the French market for company pension and savings plans, CNP Assurances provides customised company pension plan contracts (under Article 39 or Article 83 of the General Tax Code for retirement indemnities) and manages Préfon-Retraite, the civil service's optional supplementary pension scheme. Through its stake in InterExpansion Humanis, it distributes collective pension savings plans (PERCO).

Number 1 for term creditor insurance in France, CNP Assurances partners more than 300 financial institutions from across the spectrum, as well as social economy players and mutual insurance societies. Changes to the regulatory framework in France have bolstered protection for policyholders, particularly through the introduction of the Lagarde Bill and the growing duty to provide customers with advice on the products offered. This trend supports CNP Assurances' approach of promoting term creditor insurance as a way of offering real protection to borrowers in case they fall on hard times. The Group provides cover of all types, from death, incapacity for work, permanent disability and redundancy through to budget protection, support services and assistance. It offers high value-added solutions to its partners by combining its capacity for product innovation with its risk control and management skills and technological leadership. A trendsetter on this market, the Group has introduced a full on-line system that customers can use to sign their insurance applications electronically. Its successful rollout in 2014 in conjunction with one of the Group's partners reinforces the head start obtained in this field.

Services offering real personal protection

CNP Assurances Group pays particularly close attention to the services it offers in conjunction with its products to both its partners and policyholders. Through its dedicated subsidiaries, it is able to constantly expand and adapt its expertise in this area. For example, Filassistance International, part of the Assuristance Group (in which CNP Assurances owns a 66% stake), continues to develop its range of personal local services. More than 8.5 million people currently take advantage of this offering which includes all types of assistance, from the most mainstream (everyday care, healthcare services, funeral administration services, etc.) to the most innovative (long-term care, pension administration services, telecare services, etc.). In this way, Filassistance fulfils its role as a "life facilitator". It has set up a network of 10,000 service providers specially chosen for their skills, efficiency and effectiveness and ability to offer a warm and welcoming service to its clients. The Assuristance Group is in the process of developing a comprehensive catalogue of global assistance services. CNP Assurances acquired Âge d'Or Services in 2002, a network of 160 franchises with 1,500 employees providing services on over a million occasions to just over 50,000 clients (seniors, disabled persons and institutions).

When CNP Assurances launches new employee benefit and health insurance coverage products, it provides its partners with support throughout the entire marketing process. For example, *via* its Carrés Bleus subsidiary, CNP Assurances is in a position to help its partners enhance their offering through improved control over the charges its members must pay and through value-added services, such as tailor-made products and guarantees based on the type of insurance cover required. It has specialist knowledge in the analysis of optical, dental and hearing aid quotes.

A new team was put together in 2014 to enhance the related services on offer, with a particular focus on providing a growing number of innovative products and services online. A platform is currently being tested by our partners. The goal is to communicate more interactively with clients and provide our policyholders with support on a lifelong basis at their place of work, at home or during a hospital stay, for example.

Main markets where CNP Assurances offers individual insurance policies

Life insurance/Savings [1]

In 2014, the personal insurance market, key for CNP Assurances, accounted for 74.4% of the total insurance market in France. In the last ten years, this percentage has fluctuated between 72% and 78%. After peaking in 2006, the share of personal insurance decreased while non-life insurance gained ground. Within the personal insurance segment, the share of health and personal injury insurance began to rise in 2006 to exceed 10% in 2012 before climbing to 13.7% in 2014. The inflow of direct business premiums has declined in recent years following two phases of contraction; the first came after the subprime crisis at the end of 2006 and the second came hard on the heels of the sovereign debt crises that assailed Europe in 2010. The French life insurance and endowment market remained concentrated in 2013, with the five biggest players accounting for 56% of market share, including 31% in the hands of the biggest two.

Most of the top-ranking firms in these two segments are bancassurers followed by the more traditional insurance companies and mutual insurance societies [2].

In 2013, two-thirds of new business (65.0%) was generated by financial advisors employed by financial institutions. Financial advisors employed by insurance companies comprise the second group of players that distribute life insurance contracts (15.3%). In third place with an equal share of between 4% and 6% are general insurance agencies, insurance brokers and independent financial advisors who together accounted for 16.0% of distribution in 2013.

(1) 2013 Key indicators, FFSA, June 2014
(2) Distribution of new life insurance and endowment business in 2013, FFSA – July 2014

Funeral contracts [(1)]

This market is highly concentrated, with six companies responsible for almost half of In-Force business (47%). CNP Assurances is part of this group, notably through its La Banque Postale Prévoyance subsidiary in which it holds a 50% stake.

The majority of contracts were distributed by insurance networks (57%) *versus* 43% by bancassurance networks.

Unforeseen event cover [(2)]

This is a relatively concentrated market in which one main player held almost one-third of the contracts at end-December 2013. Four major players jointly own 70% of this market's portfolio. CNP Assurances is not a key player on this market.

Long-term care [(3)]

Taking all types of contracts into account, 1.8 million people held long-term care insurance policies with insurance companies at the end of 2013. 89% of these contracts are for long-term care insurance coverage only, while the remaining 11% is for another type of coverage which offers long-term care as an option.

A specific market: term creditor insurance [(4)]

Generating premiums of almost €8.3 billion a year, the term creditor insurance market has seen strong growth in the last ten years. Outstanding home loans to private individuals rose from €330 billion in 2003 to €902 billion at end-2013. Accidental death coverage accounted for 70% of term creditor insurance income in 2013. Incapacity for work and permanent disability coverage accounted for 27% and redundancy insurance for 4%.

In 2013, in relation to stocks of existing contracts, 85% of term creditor insurance premiums for real estate loans were generated from group contracts underwritten by banks (70% premium income) and 15% from delegation of insurance contracts, alternative contracts or personal individual contracts. Despite the large number of players on the market – around 40 covered by the French Insurance Code and brokers – the market is dominated by four main companies including CNP Assurances. Together they account for over 70% of the market.

See also CNP Assurances' business overview, revenue in France – Premium income by distribution network, section 2.2.2.

Europe

CNP Assurances was Europe's 4th biggest insurer at end-2013 [(5)]. Some 700 Group employees work in Europe (excluding France). Operating in 14 countries, the Group's expansion in Europe has been based on its traditional model of setting up long-term partnerships with well-established distribution networks, preferably from the bancassurance sector, and giving partners a stake in results through ownership of shares in the partnership vehicle. Savings, term creditor insurance and personal risk policies are distributed through the Group's subsidiaries and branches.

CNP Assurances is aiming to diversify its distribution methods by developing an open model that will be used to offer white-label insurance products to targeted partners based on a multi-channel distribution and direct sales network.

Bancassurance partnerships in Europe

CNP Assurances distributes its insurance products through its well-established partner networks.

UniCredit in Italy

UniCredit boasts 4,000 agencies in Italy and over eight million customers. In conjunction with the Italian group, CNP Assurances markets a comprehensive range of savings, term creditor insurance and personal risk insurance products through the CNP UniCredit Vita joint venture.

CNP UniCredit Vita employs over 160 staff. Most of its business comes from the savings segment, particularly from unit-linked insurance products. Although the personal insurance lines are still in their infancy in the Italian market, the deterioration in the economic and financial situation in Italy, the country's high debt levels and the government's gradual withdrawal from certain sectors has made Italians realise that they have to start insuring themselves against life's unexpected events. CNP Assurances has anticipated this need and is offering personal risk products alongside UniCredit on this market.

Partnering Santander Consumer Finance in ten European countries

Through its long-term partnership in ten European countries with Santander Group, leader on the consumer credit market, CNP Assurances is speeding up the expansion of its open distribution model for its term creditor offering, and now boasts more than 100,000 points of sale. This has raised its profile in Europe, particularly on the German and Polish markets.

See Key Events, second half, paragraph 2.1.2.

Bank of Cyprus in Cyprus

CNP Assurances is present in Cyprus and Greece through its CNP Cyprus Insurance Holdings (CNP CIH) subsidiary owned jointly with the country's biggest bank, the Bank of Cyprus . The Group has over 280 employees in Cyprus.

CNP CIH offers Cypriot residents life insurance and property and casualty insurance *via* CNP Asfalistiki, leader in insurance in Cyprus. The products are generally distributed by independent brokers or over the counter at Bank of Cyprus. Economic conditions in the country are difficult.

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(1) Characteristics of funeral contracts in 2013, FFSA, July 2014

(2) Contracts for unforeseen event cover in 2013, FFSA, July 2014

(3) Long-term care insurance in 2013, FFSA, April 2014

(4) Term creditor insurance in 2013, FFSA, June 2014; 2013 Key indicators, FFSA, June 2014; "Bancassurers", Argus de l'assurance, March 2014

(5) Argus de l'assurance – Europe Top 20 2013 results, December 2014

Barclays in Spain, Portugal and Italy

CNP Assurances has joined forces with Barclays Bank in southern Europe. The joint venture created as a result, CNP Barclays Vida y Pensiones, creates and manages products distributed *via* Barclays' network in Spain, Portugal and Italy. Most of the business carried out by CNP Barclays Vida y Pensiones concerns savings and term creditor insurance products. In December 2014, CNP Assurances sold its interest in CNP Barclays Vida y Pensiones to Barclays Bank.

See Key Events, second half, paragraph 2.1.2.

Diversifying in Europe through the open model

CNP Assurances offers its term creditor insurance and personal risk and savings products to a variety of distribution partners, including general-service, specialised or internet banks, private banks, independent financial advisors and personal loan companies. They process significant volumes of business by giving them access to the Group's processes, technical expertise and innovative capacity.

Its CNP Partners [(1)] subsidiary and CNP Italia branch put their technical platforms to use to promote the business in Italy, Spain and Portugal.

CNP Italia, voted best company in the sector by insurance brokers for term creditor insurance at the Leadership Forum Awards in December 2013, provides expertise in term creditor insurance to more than 20 banking partners.

Main markets where CNP Assurances operates in Europe outside France

Italian life insurance market [(2)]

Compared to its positions at end-December 2013, this market grew by 43% in 2014. CNP UniCredit Vita's market share shrunk from 2.3% at end-December 2013 to 2% at end-December 2014 as savings were redirected to unit-linked products and margins increased.

Spanish life insurance market [(3)]

The Spanish life insurance market reached €19 billion at end-September 2013, down 5% on September 2012. CNP BVP's market share dropped from 0.78% at end-September 2012 to 0.41% at end-September 2013. CNP Partner's market share contracted from 0.52% at end-September 2012 to 0.42% at end-September 2013.

Portuguese life insurance market [(4)]

This market grew by 40% between September 2012 and end-September 2013 to reach €6.5 billion. CNP BVP's market share dropped from 2.64% at end-September 2012 to 1.55% at end-September 2013.

See also CNP Assurances' business overview, revenue in Latin America – Revenue by subsidiary, section 2.2.2.

STRONG POSITION IN BRAZIL ON THE RAPIDLY GROWING SOUTH AMERICAN MARKET

Premiums in Latin America totalled €2.87 billion, a decrease of 6.5% on a like-for-like basis due to an unfavourable currency effect. Annual like-for-like growth came to 1.1% compared to 2013, with the drop in pensions offset by the very sharp increase in personal risk and protection contracts.

Almost 870 of the Group employees work in Brazil and Argentina. With its local distribution partners, the Group primarily offers pension, personal risk, health and term creditor insurance products.

CNP Assurances has been operating in Latin America since 1995. The acquisition in 2001 of Caixa Seguradora (formerly Caixa Seguros), its Brazilian subsidiary, has sped up growth considerably.

Brazil

CNP Assurances has operated in Brazil since 2001 through its Caixa Seguradora subsidiary which it jointly owns with its distributor partner Caixa Econômica Federal, the second-biggest public and third-biggest private bank in Brazil.

Caixa Econômica Federal plays an important social and economic role in relation to the Brazilian population. It has 60,000 points of sale including 4,000 bank branches throughout Brazil and 12,000 lottery offices where its most popular products are sold, *i.e.,* insurance cover for funerals and dental costs. Caixa Seguradora is the Brazilian leader in microinsurance, for which it has 110 million potential customers.

Caixa Seguradora employs almost 800 staff in Brazil. Boasting more than ten million customers, it is Brazil's sixth-biggest insurer.

Affordable products for the growing middle classes

Caixa Seguradora offers insurance cover for pensions, savings, health and group real estate acquisitions *(consórcio)* for companies and private individuals. The prime target audience for its personal insurance products is the rapidly expanding Brazilian middle classes whose numbers have swelled by 29 million in the last ten years.

Savings and pension products account for half of the revenue generated by the Brazilian insurance market. Caixa Seguradora is the market's unrivalled leader with a share of 62.9% in 2014. It already counts 4.7 million Brazilian customers among its mortgage insurance policyholders (for the purchase of their main residence).

To meet the evolving needs of the Brazilian population, CNP Assurances Group is developing its personal insurance product

(1) CNP Vida was renamed CNP Partners Seguros y Reaseguros in 2014, referred to as CNP Partners

(2) Source: IAMA, Italian prudential supervisory authority

(3) Source: ICEA, Spanish prudential supervisory authority

(4) Source: APS, Portuguese prudential supervisory authority

line where Caixa Seguradora is currently ranked fifth-biggest player in the market, capturing 5.6% in 2014. It also offers innovative solutions to cover the dental costs of its Brazilian policyholders.

Microinsurance

A pioneer in offering insurance to the working classes, Caixa Seguradora was the first Brazilian company to enter the microinsurance segment. In February 2013, Caixa Seguradora was authorised by SUSEP (Brazil's prudential supervisory authority) to enter this segment. It currently boasts sales of around 30,000 policies per month.

Easy to purchase and with affordable premiums, microinsurance policies are designed to preserve the socio-economic situation of low-income individuals. With its 12.7% market share, Caixa Seguradora, CNP Assurances' Brazilian subsidiary, has a considerable head start in this highly promising and socially beneficial business. Valued at €5.5 billion in 2011 [(1)], around 110 million Brazilians have microinsurance.

Long-term goals

Caixa Seguradora is aiming to grow the personal risk and insurance side of its business in Brazil. Its goal is to offer insurance solutions to the constantly growing Brazilian middle classes as well as products in line with the purchasing power of low-income customers. Caixa Seguradora is partnering Caixa Econômica Federal's strategic growth by developing alternative distribution channels and multi-channel distribution, and by distributing microinsurance and mass-market products. Similarly, it is forging alliances with insurance brokerage firms. To this end, it has acquired a majority stake in Prévisul, a south Brazilian firm which boasts 3,000 brokers.

Main Brazilian markets where the group operates

The Brazilian life insurance market (excluding health) generated revenue of over €60 million at end-December 2014, up 9.1% on 2013. In an already highly concentrated market, Caixa Seguradora's share contracted by 0.4 points to reach 4.7% due to a drop in sales of pension contracts and a marked change towards personal risk and protection cover.

Product development

SUSEP published the regulations that govern the sale of microinsurance at end-June 2012; microinsurance is a branch that covers personal, casualty and pension insurance for the entire population. It can be purchased by both low-income and wealthier customers. The regulatory requirements focus on the distribution methods used (*e.g.*, persons legally authorised to distribute the products, such as a beauty salon or bookshop employee, etc.) and the time taken to settle claims. Several insurers have since been authorised to operate on this market segment.

Argentina

A key player in the personal risk segment

The Group's oldest foreign subsidiary, CNP Assurances Compañía de Seguros, is cementing its position as one of the country's main providers of personal risk insurance thanks to its 2.5 million policyholders. The Company specialises in personal risk and term creditor insurance. It is co-owned by CNP Assurances and Credicoop Bank, the Group's longstanding commercial partner.

CNP Assurances Compañia de Seguros has developed commercial ties with numerous players on the market. As a result, its products are sold in over 500 bank branches throughout Argentina *via* a network of brokers, cooperatives, mutual insurance societies and associations. The company has also ventured into direct selling which enables customers to contact advisors directly by phone.

See also CNP Assurances' business overview, revenue in Latin America – Revenue by subsidiary, section 2.2.2.

A responsible insurer

Trust is truly a bedrock issue for CNP Assurances, whose added value consists of providing the assurance of a more secure future. While important for any financial institution, trust is even more critical for a personal insurer that makes very long-term commitments to policyholders and carries them in its balance sheet.

At CNP Assurances, trust is built on three pillars: high ethical standards, effective policy design and administration, and financial management finely calibrated between security and performance.

The highest ethical standards are applied in every aspect of the business. Woven into the design of offers tailored to customers' needs, these standards also inform the training given to the distribution network and influence the information provided to policyholders throughout the life of the policy. They are clearly expressed in the Group's commitments as a member of the insurance industry and in the employee code of conduct, which applies in particular to asset managers and to the teams in charge of processing confidential information, such as medical data or the names of policy beneficiaries. These standards are further backed by an extensive internal control process and anti-money laundering procedures.

Effective policy design and administration is also essential. In reality, insurance policies are complex financial products due to the legal and taxation regulations they are subject to and the duration of the policy. They are also very long-term, covering an

(1) Source: BIGE (Brazilian National Statistics Institute)

average period of around ten years, but sometimes remaining in force for 50 years or more. Another layer of complexity comes from the fact that the insurer deals not just with the customer, but rather with three or more counterparties – the policyholder, the insured (who may not be the policyholder) and the beneficiary or beneficiaries (who may not be the insured). In addition, every policy is made to measure, with the insurer committing to comply with the insured's wishes and to treat such wishes as strictly confidential until the termination of the contract.

The Group's longstanding expertise and the size of its insurance book stand it in good stead when designing and pricing insurance cover. In France, where CNP Assurances is the leading personal insurer, detailed risk data are translated into loss tables which are certified and revised at regular intervals.

In keeping with its business model, the Group has used leading edge technologies to develop unique expertise allowing it to combine a highly personalised service with industrial efficiency (15.7 million individual savings and personal risk contracts managed in France in 2014).

CNP Assurances' high-quality financial management has nurtured a strong base of trust and the expertise and diligence of our teams are widely recognised. This is a particularly important issue in traditional savings products, which offer policyholders a capital guarantee plus a capitalised annual yield. Financial management must therefore combine long-term security – in the knowledge that policyholders generally have the right to redeem their contracts at any time – with yield. The goal is therefore to offer policyholders a maximum annual return, given that they expect a rate of return in line with the market, and regular increases in yield.

Effective financial management is also essential in the Pensions business, since investment performance is anticipated to some extent in the valuation rate of interest applied to benefits. In the Personal Risk business, financial performance helps to optimise premium rates.

Because of the specific features of the insurance business, CNP Assurances' approach to financial management is different from that of a fund manager or a bank. It is also very different from that of a pension fund, which generally knows when liabilities will fall due. The Group pursues a responsible financial strategy, characterised by stable strategic asset allocation, very long investment horizons, and selection and management processes that take account of social, environmental and governance issues.

To enable policyholders to contribute in their own way to sustainable development, CNP Assurances encourages customers to invest in socially responsible investment (SRI) products.

CNP Assurances' corporate social responsibility strategy also includes observance of the rights and duties attached to the assets held. With an average of €307.4 billion in technical reserves in 2014 (excluding deferred participation), the Group plays a major role in financing the European economy, purchasing both government and corporate paper.

1.3 Corporate governance

MEMBERS OF THE BOARD OF DIRECTORS AND MANAGEMENT COMMITTEES AT 31 DECEMBER 2014

Board of Directors

Directors

Jean-Paul Faugère *, Chairman

Frédéric Lavenir, Chief Executive Officer

Caisse des dépôts et consignations, represented by Pierre-René Lemas

Virginie Chapron du Jeu

Anne-Sophie Grave

Olivier Mareuse

Odile Renaud-Basso

Franck Silvent

Sopassure, represented by Marc-André Feffer

Jean-Yves Forel

François Pérol

Philippe Wahl

Rémy Weber

French State, represented by Antoine Saintoyant

Philippe Baumlin

Marcia Campbell *

Stéphane Pallez *

Rose-Marie Van Lerberghe *

Non-voting directors

Pierre Garcin

Jean-Louis Davet

Works Council representatives

Valérie Baron-Loison

Patrick Berthelot

Pascal Oliveau

Nadia Remadna

Secretary to the Board of Directors

Hugues de Vauplane

Special Board committees

Audit and Risk Committee

Stéphane Pallez *, Chairman

Philippe Baumlin

Marcia Campbell *

Jean-Yves Forel

Olivier Mareuse

Rémy Weber

Remuneration and Nominations Committee

Rose-Marie Van Lerberghe *, Chairman

Jean-Paul Faugère *

François Pérol

Odile Renaud-Basso

Philippe Wahl

Strategy Committee

Jean-Paul Faugère *, Chairman

Marc-André Feffer

Jean-Yves Forel

Olivier Mareuse

Stéphane Pallez *

Franck Silvent

Executive Management

Frédéric Lavenir, Chief Executive Officer

Xavier Larnaudie-Eiffel, Deputy Chief Executive Officer

Antoine Lissowski, Deputy Chief Executive Officer and Finance Director

* *Independent director according to the criteria in the AFEP-MEDEF Corporate Governance Code*

1

CHANGES TO THE BOARD OF DIRECTORS' COMPOSITION IN 2014

Composition on 01.01.2014	Changes during the year: 17.06.2014	Changes during the year: 24.09.2014	Composition on 31.12.2014
Directors			**Directors**
Jean-Paul Faugère *, Chairman			Jean-Paul Faugère *, Chairman
Frédéric Lavenir, Chief Executive Officer			Frédéric Lavenir, Chief Executive Officer
CDC represented by Jean-Pierre Jouyet	CDC represented by Pierre-René Lemas (following Mr Jouyet's departure from CDC)		CDC represented by Pierre-René Lemas
Odile Renaud-Basso			Odile Renaud-Basso
Virginie Chapron du Jeu			Virginie Chapron du Jeu
Anne-Sophie Grave			Anne-Sophie Grave
Olivier Mareuse			Olivier Mareuse
Franck Silvent			Franck Silvent
Sopassure, represented by Marc-André Feffer			Sopassure, represented by Marc-André Feffer
Rémy Weber			Rémy Weber
Jean-Yves Forel			Jean-Yves Forel
François Pérol			François Pérol
Philippe Wahl			Philippe Wahl
French State, represented by Ramon Fernandez		French State, represented by Antoine Saintoyant (following the departure of Mr Ramon Fernandez from the APE)	French State, represented by Antoine Saintoyant
Philippe Baumlin			Philippe Baumlin
Marcia Campbell *			Marcia Campbell *
Stéphane Pallez *			Stéphane Pallez *
Rose-Marie Van Lerberghe *			Rose-Marie Van Lerberghe *
Non-voting directors			**Non-voting directors**
Pierre Garcin			Pierre Garcin
Jacques Hornez	Jean Louis Davet (following Mr Hornez's resignation)		Jean-Louis Davet
Alain Quinet		Resignation of Mr Alain Quinet	

* *Independent director according to the criteria in the AFEP-MEDEF Corporate Governance Code*

2

BUSINESS AND FINANCIAL REVIEW

2.1 Significant events of the year

2.1.1 First half

€500 MILLION SUBORDINATED BOND ISSUE

On 27 May 2014, CNP Assurances completed a €500 million issue of subordinated bonds with a final maturity date of 5 June 2045 and a first-call date of 5 June 2025.

The order book totalled around €5 billion, from more than 350 investors, a successful performance that confirms institutional investor interest and confidence in the CNP Assurances signature.

The issue was structured to be recognized as capital under both insurance regulations and Standard & Poor's rating rules. The contractual arrangements mean that it will be classified as debt under IFRS. Under Solvency I standards, it will be eligible for inclusion in regulatory capital, while under Solvency II, it should be considered as Tier 2 capital, according to the latest EIOPA technical specifications.

The bonds will pay a 4.25% fixed rate of interest over the first 11 years and the coupon will subsequently be adjusted every five years in line with future interest rates. This is the third-lowest coupon paid in the European insurance industry for euro-denominated subordinated debt eligible for inclusion in Tier-2-capital under Solvency II rules.

Proceeds from the issue will be used to refinance bonds maturing in the near future.

The new bond has been rated BBB+ by Standard & Poor's, using the rating methodology applied to junior debt.

SUCCESSFUL LAUNCH OF CACHEMIRE PATRIMOINE AND CACHEMIRE 2

Following a four-month trial period held in two *départements* to test contract administration procedures, the Cachemire Patrimoine policy, targeting high net worth clients at La Banque Postale, was marketed throughout France.

Policyholder advisers were quick to take up this new product offering, which reflects La Banque Postale's pivotal strategic objective of diversifying its policyholder Savings business. Cachemire Patrimoine offers policyholders a dynamic unit-linked savings product (held in mutual funds or active equities) combined with expert guidance or portfolio management services provided by LBP Gestion Privée, La Banque Postale's private wealth management arm.

AWARDS FOR INVESTMENT PRODUCTS

CNP Assurances was once again a winner at the 28th investment funds awards ceremony sponsored by *Le Revenu* investor weekly, coming away with two awards, including the *Trophée d'or* for the best range of funds over three years.

In addition to first prize for best fund performance over three years, CNP Assurances picked up a *Trophée de bronze* for the performance of its diversified funds over a three-year period.

SIGNATURE OF THE FIRST FULL ONLINE TERM CREDITOR INSURANCE POLICIES WITH BOURSORAMA

Getting in ahead of the competition, CNP Assurances has accepted electronic signatures on term creditor insurance applications and health questionnaires since January 2014. The fully online, paperless service offers customers the opportunity to purchase insurance quickly and easily without leaving their computer screen. With the boom in online and paperless banking services, CNP Assurances wanted to be first to provide complete online solutions to maintain its leadership in term creditor insurance.

It is the first market player to accept electronic signatures on insurance applications and CNP Assurances has been able to combine existing processes with the latest technological innovations to offer partners multiple advantages.

The value added of the CNPnet electronic signature service is apparent throughout the value chain for partners, policyholders and insurer alike. The full online solution significantly reduces customers' perception of the time required to purchase insurance, facilitates the bank's back and middle office processes and offers more secure storage of insurance applications. Moreover, being paperless, the process is more efficient and also has a positive effect on the Group's carbon footprint.

RECOGNITION FOR CNP ASSURANCES' PERSONAL RISK PRODUCTS

Every year, the French insurance comparison magazine *Dossiers de l'Epargne* asks recognised independent experts to analyse, discuss and classify existing policies on the market.

CNP Assurances and its partners obtained excellent ratings in the 2014 guide and nine of their policies were awarded a *Label d'Excellence* out of the 66 awards handed out for the entire French insurance market.

- La Banque Postale Prévoyance
  - Death cover: Avisys Protection Famille and Sérenia
  - Long-term care: Protectys Autonomie
  - Funeral insurance: Résolys Obsèques Prestations
  - Coverage for accident victims: Prévialys Accidents de la Vie
- Caisses d'Epargne
  - Long-term care: Assistance Vie
- Amétis
  - Long-term care: Trésor Prévoyance Garantie Autonomie
- Préfon
  - Long-term care: Préfon-Dépendance
  - Funeral insurance: Préfon-Obsèques

2.1.2 Second half

AGREEMENT WITH THE BPCE GROUP

On 4 November 2014, CNP Assurances announced the conclusion of a preliminary protocol setting out the proposed terms of the agreement renewing the partnership between CNP Assurances and the BPCE Group as from 1 January 2016. On 18 February 2015, the Board of Directors of CNP Assurances approved the final terms of this agreement.

These new agreements were reached in the context of the expiry of the previous agreement between CNP Assurances and BPCE on 31 December 2015 and BPCE's decision to make Natixis Assurances its insurance platform for all savings and pensions policies to be distributed through the Caisses d'Epargne network from 1 January 2016.

The new partnership agreement is planned to come into effect on 1 January 2016 for an initial period of seven years, and would provide for:

- an exclusive partnership in group term creditor insurance between CNP Assurances and Natixis Assurances on the one hand and the BPCE Group networks on the other. The partnership will be based on a co-insurance agreement underwritten 66% by CNP Assurances and 34% by Natixis Assurances
- specific partnerships in protection insurance, with (i) development by CNP Assurances of an offer covering the main employee benefit plans of the BPCE Group's business and corporate clients, including a long-term care formula, and (ii) a personal risk insurance partnership focused on long-term care products and renters' insurance
- mechanisms to align the interests of CNP Assurances with those of the BPCE Group concerning the contracts under management at CNP Assurances, and in relation to contracts purchased by Caisses d'Epargne clients up until 31 December 2015. These contracts will continue to be managed by CNP Assurances on the same terms as those that currently apply. Natixis Assurances will reinsure a 10% quota-share of these contracts.

This proposed partnership is in line with CNP Assurances' strategic goal to develop the risk protection business.

PROCESSING OF UNCLAIMED LIFE INSURANCE SETTLEMENTS

The Sanctions Committee of the Prudential supervision and resolution authority (*Autorité de contrôle prudentiel et de résolution* – ACPR) issued a reprimand to CNP Assurances and fined it €40 million in relation to its processing of unclaimed life insurance settlements since 2007.

CNP Assurances has noted and acted upon this decision.

This penalty is the culmination of a historical process: before the law of 17 December 2007, insurance companies had no way of finding out whether a policyholder had died if no claim was filed. It was therefore inevitable that all life insurers would be faced with a growing backlog of unclaimed settlements. At CNP Assurances, the backlog was particularly large due to the Group's long history as a life insurer and the size of its business. However, CNP Assurances recognises that this situation was unacceptable, regardless of the reasons for it.

Legislators have intervened several times since 2007 to give insurers the legal and practical means of finding out when policyholders have died. Nonetheless, identifying and tracing beneficiaries in order to pay the amounts due to them turned out to be far more difficult than was anticipated in 2008. That is why the Group has gradually increased the resources deployed to deal with this exceptional situation.

Since the end of 2012, the resources deployed to resolve unclaimed settlements have been increased five-fold and CNP Assurances is now on schedule to process all of the policies concerned by the end of 2015. A 60-person team – backed up by accredited investigators – is working full time to deal with the backlog of unclaimed settlements dating back to before 2007.

CNP Assurances has never derived any benefit from unclaimed settlements. The income generated by investing the funds is not kept by the Group but is added to the sum shared by all policyholders, as is the case for all life insurance policies. Moreover, the Group bears the full cost of tracing beneficiaries and does not charge any fee for this work.

Thanks to the resources and procedures deployed over the past few years to rapidly identify deceased policyholders and actively search for their beneficiaries, a similar situation could not recur in the future.

€500 MILLION PERPETUAL BOND ISSUE

On 12 November 2014, CNP Assurances completed a €500 million issue of perpetual subordinated bonds with a first-call date of 18 November 2024.

The issue was placed with more than 400 European institutional investors and the order book totalled around €6.5 billion, confirming investor interest and confidence in the CNP Assurances signature.

The issue has been structured to be recognized as capital under both Solvency I and II standards and Standard & Poor's rating rules.

The perpetual bonds should also be classified as equity in the consolidated balance sheet prepared under IFRS.

The bonds will pay a 4.00% fixed rate of interest over the first ten years and the coupon will subsequently be adjusted every five years in line with future interest rates. Current favourable market conditions have allowed the Group to minimise its financing costs: the coupon is the lowest paid out by CNP Assurances since its first subordinated debt issue in 1999.

Proceeds from the issue will be used to refinance bonds maturing in the near future.

The new bonds have been rated BBB+ by Standard & Poor's, using the rating methodology applied to junior debt.

SALE OF STAKE IN CNP BVP TO BARCLAYS BANK

In December 2014, CNP Assurances sold its 50% stake in Spanish-based CNP Barclays Vida y Pensiones (CNP BVP) to Barclays Bank for a total of €453 million, including special dividends of €36 million.

The deal, which is subject in particular to approval by the relevant anti-trust authorities and the Spanish insurance supervisor, is scheduled to be completed before the end of the first half of 2015. This transaction should result in a capital gain of approximately €200 million in the financial year 2015 (this estimated amount may be adjusted when the transaction is recorded in the accounts).

At 31 December 2014, CNP Assurances' stake in CNP BVP is accounted for as a "non-current asset held for sale".

CNP Assurances' subsidiary, CNP Partners (formerly CNP Vida), will continue to provide back office services for CNP BVP.

SIGNATURE OF A LONG-TERM STRATEGIC PARTNERSHIP WITH BANCO SANTANDER

Following the announcement on 10 July 2014 of a strategic partnership with the Banco Santander group, and after obtaining the necessary approvals from the regulatory authorities, on 17 December 2014, CNP Assurances finalised the acquisition of 51% of Santander Consumer Finance's life and non-life insurance subsidiaries together with a long-term exclusive distribution agreement.

The partnership includes a full range of protection insurance products; personal risk products and payment protection insurance (PPI) will be developed as a priority. It covers ten European countries where Santander Consumer Finance enjoys leading market positions: Germany, Poland, Italy, Spain, Austria, Portugal, Norway, Sweden, Denmark and Finland.

Santander Consumer Finance operates through a multi-channel distribution network that includes partnerships with automobile dealership networks, retailers, large supermarkets, specialised consumer credit brokers and direct-to-customer distribution channels. By combining CNP Assurances' expertise in personal insurance with Santander Consumer Finance's proven distribution capabilities, this operation will create value for both groups as well as providing Santander Consumer Finance's 12 million customers with an enhanced product offering.

This deal will help CNP Assurances to implement its strategic priority of growing its footprint in the European protection insurance business and to achieve critical mass in several European markets with strong fundamentals, including Germany, the eurozone's leading economy.

In 2013, Santander Consumer Finance's insurance subsidiaries generated revenue of nearly €600 million in high-potential, high-margin businesses.

Consideration for the transaction amounts to €297 million and this figure may be adjusted upwards or downwards based on financial performance over the coming years.

Contingent consideration, which will be payable in 2018, 2021 and 2024 is capped at €97 million in earn-outs and €62 million in price reductions.

2.1.3 Subsequent events

No material changes occurred in the Group's financial or commercial position between the end of the year and the date on which the financial statements were approved by the Board of Directors.

2.2 Market and business review

2.2.1 Economic and financial environment

ECONOMIC AND FINANCIAL FORECASTS INVALIDATED BY SLACK GROWTH

After a prior year marked by a general increase in bond yields (10-year French government bonds (OAT) and US T-Bonds were paying 2.56% and 3%, respectively, at end-2013) and a rally in the stock markets (US stock markets gained 32%), growth forecasts for 2014 were contingent on continued worldwide recovery and higher interest rates. However, international growth remained sluggish and there was a sharp drop in interest rates: yields on ten-year US government bonds fell back to 2.16% while the rates on ten-year German Bunds and French government bonds plunged to 0.55% and 0.8%, respectively, in 2014.

This unexpected downward trajectory was driven by four negative factors: a 2.1% fall in US GDP in Q1 2014 due to an exceptionally harsh winter; a slowdown in European, and especially German growth beginning in the second quarter (fallout from the conflict in Ukraine); Japan's slide back into recession (consequence of a hike in VAT); and slower growth in China as anti-corruption measures started to bite.

The economic gloom was compounded by further unexpected developments: the appreciation of the US dollar on the back of higher growth in the US economy and plunging commodity prices (drops of 40% and 50% respectively in petrol and iron ore prices) had a strong knock-on effect on the Russian economy (the rouble lost more than 40% of its value) as well as on a number of major oil exporters such as Venezuela and Nigeria.

International growth was ultimately stable year-on-year at 3.2%, helped on by growth in the US (2.3%), Chinese (7.2%) and UK (2.8%) economies. The eurozone came out of recession but remained stagnant (growth of 0.8% *versus* a contraction of 0.3% in 2013). This anaemic growth and very low inflation, exacerbated by falling oil prices during the summer, stoked fears of deflation. Emerging economies proved to be a mixed bag in 2014. India and Mexico (growth of 5.3% and 2.1%, respectively) recovered strongly but oil and commodity exporting economies fared less well: the Brazilian, Russian and South African economies only grew by 0.2%, 0.3% and 1.2%, respectively, during the year. The other economic highlights of 2014 included a general drop in inflation (down to 0.3% in the eurozone), the sharp fall in the US unemployment rate to 5.8%, and the general slowdown in emerging economies in the face of lower Chinese demand for raw materials.

SATISFACTORY FINANCIAL PERFORMANCES THANKS TO EFFECTIVE ACTION BY CENTRAL BANKERS

On the markets, 2014 witnessed renewed volatility and a related increase in risk-averse behaviour on the part of investors, particularly in the second part of the year. During the first six months of the year, returns on bonds and equities grew by an impressive 7% and 8%, respectively, but the second half of 2014 reflected investor concerns over growth and deflation. These fears triggered a phase of consolidation over the summer, amplified by scarce liquidity in certain sectors (US high-yield corporate credit) and the strong dollar (which encouraged profit-taking by US investors on European equities). A brief respite in September was followed by a sudden and swift wave of falling prices in early October, culminating in a 15% drop in European equities (sending them into negative territory) and a 10% decline in prices for US equities.

Once again (as in 2008, 2011 and 2012) it took decisions or announcements from central banks to stem losses and steady the markets which appeared to be increasingly "addicted" to liquidity. Proactive action by the ECB (lowering interest rates, purchasing private debt and announcing possible purchases of sovereign debt), the evasive action of the Bank of Japan (stepping up quantitative easing) and the wait-and-see attitude of the Fed convinced investors to keep betting on risky assets.

Confounding forecasts, yields on long-dated bonds came down considerably during the year. The decrease was less marked in the US (down 85 bps on 10-year bonds) but there were big drops in yields on eurozone bonds (133 bps on German, 170 bps on

French, 218 bps on Italian, and 239 bps on Spanish bonds) culminating in much flatter yield curves. These decreases were attributable to an abundance of global liquidity, risk aversion, a poor growth outlook for many economies and deflationary fears, coupled with anticipation of the introduction of quantitative easing by the ECB. While emerging economy debt was able to rely on lower US interest rates and inflation to stave off negative exchange rate impacts until November, plunging oil prices and capital flight out of Russian assets towards the end of the year forced the Russian central bank into hiking its interest rates from 8% to 17%.

The various equity markets recorded mixed performances in line with their differing medium-term growth forecasts and outlook. US equities once again outperformed the market, reaching record highs thanks to the strong American recovery (growth of 4.66% in Q2 and 5.0% in Q3). The S&P 500 and Nasdaq grew 12% and 15% respectively, fuelled by the growth in profits of corporate America (close to 10%). The picture was more confused on European stock markets. Performances varied widely (between 0% and 10% growth), with the peripheral markets doing best.

In the first half of the year, European corporate earnings were hit by the strong euro (which peaked at US$1.39 in May), but the markets were reassured by better-than-expected results in Q3 thanks to the fall in the euro, which was worth just US$1.23 in December. After the heady surge experienced in 2013, Japanese equities gained 8% in 2014: a period of consolidation before the summer was followed by fresh gains on the back of the falling yen (which went from 108 to 120 to the dollar). Among the emerging economies, Chinese equities (up 40%) were buoyed by the authorities' decision to merge the Shanghai and Hong Kong stock exchanges, while Indian equities (up 35%) surged in the wake of a change of government. Conversely, Russian equities shed 45% of their value in 2014.

Against this background, the French life insurance business had its best year since 2010: premium income grew by 8%, helped along by the lower rates being paid on savings products (excluding home savings schemes). Thanks to the increase in new money and a 1% drop in claims, net new money was positive in every single month and totalled €21.3 billion for the year as a whole.

2.2.2 Business review

Consolidated premium income for the year came to €30.8 billion (with La Banque Postale Prévoyance consolidated using the proportionate method – see Note 6 to the consolidated financial statements), an increase of 11.3% as reported and 12.2% like-for-like (at constant scope of consolidation and exchange rates).

In France, premium income increased 16.1% to €24.5 billion. Growth was led by a steep 78.7% rise in unit-linked sales, with all networks contributing to the increase. In all, unit-linked business accounted for 13.1% of total savings/pensions premium income, compared with 8.8% in 2013.

Premiums in the personal risk/protection segment, which includes death/disability, health and term creditor insurance, grew by a further 1.9% over the year.

Under French GAAP, life and pensions net new money in France was a positive €3.1 billion, including a €1.7 billion net inflow to unit-linked contracts.

In Latin America, premium income was up 1.1% like-for-like but down 6.5% as reported. The 14.8% like-for-like decline in Savings/Pensions business was offset by a very strong 25.6% like-for-like rise in Personal Risk/Protection premiums.

In Europe excluding France, premium income contracted by 2.1%. Excluding the group pensions contract sold in 2013, which created a high basis of comparison, premium income in the "Europe excluding France" region was 11.3% higher, primarily reflecting 41.7% growth in unit-linked sales.

Premium Income by Country (IFRS)

Policyholders' country of residence *(in € millions)*	2014	2013	% change *(reported)*	% change *(like-for-like (1))*
France	**24,503.2**	**21,096.5**	**+16.2**	**+16.2**
Brazil	2,828.7	3,018.5	-6.3	+0.7
Argentina	45.0	55.5	-19.0	+20.0
Italy (2)	2,922.8	2,548.2	+14.7	+14.7
Portugal (3)	90.9	82.8	+9.8	+9.8
Spain (4)	265.3	263.7	+0.6	+0.6
Cyprus	137.1	154.4	-11.2	-11.2
Ireland	0.9	0.9	0.0	0.0
Other	7.9	447.2	-98.2	-98.2
Sub-total international	**6,298.6**	**6,571.3**	**-4.2**	**-0.6**
TOTAL	**30,801.8**	**27,667.8**	**+11.3**	**+12.2**

(1) *Average exchange rates for the Brazilian real*
At 31.12.2014: €1 = BRL 3.12
At 31.12.2013: €1 = BRL 2.87
(2) *CNP Italia branch, CNP UniCredit Vita, CNP BVP Italia and CNP Europe Life business written under the EU freedom of services directive*
(3) *CNP BVP Portugal*
(4) *CNP España branch, CNP Vida, CNP BVP Spain*

2

Premium income by Segment (IFRS)

(in € millions)	2014	2013	% change (reported)	% change *(like-for-like *)*
Savings	21,459.5	17,763.2	+20.8	+20.9
Pensions	2,906.9	3,702.7	-21.5	-18.2
Personal Risk	2,103.7	2,009.9	+4.7	+6.0
Term Creditor Insurance	3,390.2	3,318.1	+2.2	+3.9
Health Insurance	593.7	521.1	+13.9	+12.9
Property & Casualty	347.8	352.6	-1.4	+6.0
TOTAL	**30,801.8**	**27,667.8**	**+11.3**	**+12.2**

* *Average exchange rates for the Brazilian real*
At 31.12.2014: €1 = BRL 3.12
At 31.12.2013: €1 = BRL 2.87

FRANCE: PREMIUM INCOME BY DISTRIBUTION NETWORK

La Banque Postale

Premium income came in at €9,702 million for the year, a jump of 10.1%.

The highlight of 2014 was the May launch of two new savings products targeting high net worth clients – Cachemire Patrimoine and Cachemire 2. This new offering was eagerly taken up by the market, adding €3 billion of new money in just eight months.

Overall premium income from savings and pensions rose 10.2% over the year to €9,322 million and premium income from unit-linked products nearly doubled, from €620 million to €1,196 million. The proportion of business in unit-linked products increased 5.5 bps to 12.8% at end-December 2014. Aside from the successful launch of the two new products, the network's performance was also boosted by campaigns run throughout the year to support products with lower administration fees and additional returns tied to investing in unit-linked products.

In a highly competitive term creditor insurance market, the LBP policy, which was voted the best on the market in 2014 by the French loan insurance comparison organisation BAO *(Banque Assurance Optimisation)*, proved an effective solution for protecting assets under management in view of the scarcity of similar contracts on the market. Consequently, premiums grew by 6% during the period.

Overall, premium income in the personal risk/health insurance business climbed 8.2%. The end of the year witnessed a renewed focus on solutions providing coverage for accident victims and the network also began preparing to launch new long-term care products.

Caisses d'Epargne

Premium income for the Caisses d'Epargne network surged 30.1% to €9,792 million, mainly on the back of a 50% leap in business with high net worth clients as well as a 24% jump in premium income from policies sold to the general public, underpinned by two concerted marketing campaigns.

14.8% of business is now in unit-linked products *versus* 11.4% last year.

The Personal Risk business continues to record sustained growth: the volume of policies sold grew by 6% and premium income climbed 14.6% to €179 million through end-December 2014. Since dread disease cover was added to the Garantie Famille policy, new business has steadily increased and grew by a further 14% over the period. Ecureuil Solutions Obsèques funeral insurance consolidated its success in 2014 with 15% growth in the number of policies sold.

Against a backdrop of increased consumer protection and tighter regulations, term creditor insurance continued its fine momentum with a 4.7% increase in premium income to €754 million.

Amétis

Premium income from the employee network was virtually stable year-on-year at €531 million (up 1.2%), in spite of the lower number of policyholder advisers.

Given the objectives laid down for the network in terms of boosting the profitability of the existing customer portfolio, the sales force focused specifically on diversifying new money from unit-linked and personal risk products.

At the same time, a pilot program was organised with the policyholders of a provident institution and a mutual insurer to help the sales force achieve its objectives of growing the personal risk and health insurance business.

Financial institutions

Premium income generated by the financial institutions was virtually stable year-on-year at €1,498 million (down 0.4%).

In term creditor insurance, 2014 was marked by tighter regulations and fierce competition around interest rates. In addition to the provisions of the Lagarde Bill, since July 2014 prospective borrowers have been able to request an external novation arrangement right up to the date on which they sign their loan agreement (Moscovici Bill), or to freely request such an arrangement during the twelve-month period following the signature of the loan offer (Hamon Bill). Against a backdrop of increased consumer protection and tighter regulations, term creditor insurance continued to record strong growth.

Companies and local authorities

Premium income generated with companies and local authorities edged up by 0.9% year-on-year to €1,797 million.

Premium income from pensions grew by 4.5% to €697 million thanks to top-up premiums. CNP Assurances continued its strategy of preserving margins on risk products by implementing substantial premium rate increases and these were enough to offset policy terminations.

Mutual insurers

Mutual insurers generated premium income of €911 million in the year to 31 December 2014 and €223 million of this amount was contributed by MFPrévoyance. This 3.2% increase was attributable to personal risk and long-term care products launched in 2013 as well as to premium rate increases.

Other networks

One of the highlights of 2014 was the creation of CNP Patrimoine which focuses on high net worth clients. It brings together all of the product design, administration and development know-how needed to forge a closer relationship with policyholders and to provide greater responsiveness and tailored products/services. There was an eight-fold increase in business from open model-type high-end savings solutions thanks to the conclusion of a number of one-off deals.

LATIN AMERICA: REVENUE BY SUBSIDIARY

Caixa Seguros (Brazil)

Caixa Seguros (excluding Consórcios) brought in €3.2 billion in new money, down 7.0% year-on-year, reflecting an unfavourable currency effect. New money in local currency grew 2% thanks to brisk business in personal insurance products (up 27% at constant exchange rates on risk, and up 32% at constant exchange rates on term creditor insurance). However, new money from pension products dropped 15% on previous year at constant exchange rates as customers sought out less risky products and the product mix shifted towards policies with regular premiums.

In a highly concentrated market that grew by 8.6% through end-November 2014, Caixa Seguros' market share dropped 0.5 bps to 4.7%.

EUROPE EXCLUDING FRANCE: REVENUE BY SUBSIDIARY

CNP UniCredit Vita (Italy)

New money from CNP Vita rose 9% on the year to €2.8 billion in a booming market that grew by 43% in 2014. CNP Vita's market share dropped from 2.3% at end-December 2013 to 2.0% at end-December 2014.

CNP Barclays Vida y Pensiones (Spain, Portugal, Italy)

BVP's new money grew by 3% in 2014 on the back of good growth in the savings segment (up 8% to €345 million thanks to campaigns conducted in the early part of the year) which offset the drop in Term Creditor Insurance business (following the decision to switch from single premium to regular premium products).

CNP CIH [1] (Cyprus, Greece)

New money was down 13% to €144 million in 2014 due to the difficult economic situation and a major restructuring of the business in Cyprus and Greece.

PREMIUM INCOME BY COUNTRY AND BY PARTNERSHIP/CLIENTELE/SUBSIDIARY

	Premium income (IFRS)		
(in € millions)	**2014**	2013	% change
La Banque Postale	9,702.3	8,810.7	+10.1
Caisses d'Epargne	9,792.5	7,725.5	+30.1
Amétis	530.5	524.3	+1.2
Financial Institutions (France)	1,498.0	1,503.6	-0.4
Mutual Insurers	911.4	883.1	+3.2
Companies and Local Authorities	1,796.7	1,781.3	+0.9
Other networks (France)	271.7	68.1	n.m.
Total France	**24,503.2**	**21,096.5**	**+16.2**
Caixa Seguros (Brazil) [(1)]	2,828.7	3,018.5	-6.3
CNP Seguros de Vida (Argentina) [(1)]	45.0	55.5	-19.0
CNP Partners [(2)] (Spain)	208.8	186.3	+12.1
CNP UniCredit Vita (Italy)	2,692.4	2,303.8	+16.9
CNP Cyprus Insurance Holdings (Cyprus)	142.6	163.1	-12.6
CNP Europe (Ireland)	7.8	20.7	-62.2
CNP BVP (Portugal-Spain-Italy)	312.6	288.8	+8.2
Branches	60.8	534.5	-88.6
Total International	**6,298.6**	**6,571.3**	**-4.2**
TOTAL	**30,801.8**	**27,667.8**	**+11.3**

(1) Average exchange rates: Argentina: €1 = ARS 10.77 – Brazil: €1 = BRL 3.12
(2) New name of CNP Vida

2.2.3 Outlook

CNP Assurances will structure its development around three priorities:

- continuing to focus on high-potential Personal Risk/Protection businesses that will optimise the return on capital employed and allow the Group to diversify and switch to insurance-rather than financial-risk
- renewing partnerships with major distribution networks with a view to protecting assets under management and growing the Personal Risk/Protection business
- expanding the product range and developing Brazilian distribution channels to meet the burgeoning demand of the emerging middle classes.

(1) The new name for CNP-LIH

2.3 Financial review

2.3.1 Consolidated financial statements

The consolidated financial statements have been prepared in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), the recommendations of the French National Accounting Board (CNC 2005 R-01) concerning the presentation of the IFRS financial statements of insurance enterprises, and the guidelines contained in the reports of the CNC workgroups set up to examine the specific issues arising from the application of IFRSs by insurance enterprises (see the notes to the consolidated financial statements).

REVIEW OF RESULTS

Key earnings figures are as follows:

(in € millions)	Geographic area							
	France	Latin America	Europe excluding France	Own-funds portfolios	**Total 2014**	Total 2013	Change *(%)*	Change on like-for-like basis
New money	24,715	3,203	3,601		31,519	28,513	10.5%	11.5%
Insurance and financial outstandings					307,408	298,663	2.9%	2.7%
Premium income	**24,503**	**2,874**	**3,425**	**-**	**30,802**	**27,668**	**11.3%**	**12.2%**
Total NIR	1,325	1,019	218		2,562	2,458	4.2%	8.0%
Revenue from own-funds portfolios				775	775	776	0.0%	1.2%
Administrative expenses	585	212	99		(896)	(879)	1.8%	3.8%
EBIT					**2,442**	**2,354**	**3.7%**	**7.3%**
Finance costs					(178)	(155)	14.8%	14.8%
Share in earnings of associates					3	3	31.9%	81.2%
Income tax expense					(824)	(793)	3.8%	7.7%
Non-controlling interests					(323)	(321)	0.5%	8.7%
Recurring profit					**1,121**	**1,087**	**3.1%**	**5.7%**
Fair value adjustments and net gains (losses)					160	170	-5.8%	-5.6%
Non-recurring items					(201)	(227)	n.m.	n.m.
PROFIT					**1,080**	**1,030**	**4.8%**	**7.5%**

EBIT and attributable recurring profit before capital gains are two key performance indicators used by the Group. They have the advantage of being unaffected by realised capital gains on equities and investment property attributable to shareholders or by fluctuations in the financial markets.

EBIT comprises:

- net insurance revenue (NIR), which corresponds to the margin on insurance contracts, excluding administrative costs
- revenues from own-funds portfolios, corresponding mainly to equity-linked assets
- administrative costs.

The two key business indicators are:

- **premium income,** which came in at €30.8 billion (see section 2.2.2)
- insurance and financial outstandings, excluding the deferred participation reserve, which rose 2.9% during the period. This growth reflected the combined impact of higher premium income, the revaluation of policyholder participation and contract terminations.

NIR grew by 4.2% year-on-year to €2,562 million (and by 8.0% on a like-for-like basis) on the back of brisk business in Latin America (growth of 7.1%, or 16.7% on a like-for-like basis), growth of 11.5% in Europe (excluding France) and a more modest 1.1% increase in French revenue.

NIR France

The €14 million increase in French NIR to €1,325 million reflects contrasting fortunes.

NIR for the Savings/Pensions segment dropped €20 million for the year and the increase in savings under management was unable to offset the extra provisions that had to be taken against lower interest rates, particularly in relation to pension products.

Improved NIR from term creditor insurance helped revenues in the Personal Risk/Protection business to grow by €34 million and to absorb the effects of lower interest rates.

NIR Latin America

NIR for Latin America grew €68 million year-on-year to €1,019 million (up 7.1%, or 16.7% on a like-for-like basis) despite the unfavourable currency effect.

Booming business in term creditor insurance products (growth of 50.4%, or 64.4% on a like-for-like basis) did more than offset lower NIR from Savings/Pensions as a result of the deterioration in the exchange rate.

NIR for Europe (excluding France)

Growth of 11.5% (or €22 million) in NIR to €218 million was driven by brisk business in savings and pension products which had been hit by the large amounts of underwriting provisions set aside in 2013.

Revenues from own-funds portfolios (€776 million) were stable year-on-year, reflecting contrasting fortunes:

- higher revenues in France driven by the increase in amounts invested in bonds and in dividends received thanks to enhanced equity yields, and despite lower income from treasury portfolios as a result of very low interest rates
- lower revenues for Latin America and Europe (excluding France) due to reduced profit-taking and the unfavourable exchange rate in Brazil.

Administrative costs

Administrative costs were 1.8% higher than in 2013 (3.8% higher on a like-for-like basis).

Inside France, costs rose 1.2% to €585 million due to the higher IT expenditure needed to keep pace with product development and the increase in the social solidarity tax levied on revenue, and in spite of lower expenditure on administrative processes, support and corporate functions and business development and marketing.

In Latin America, costs jumped 5.8% to €212 million, or 14.3% on a like-for-like basis. In Brazil, administrative costs before tax climbed 8.1%, which was slightly more than the rate of inflation (6.4%), and there was an improvement in the operating ratio (*i.e.*, administrative costs/recurring NIR).

In Europe (excluding France), administrative costs decreased by 2.3% year-on-year, due mainly to lower general expenses in Cyprus following a wave of voluntary redundancies in late 2013.

The Group's operating ratio improved by 0.8 points to 35% thanks to higher NIR and effective cost control.

EBIT

The 3.7% growth in EBIT was driven by higher earnings in France (up 4.4%) and Latin America (up 3.8%, or 13.6% on a like-for-like basis).

EBIT from the Personal Risk/Protection/Property & Casualty segments jumped 9.2% to €1,068 million while earnings from savings/pensions remained stable year-on-year at €1,373 million.

Finance costs

Higher financing costs reflected the full-year impact of the 2013 US$500 million bond issue as well as six months of charges for the June 2014 €500 million issue.

Income tax expense

The effective tax rate edged up slightly from 36.1% in 2013 to 36.4% in 2014 due to the French tax on cash dividends.

Net gains and losses on equities and property and non-recurring items

Gains mainly relate to sales of impaired securities.

In 2013, this caption included a €50 million write-down taken on the Group's Cypriot business (€45 million in goodwill impairment provisions and €5 million on the value of its In-Force business), and provisions for losses on various other Cypriot assets totalling €13 million.

Non-recurring items

Non-recurring items correspond to additional provisions taken in 2014 and 2013, respectively, of €161 million (€260 million before tax) and €225 million (€362 million before tax), and the €40 million fine imposed by the Prudential supervision and resolution authority (ACPR) in relation to the processing of unclaimed policies.

Profit attributable to owners of the parent

Profit increased by 4.8% over the year to €1,080 million. On a like-for-like basis it grew by 7.5%.

France contributed €757 million to attributable profit which was down 3.4% despite the 3.2% improvement in recurring profit.

Attributable profit from the Latin American businesses rose 5.3% to €278 million (up 15.6% on a like-for-like basis) and represented nearly a quarter of attributable profit. Attributable profit from Europe (excluding France) came in at €44 million.

Consolidated balance sheet at 31 December 2014

Total assets amounted to €395.4 billion at 31 December 2014, compared with €365.4 billion at 31 December 2013, representing an 8.2% increase.

Insurance and financial liabilities totalled €344.4 billion, a 7.6% increase compared with 31 December 2013.

Excluding the change in the deferred participation reserve, insurance and financial liabilities rose 3.8% year-on-year while average insurance and financial liabilities were 2.9% higher.

Equity attributable to owners of the parent increased by €2,054 million year-on-year to €16,680 million. This increase reflected the combined impact of profit for 2014 (a positive €1,080 million impact), the dividend payment (a negative €529 million impact), fair value adjustments recognised directly in equity (a positive €1,077 million impact) and the issue of, and interest on, undated subordinated notes reclassified in equity (positive €494 million and negative €60 million impacts, respectively).

Equity includes €2,635 million in deeply-subordinated notes, which have been reclassified from debt in accordance with the IFRIC interpretation published in November 2006.

Solvency capital

Solvency capital at 31 December 2014, estimated based on French GAAP equity in accordance with the guidelines issued by the Prudential supervision and resolution authority (ACPR), represented 118% of the regulatory minimum (against 115% the previous year). The enhanced solvency ratio is mainly attributable to the two €500 million subordinated note issues of 2014. These figures include payment of the 2013 dividend and subordinated notes, but they exclude unrealised gains and losses and intangible assets. If unrealised gains are factored back in, the coverage rate was 403% (*versus* 302% in 2013).

Asset portfolio and financial management

Insurance investments at 31 December 2014 grew 6.5% year-on-year to €367.1 billion thanks to an increase in amounts invested in portfolios and the improved performance of the financial markets.

Available-for-sale financial assets at 31 December 2014 represented 77.7% of total investments and financial assets at fair value through profit (trading securities) represented 18.7%, while held-to-maturity investments and other investments (mainly investment property, loans and derivative instruments) accounted for 3.6%.

2.3.2 Financial statements of the Company (French GAAP)

PREMIUM INCOME

CNP Assurances' premium income was buoyed by good growth in the life insurance and savings market.

(in € millions)	**31.12.2014**	31.12.2013	2014/2013	31.12.2012
Individual insurance premiums	19,030	15,712	21.1%	16,112
Group insurance premiums	2,959	3,274	-9.6%	2,930
TOTAL	**21,989**	**18,985**	**15.8%**	**19,042**

Individual insurance products

Growth in premium income was driven by both traditional savings and unit-linked products.

Group insurance products

Premium income from death cover stabilised at a high level.

In 2013, pensions revenue was boosted by the signing of a major new group pension scheme.

(in € millions)	**31.12.2014**	31.12.2013	2014/2013	31.12.2012
Death	1,905	1,921	-0.8%	1,834
Pensions	1,034	1,333	-22.4%	1,076
Bodily injury insurance	20	20	0%	20
TOTAL	**2,959**	**3,274**	**-9.6%**	**2,930**

EBIT

The net profit of CNP Assurances was down 2.9% at €714.1 million, from €735.3 million in 2013.

Equity

Equity at 31 December 2014 amounted to €9,093.9 million, compared with €8,896.5 million at end-2013. This increase was mainly attributable to the payment of the 2013 dividend (a negative €529 million impact), profit for 2014 (a positive €714.11 million impact) and the change in the capitalisation reserve (a positive €10.3 million impact).

Supplier payment deadlines

CNP Assurances settles supplier invoices within the deadlines set out in the terms and conditions of sale and, by default, within 45 days of receipt. It may agree to faster payment deadlines in certain circumstances.

2.3.3 Review of subsidiaries

CNP IAM

In the Company-only accounts, CNP IAM's revenue was stable year-on-year at €2,244 million (€2,216 million in 2013). It posted a net loss for the year to 31 December 2014 of €74.3 million, compared with a net loss of €41.5 million for 2013 due to the impact of lower interest rates.

CNP IAM's contribution to consolidated net income was a loss of €33.7 million *versus* a loss of €28 million for 2013.

CAIXA SEGUROS

The results of the Brazilian subsidiary translated into euros reflected the unfavourable currency effect in 2014. The Brazilian real depreciated by 8.7% in relation to the euro and the average real/euro exchange rate fell from 2.87 in 2013 to 3.12 in 2014.

NIR for Caixa Seguros group (including Consórcios) increased by 7.4% over the period (up 16.4% on a like for like basis) thanks to strong growth in the Personal Risk/Protection/Property & Casualty and term creditor insurance (revenues) segments as well as an improved underwriting result, especially in the Term Creditor Insurance business. Revenues from own-funds portfolios were adversely affected by changes in exchange rates, and contracted by 20.5%. General expenses grew by 7% thanks to a favourable currency effect and by 8.1% on a pre-tax, like-for-like basis. This resulted in a slightly improved operating ratio of 19.9% (*versus* 20% in 2013). EBIT increased 4% during the year to €890 million.

Attributable profit for 2014 increased by 5.6% year-on-year to €274 million.

CNP UNICREDIT VITA

Total NIR climbed 15% year-on-year due in particular to the 25% jump in NIR from the Savings business, which was buoyed by the growth in unit-linked products. General expenses fell slightly by 1% to €32 million year-on-year and the operating ratio fell from 40% in 2013 to 34% thanks to the growth in NIR. EBIT came out at €70 million, and was down 3% due to an unfavourable basis of comparison for prior-period revenues from own-funds portfolios (up 9% excluding technical factors).

Attributable profit under IFRS increased by 3% in 2014 to €27 million.

CNP BARCLAYS VIDA Y PENSIONES (CNP BVP)

NIR declined 6% during the year due to lower volumes of Term Creditor Insurance business and tighter margins in the wake of the provisions taken on investment portfolios in 2013. General expenses dropped 7% following the renegotiation of certain supplier contracts, particularly in Italy, and lower payroll costs. Revenues from own-funds portfolios were stable year-on-year, excluding €1 million in realised capital gains. EBIT adjusted for amortisation of the value of In-Force business and the distribution network was down 8% over the year to €38 million.

After adjusting for amortisation of the value of In-Force business and the distribution network, CNP BVP contributed €13 million to consolidated profit under IFRS (13% less than in 2013).

CNP CIH

NIR came in at €42 million and was stable compared to previous year. Revenues from own-funds portfolios declined by 20% in line with the drop in income from financial products. General expenses fell by 13%, mainly due to the voluntary early retirement plan implemented in 2013, leading to an improvement in the operating ratio year-on-year, from 61% in 2013 to 52% this year. EBIT before amortisation of the value of In-Force business climbed 15% to €23 million.

After adjusting for amortisation of the value of In-Force business, CNP CIH contributed €8.7 million to consolidated profit under IFRS. In 2013, it contributed a net loss of €57.5 million after adjusting for impairment of goodwill (negative €45 million) and a one-off write-down taken on In-Force business of €5 million net of tax and non-controlling interests.

2.4 Embedded value report

2.4.1 Introduction

Since 1999, the CNP Assurances Group's financial reporting has included disclosures of embedded value and the value of new business. The reporting scope covers the Group's entities that significantly contribute to the value, namely CNP Assurances and its subsidiaries in France, Latin America and the rest of Europe.

These indicators provide a picture of the present value of future profits expected from insurer's stock portfolio. Through the New Business value, it offers a more detailed view of the new businesses sold during the year.

Disclosed values are based on a "market consistent" approach. The CNP Assurances Group's calculations comply with MCEV© (1) standards, as set out in the European Insurance CFO Forum Market Consistent Embedded Value Principles, with the exceptions of the valuation of Caixa Seguradora, which is based on the traditional embedded value method. Valuations are duly subject to attestation by audit firms PwC and Mazars.

2.4.2 Results

2.4.2.1 MCEV© AT 31 DECEMBER 2014

MCEV© standards	**2014 MCEV© before payment of 2014 dividends**		2013 MCEV© after payment of 2013 dividends and dilutive effects		Change before payment of 2014 dividends		2013 MCEV© before payment of 2013 dividends	
	€m	**€ per share***	€m	€ per share*	€m	%	€m	€ per share*
ANAV – Adjusted Net Asset Value	**11,649**	**17.0**	**10,894**	**15.9**	**755**	**7%**	**11,422**	**16.6**
Required capital	7,766	11.3	8,665	12.6	(899)	-10%	8,665	12.6
Free surplus	3,883	5.7	2,229	3.2	1,654	74%	2,757	4.0
VIF – Value of In-Force	**5,881**	**8.6**	**4,553**	**6.6**	**1,328**	**29%**	**4,553**	**6.6**
Present value of future profits	10,376	15.1	7,003	10.2	3,373	48%	7,003	10.2
Time value of options and guarantees	(3,040)	(4.4)	(728)	(1.1)	(2,312)	318%	(728)	(1.1)
Frictional costs of required capital	(896)	(1.3)	(1,110)	(1.6)	214	-19%	(1,110)	(1.6)
Costs of non-hedgeable risks	(559)	(0.8)	(612)	(0.9)	53	-9%	(612)	(0.9)
MCEV© – Market Consistent Embedded Value	**17,530**	**25.5**	**15,447**	**22.5**	**2,083**	**13%**	**15,975**	**23.3**

* *Number of shares at 31 December 2013 and at 31 December 2014: 686,618,477*

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The 2014 MCEV© value of CNP Assurances is €17,530 million, up 13.5% on the 2013 value after dividends. This trend reflects a 29% increase in the value of In-Force business and a 7% increase in adjusted net asset value.

The downward trend in financial markets, in particular the fall in rates, results in a sharp rise in surrender options and guaranteed rates.

A detailed analysis of the main factors explaining the observed changes is presented in the following sections. Section 2.4.3 presents a breakdown of In-Force values by geographic area.

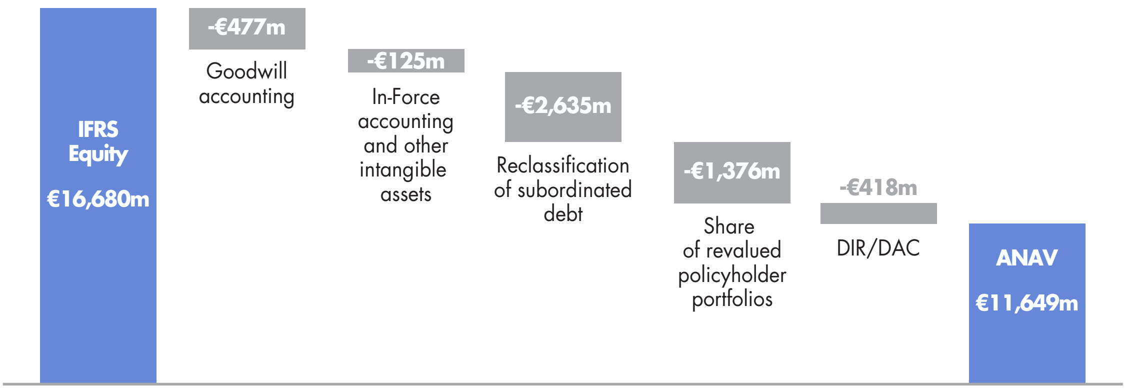
Adjusted Net Asset Value

The Adjusted Net Asset Value is calculated on the basis of IFRS equity, after adjusting for the following elements:

- elimination of intangible assets such as goodwill and distribution agreements, book In-Force values and deferred acquisition costs
- deduction of unrealised capital gains and losses already accounted for in the VIF, and the add-back of shareholders' interest in unrealised gains not accounted for under IFRS (property and held-to-maturity securities) and
- the reclassification of subordinated debt.

Further to the acquisition of a 51% stake in the life and non-life insurance subsidiaries of Santander Consumer Finance, this new reporting scope is included in the 2014 MCEV© up to the value of its adjusted net asset value, after restatement of intangible assets (goodwill and deferred income revenue/deferred acquisition costs). The VIF of this scope is not valued at this stage.

The following diagram shows the reconciliation between IFRS equity and adjusted net asset value at 31 December 2014:



2.4.2.2 VALUE OF NEW BUSINESS (VNB) AT 31 DECEMBER 2014

	2014		2013		Change	
MCEV© Standards	€m	€ per share	€m	€ per share	€m	%
Present value of future profits	703	1.0	605	0.9	97	16%
Time value of options and guarantees	(244)	(0.4)	(98)	(0.1)	(145)	148%
Frictional costs of required capital	(46)	(0.1)	(68)	(0.1)	22	-33%
Costs of non-hedgeable risks	(56)	(0.1)	(63)	(0.1)	6	-10%
Value of New Business	**357**	**0.5**	**376**	**0.5**	**(19)**	**-5%**
APE (Annual Premium Equivalent)(1)	2,998		2,659		338	13%
PVNBP(2)	26,513		23,336		3,177	14%
APE ratio	11.9%		14.1%		-2.2%	-16%
PVNBP ratio	1.3%		1.6%		-0.3%	-16%

(1) APE, a sales volume indicator, equals one tenth of the sum of single premiums and flexible premiums written during a given year plus the annualised amount of regular premiums written during that same year

(2) PVNBP is the present value of new business premiums

The value of new business in 2014 totalled €357 million, down 5%. Most of the decrease in VNB arises in Europe excluding France, due to the high proportion of guaranteed rates in a context of falling rates. The Group's APE ratio fell to 11.9%.

A detailed analysis by geographic area is presented in section 2.4.3 of this report.

The following table presents a detailed analysis of the changes in the value of new business:

MCEV© standards *(in € millions)*	VNB	Change	APE ratio
2013 Value of new business	**376**		**14.1%**
Change in model	420	44	16.0%
Change in APE volume	478	58	16.0%
Change in product mix	466	(12)	15.6%
Change in experience data	504	38	16.8%
Change in financial market conditions	355	(149)	11.9%
Change in tax rates	355	0	11.9%
Change in the exchange rates	357	2	11.9%
2014 Value of new business	**357**	**(19)**	**11.9%**

The updated model has a positive impact of €44 million on the value of new business, especially in France.

The updated APE volume per entity had a positive impact of €58 million on the value of new business.

The updated product mix reduced the value of new business by €12 million, with a higher proportion of unit-linked products in France and the rest of Europe.

The impact of updated experience data is €38 million.

The updated financial markets figures (higher rates and share volatility, lower interest rates) decreases the value of new business by €149 million and the APE ratio by 4.9 points.

The higher Brazilian exchange rate, which levelled off slightly below the rate at the end of 2013, had an impact of €2 million.

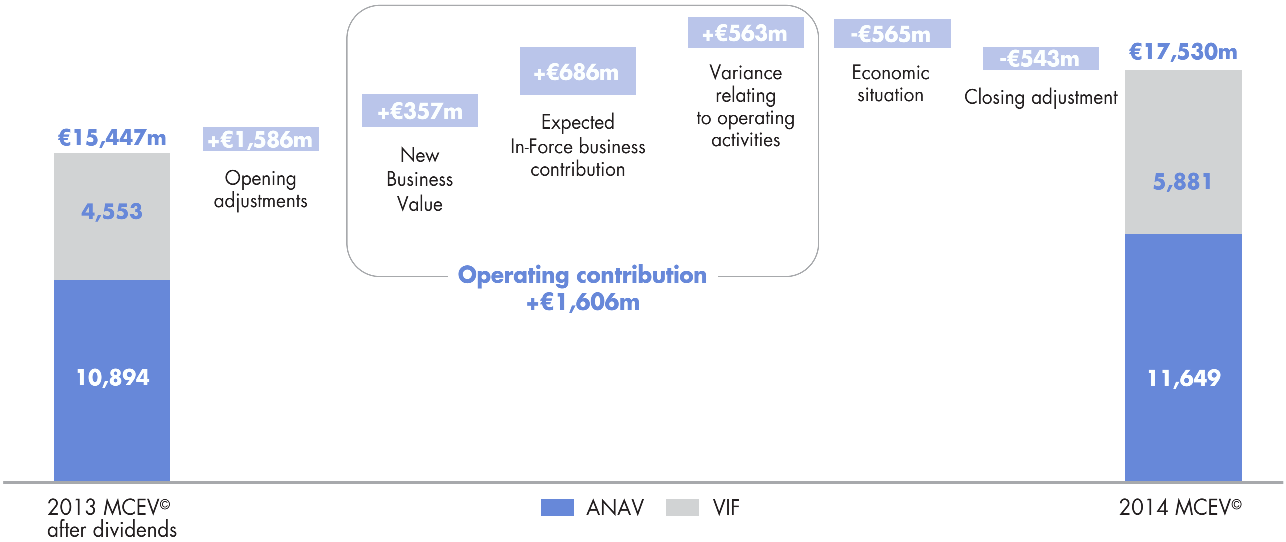
2.4.2.3 SENSITIVITIES

The sensitivities presented below are in compliance with the requirements of the CFO Forum.

MCEV© standards	ANAV €m	VIF €m	MCEV© €m	VNB €m
MCEV© – Market Consistent Embedded Value	**11,649**	**5,881**	**17,530**	**357**
+100 bp change in the interest rate environment	(337)	937	600	172
-100 bp change in the interest rate environment	338	(1,502)	(1,163)	(298)
+10 bp change in the liquidity premium		156	156	19
10% decrease in equity	(344)	(756)	(1,100)	
10% decrease in lapse rates		232	232	38
10% decrease in maintenance expenses		429	429	33
Required capital equal to regulatory solvency margin		179	179	8
Claims rates -5% – Longevity risk		(117)	(117)	(1)
Claims rates -5% – Mortality and disability risk		173	173	60
25% increase in swaption volatilities		(305)	(305)	(40)
25% increase in equity/volatilities		(521)	(521)	(35)
Value of new business – marginal methodology				55

The method for applying sensitivities is explained in detail in section 2.4.4.5 of this report.

2.4.2.4 GROUP VARIANCE ANALYSIS



The following table shows the analysis of the earnings split between the Value of In-Force and the ANAV, the latter being broken down into required capital and free surplus. These last two concepts stem from the published MCEV© publication standards as defined by the CFO Forum. Required capital is the capital required for an insurer to do business according to its own criteria. CNP Assurances has set its capital requirement at 110% of the regulatory solvency margin requirement (as per Solvency I), 47% of it (Group average) being funded by subordinated debt. The free surplus is the remaining capital once the required capital has been deducted.

MCEV© standards *(in € millions)*	ANAV	Free surplus	Required capital	VIF	MCEV©
2013 MCEV©	**11,422**	**2,757**	**8,665**	**4,553**	**15,975**
Opening adjustments	(528)	(442)	(87)	1,585	1,057
Adjusted 2013 MCEV©	**10,894**	**2,316**	**8,578**	**6,138**	**17,032**
New business value	(31)	(818)	787	388	357
Expected existing business contribution	74	74	0	612	686
Transfers from the VIF and required capital to free surplus	1,103	1,923	(820)	(1,103)	0
Experience variances	(78)	(297)	219	334	256
Changes in assumptions relating to operating activities	0	0	0	191	191
Other operating variances	0	1,000	(1,000)	116	116
Operating MCEV© earnings	**1,068**	**1,882**	**(814)**	**538**	**1,606**
Variances relating to operating activities	270	270	0	(803)	(533)
Other non-operating variances	(34)	(34)	0	2	(32)
TOTAL MCEV© EARNINGS	1,304	2,118	(814)	(263)	1,041
Closing adjustments	(548)	(550)	2	6	(543)
2014 MCEV©	**11,649**	**3,883**	**7,766**	**5,881**	**17,530**

The MCEV© rose by €1,555 million between 2013 and 2014.

Opening adjustments impacted ANAV (negative €528 million) due to payment of the 2013 dividend. The positive adjustment of VIF (€1,585 million) is primarily due to restatements for the France reporting scope.

The value of new business contributed €357 million to the change in MCEV©. This includes the net loss of €31 million in new business in 2014. The increase in required capital pertaining to this new business amounted to €787 million.

The contribution of existing business (€686 million) is mechanically valued and results from the combined effects of the accretion of the VIF (€612 million) and the expected return on free surplus (€74 million). Furthermore, the 2014 profits relating to the VIF at 31 December 2013 are transferred to the ANAV without affecting the MCEV©.

Observed variances in operating activities have an impact of €334 million on VIF, primarily due to the effect of movements of provisions, the cost of which is recognized in ANAV, which furthermore benefits from non-recurring revenues generating a difference between actual and projected income. Recent experience had led the CNP Assurances Group to review certain assumptions relating to operating activity, such as cost and claims rates, generating an overall impact of €191 million.

With regard to required capital, variances in core operations led to a €219 million increase in the capital requirement. Issues of sovereign debt totalling €1,000 million in 2014 resulted in a reduction in the MCEV© capital requirement and a €116 million increase VIF.

Trends on financial markets in 2014 led to a €533 million reduction in MCEV©. In a context of falling rates, the rise in initial riches on assets backing equity and provisions did not offset the rise in the cost of surrender and rate options in the savings and pension ranges.

The final adjustment mainly corresponds to exchange rate fluctuations and the impact of the acquisition of a 51% stake in Santander Consumer Finance's life and non-life insurance subsidiaries, as intangible assets (goodwill and deferred income revenue/deferred acquisition cost) are not recognised in MCEV©.

A detailed analysis per geographic area is presented in section 2.4.3.

2.4.2.5 OPERATING FREE CASH FLOW

The "Operating Free Cash-Flow" indicator (cash flow generated by operating activities) represents the capacity of the CNP Assurances Group to generate free surplus to:

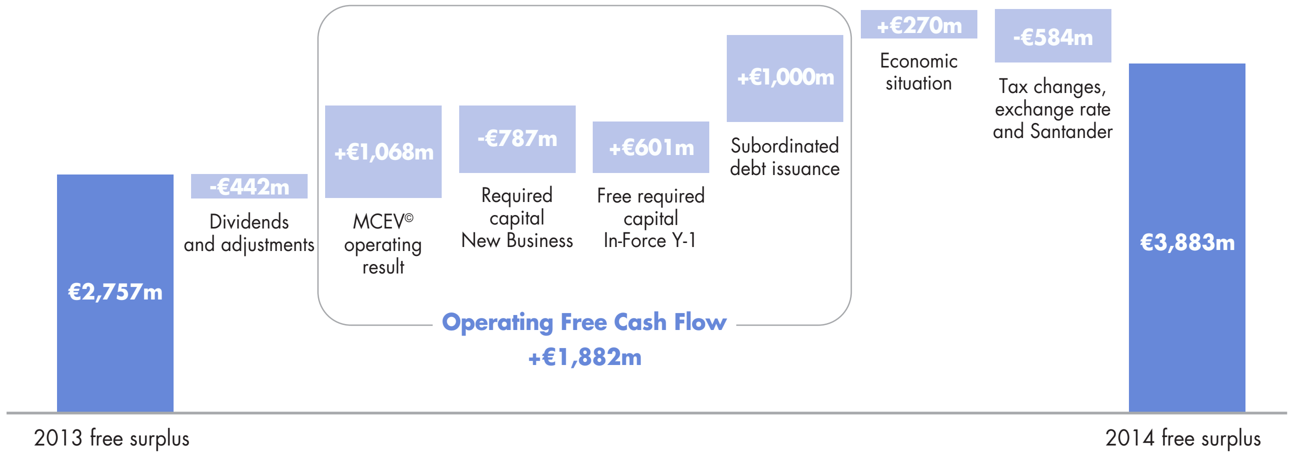
- pay dividends
- expand through sales of new business or through external growth.

(in € millions)	Group 2013	**Group 2014**
VIF transfers to free surplus	787	1,103
Financial income from free surplus	66	74
Release of required capital to free surplus	715	820
Experience variances	(125)	703
Expected contribution of In-Force	**1,444**	**2,700**
Capital required for new business	(816)	(787)
Earnings attributable to new business	(22)	(31)
Capital required for new business	**(838)**	**(818)**
OPERATING FREE CASH FLOW	**606**	**1,882**

Operating free cash flow was up to €1,882 million or €882 million excluding subordinated debt.

2014 *(in € millions)*	Group	France	Latin America	Europe excluding France
VIF transfers to free surplus	1,103	870	169	64
Financial income from free surplus	74	41	24	9
Release of required capital to free surplus	820	751	33	36
Experience variances	703	635	72	(4)
Expected contribution of In-Force	**2,700**	**2,296**	**299**	**105**
Capital required for new business	(787)	(677)	(68)	(41)
Earnings attributable to new business	(31)	(10)	8	(29)
Capital required for new business	**(818)**	**(688)**	**(60)**	**(70)**
OPERATING FREE CASH FLOW	**1,882**	**1,608**	**239**	**35**

2.4.2.6 FREE SURPLUS VARIANCE ANALYSIS



The free surplus increased by €1,126 million through new business, acquisitions, dividend payment and the change in methodology in the consideration of the funding by subordinated debt (more sharing between countries).

The operating contribution amounted to €1,882 millions, reflecting:

- MCEV© operating result €1,068 million
- a change in the capital requirements required to €186 million, broken down into a €787 million charge related to new business and a release of capital of €601 million in the In-Force portfolio on 31 December 2013
- subordinated debt issuance increasing the subordinated debt share in the funding of capital required; the need for capital net of subordinated debt decreased by €1,000 million.

The economic contribution is €270 million.

The final adjustment mainly corresponds to the impact of the acquisition of a 51% stake in Santander Consumer Finance's life and non-life insurance subsidiaries, as intangible assets (goodwill and deferred income revenue/deferred acquisition cost) are not recognised in MCEV©.

2.4.2.7 IDR IMPLIED DISCOUNT RATE

The IDR stands as at 6.02% at Group level as of 31 December 2014, versus 5.75% at 31 December 2013. Its evolution is mainly due to the increase in the cost of options and financial guarantees.

At 31 December 2014, the IDR is calculated on the basis of a 20 bps spread on the benchmark yield curve and a 20 bps spread on corporate bonds. Shares and property benefit respectively from a risk premium of 310 bps and 230 bps (310 bps and 230 bps at 31 December 2013).

2.4.3 Detailed results by geographic area

The following section provides an analysis of the main indicators and trend vectors by geographic area.

2.4.3.1 VIF

The table below shows a breakdown of In-Force values by geographic area:

MCEV© standards *(in € millions)*			Group	France	Latin America	Europe excluding France
2014 MCEV©	PVFP	Present value of future profits	10,376	9,420	666	290
	TVOG	Time value of options and guarantees	(3,040)	(3,019)	0	(22)
	FCRC	Frictional costs of required capital	(896)	(852)	(38)	(6)
	CNHR	Costs of non-hedgeable risks	(559)	(544)	0	(15)
	VIF	**Value of In-Force**	**5,881**	**5,005**	**628**	**248**
2013 MCEV©	PVFP	Present value of future profits	7,003	6,130	608	265
	TVOG	Time value of options and guarantees	(728)	(722)	0	(6)
	FCRC	Frictional costs of required capital	(1,110)	(1,068)	(34)	(8)
	CNHR	Costs of non-hedgeable risks	(612)	(591)	0	(21)
	VIF	**Value of In-Force**	**4,553**	**3,749**	**573**	**230**
Change	VIF	€m	1,328	1,256	55	17
		%	29%	34%	10%	7%

The Group's VIF (€5,881 million), up 29%, benefits from restatement effects in France on savings and the term creditor insurance, as well as the contribution of new business. The decrease in the rates is the main cause of the increase in the cost of options and financial guarantees. The rise in VIF in Latin America (up 8% at constant exchange rates) is mainly due to the contribution of new business and positive economic effects.

2.4.3.2 VNB

2.4.3.2.1 APE volume

(in € millions)	Group	France	Latin America	Europe excluding France
IFRS 2014 premium income	30,802	24,503	2,874	3,425
IFRS 2013 premium income	27,668	21,097	3,074	3,497
Premium income growth rate	11%	16%	-7%	-2%
2014 APE	**2,998**	**2,311**	**441**	**245**
2013 APE	2,659	1,998	389	272
APE change rate	13%	16%	13%	-10%
2014 PVNBP	**26,513**	**22,754**	**1,841**	**1,918**
2013 PVNBP	23,336	19,340	1,800	2,195
PVNBP change rate	14%	18%	2%	-13%

France

The volume of APE revenue in France (€2,311 million), up 16% on 2013, is characterised by a sharp rise in inflows of unit-linked contracts (up 83%) and traditional savings contracts (up 16%). The volumes allocated to risk benefits contracts were up 2%, and term creditor insurance contracts were down 6%.

Latin America

APE revenue of the Brazilian subsidiary Caixa Seguradora (€441 million) was up 13% (up 12% at constant exchange rates). The risk benefits and protection activities (57% of the subsidiary's APE revenue) were particularly bullish, showing 18% growth over the year.

Europe excluding France

APE revenue of the European subsidiaries and branches (excluding France) stood at €245 million, down 10% on 2013 (up 6.5% after adjustments for an exceptional item in 2013). There was an upturn in the volumes of unit-linked business (up 9% for APE revenue) and term creditor insurance (up 48% for APE revenue), more particularly in Italy and Spain. In Spain and Portugal, APE revenue allocated to euro savings contracts was also up.

2.4.3.2.2 VNB

	Group		France		Latin America		Europe excluding France	
MCEV© standards *(in € millions)*	VNB	APE ratio	VNB	APE ratio	VNB	APE ratio	VNB	APE ratio
2013 Value of new business	**376**	**14.1%**	**211**	**10.6%**	**132**	**34.0%**	**32**	**11.8%**
Change in model	420	16.0%	261	13.0%	134	34.5%	25	10.7%
Change in APE volume	478	16.0%	302	13.0%	150	34.5%	26	10.5%
Change in product mix	466	15.6%	305	13.2%	136	31.3%	24	9.8%
Change in experience data	504	16.8%	344	14.9%	140	32.0%	20	8.3%
Change in financial market conditions	355	11.9%	208	9.0%	140	32.1%	7	2.7%
Change in tax rates	355	11.9%	208	9.0%	140	32.1%	7	2.8%
Change in exchange rates	357	11.9%	208	9.0%	142	32.1%	7	2.8%
2014 Value of new business	**357**	**11.9%**	**208**	**9.0%**	**142**	**32.1%**	**7**	**2.8%**
Change	(19)	-2.2%	(3)	-1.6%	9	-2.0%	(25)	-9.0%

France

With an APE ratio of 9%, France benefits from the changes in term creditor insurance models and the projection of costs linked to own accounts. France's VNB saw its product mix improve in 2014, the rise in revenue from unit-linked products offsetting the fall in term creditor insurance. Updated experience data (better operating ratio, repricing of risk benefits) was favourable in 2014 and has resulted in a rise of 1.7 in the APE ratio. The bearish financial markets (higher volatility in rates and equities, lower interest rates) are the main cause of the 1.6 point decrease in the APE ratio.

Latin America

The Brazilian subsidiary's VNB was up 7%, due to the sharp rise in volumes of health-related products, which have smaller margins than other products (risk benefits/protection). Inflows were very dynamic (up 18% over the year) on these segments that generally have large margins.

Europe excluding France

The value of new business in Europe excluding France was down €25 million in 2014 with an APE ratio of 2.8%. The 9-point fall in the APE ratio compared with 2013 is mainly attributable to the high proportion of traditional savings contracts in the portfolio, combined with the worsening financial markets over the period.

The following table provides a breakdown of new business indicators by geographic area:

MCEV© standards *(in € millions)*			Group	France	Latin America	Europe excluding France
2014	PVFP	Present value of future profits	703	538	152	13
	TVOG	Time value of options and guarantees	(244)	(241)	0	(3)
	FCRC	Frictional costs of required capital	(46)	(34)	(11)	(1)
	CNHR	Costs of non-hedgeable risks	(56)	(54)	0	(2)
	VNB	**Value of New Business**	**357**	**208**	**142**	**7**
	APE	APE	2,998	2,311	441	245
	PVNBP	PVNBP	26,513	22,754	1,841	1,918
		VNB/APE ratio	**11.9%**	**9.0%**	**32.1%**	**2.8%**
		VNB/PVNBP ratio	1.3%	0.9%	7.7%	0.4%
2013	PVFP	Present value of future profits	605	424	144	37
	TVOG	Time value of options and guarantees	(98)	(97)	0	(1)
	FCRC	Frictional costs of required capital	(68)	(56)	(11)	(1)
	CNHR	Costs of non-hedgeable risks	(63)	(60)	0	(3)
	VNB	**Value of New Business**	**376**	**211**	**132**	**32**
	APE	APE	2,659	1,998	389	272
	PVNBP	PVNBP	23,336	19,340	1,800	2,195
		VNB/APE ratio	**14.1%**	**10.6%**	**34.0%**	**11.8%**
		VNB/PVNBP ratio	1.6%	1.1%	7.4%	1.5%
Change	**VNB**	**VNB**	**(19)**	**(3)**	**9**	**(25)**
	APE	APE	338	313	52	(27)
	PVNBP	PVNBP	3,177	3,414	40	(277)
		PVNBP	-5%	-1%	7%	-79%
		VNB/APE ratio	**-2.2%**	**-1.6%**	**-2.0%**	**-9.0%**
		VNB/PVNBP ratio	-0.3%	-0.2%	0.3%	-1.1%

2.4.3.2.3 Duration

The table below shows the durations of new business by geographic area:

Duration *(year)*	Group	France	Latin America	Europe excluding France
Savings and Pensions	11.7	12.2	4.9	6.0
Risk and Protection	6.7	7.0	4.3	5.2

2.4.3.3 SENSITIVITIES

2.4.3.3.1 VIF sensitivities

MCEV© standards *(in € millions)*	Group	France	Latin America	Europe excluding France
Value of In-Force	**5,881**	**5,005**	**628**	**248**
+100 bp change in the interest rate environment	937	915	1	21
-100 bp change in the interest rate environment	(1,502)	(1,474)	(2)	(26)
+10 bp change in the liquidity premium	156	151		4
10% decrease in equity	(756)	(747)		(9)
10% decrease in lapse rates	232	198	25	9
10% decrease in maintenance expenses	429	409	8	13
Required capital equal to regulatory solvency margin	179	96		1
Claims rates -5% – Longevity risk	(117)	(114)	0	(3)
Claims rates -5% – Mortality and disability risk	173	140	27	6
25% increase in swaption volatilities	(305)	(303)		(2)
25% increase in equity/volatilities	(521)	(515)		(5)

2.4.3.3.2 VNB sensitivities

MCEV© standards *(in € millions)*	Group	France	Latin America	Europe excluding France
Value of New Business	**357**	**208**	**142**	**7**
+100 bp change in the interest rate environment	172	158	1	14
-100 bp change in the interest rate environment	(298)	(285)	(1)	(13)
+10 bp change in the liquidity premium	19	17		1
10% decrease in lapse rates	38	28	9	1
10% decrease in maintenance expenses	33	27	4	2
Required capital equal to regulatory solvency margin	8	5		3
Claims rates -5% – Longevity risk	(1)	(1)	0	0
Claims rates -5% – Mortality and disability risk	60	50	10	0
25% increase in swaption volatilities	(40)	(39)		0
25% increase in equity/volatilities	(35)	(34)		(1)
Value of new business – marginal methodology	55	48		7

2.4.3.4 VARIANCE ANALYSIS BY GEOGRAPHIC AREA

France

MCEV© standards *(in € millions)*	ANAV	Free surplus	Required capital	VIF	MCEV©
2013 MCEV©	**10,069**	**1,803**	**8,266**	**3,749**	**13,818**
Opening adjustments	(324)	(172)	(152)	1,587	1,263
Adjusted 2013 MCEV©	**9,745**	**1,630**	**8,114**	**5,336**	**15,081**
New business value contribution	(10)	(688)	677	219	208
Expected existing business contribution	41	41	0	492	533
Transfers from VIF and required capital to free surplus	870	1,620	(751)	(870)	0
Experience variances	(151)	(365)	214	310	159
Changes in assumptions relating to operating activities	0	0	0	206	206
Other operating variances	0	1,000	(1,000)	116	116
Operating MCEV© earnings	**749**	**1,608**	**(859)**	**472**	**1,222**
Economic variances	267	267	0	(804)	(537)
Other non-operating variances	(20)	(20)	0	0	(20)
TOTAL MCEV© EARNINGS	**996**	**1,855**	**(859)**	**(331)**	**665**
Closing adjustments	(580)	(580)	0	0	(580)
2014 MCEV©	**10,161**	**2,906**	**7,255**	**5,005**	**15,166**

Opening adjustments include the payment of the 2013 dividend and dividends paid by subsidiaries for financial year 2013. The adjustments also include the improved forecast assumptions for the savings and term creditor insurance models and the impact of non-pooling in the Group of sources of funds such as subordinated notes.

Improvements were made to the models during the course of 2014, in particular:

- in savings, recognition of the profit-sharing liability at entity level, the minimum profit-sharing restriction and the provision for liquidity risk on technical liabilities (€883 million increase in economic context at 31 December 2013)
- Term creditor insurance, the switch to a monthly model and the calibration of new laws of experience (VIF increase of €282 million)
- on costs in all business segments, the review of unit costs and the new modelling of committed costs (an overall increase of €145 million)
- the use of the economic scenarios generator LMM+ (€146 million) and the distribution of corporate credit spreads (negative €59 million).

In 2014, new business value contributed €208 million to the change in MCEV©. The increase in required capital pertaining to this new business amounted to €677 million.

The observed variances in operating activities increased VIF by €310 million, chiefly due to the effect of movements in provisions, the expense of which is recognised in ANAV. Recent experience has led CNP Assurances to review certain assumptions relating to operating activities, generating an overall positive impact of €206 million.

The experience variances from operating activities affecting the ANAV total €214 million. Issues of subordinated debt totalling €1,000 million in 2014 resulted in a reduction in the MCEV© capital requirement and a €116 million increase in VIF.

The economic outlook has had an adverse effect on value (negative 537 million). In a context of falling rates, the rise in initial riches on assets backing equity and provisions has not offset the rise in the cost of surrender and rate options in the savings and pension ranges and the cost of minimum profit-sharing henceforth modelled at entity level. This figure includes also the impact of the 2014 accounting charge in the profit-sharing liability at entity level.

The other non-operating variances mainly include tax changes and the payment of the ACPR penalty (€40 million).

Closing adjustments mainly correspond to the impact of the acquisition of a 51% stake in Santander Consumer Finance's life and non-life insurance subsidiaries, as intangible assets (goodwill and deferred income revenue/deferred acquisition cost) are not recognised in MCEV©.

Latin America

MCEV© standards *(in € millions)*	ANAV	Free surplus	Required capital	VIF	MCEV©
2013 MCEV©	**714**	**519**	**194**	**573**	**1,287**
Opening adjustments	(175)	(175)	0	5	(170)
Adjusted 2013 MCEV©	**539**	**344**	**194**	**579**	**1,117**
New business value contribution	8	(60)	68	134	142
Expected existing business contribution	24	24	0	91	115
Transfers from the VIF and required capital to free surplus	169	203	(33)	(169)	0
Experience variances	67	72	(5)	5	73
Changes in assumptions relating to operating activities	0	0	0	(9)	(9)
Other operating variances	0	0	0	0	0
Operating MCEV© earnings	**269**	**239**	**30**	**52**	**321**
Economic variances	(7)	(8)	0	(8)	(16)
Other non-operating variances	(11)	(11)	0	0	(11)
TOTAL MCEV© EARNINGS	**250**	**220**	**30**	**44**	**294**
Closing adjustments	31	29	2	6	37
2014 MCEV©	**820**	**594**	**227**	**628**	**1,448**

The 2013 MCEV© of Caixa Seguradora adjusted for the 2013 dividend, improvements in method and model, stood at €1,117 million. New business contributed €142 million at current exchange rates to the increase in MCEV©.

Observed variance relating to operating activities results from:

- on VIF (€5 million) from movements of provisions
- on ANAV (€67 million), from lower than expected claims rates, more particularly on the term creditor insurance and risk insurance portfolios.

The rise in interest rates has led to unrealised bond losses reducing the ANAV of Caixa Seguradora by €7 million.

The fall in the Brazilian exchange rate has increased MCEV© by €37 million.

Europe excluding France

MCEV© standards *(in € millions)*	ANAV	Free Surplus	Required Capital	VIF	MCEV©
2013 MCEV©	**640**	**435**	**204**	**230**	**870**
Opening adjustments	(29)	(94)	65	(7)	(36)
Adjusted 2013 MCEV©	**610**	**341**	**269**	**223**	**834**
New business value contribution	(29)	(70)	41	36	7
Expected existing business contribution	9	9	0	30	38
Transfers from the VIF and required capital to free surplus	64	100	(36)	(64)	0
Experience variances	6	(4)	9	19	24
Changes in assumptions relating to operating activities	0	0	0	(6)	(6)
Other operating variances	0	0	0	0	0
Operating MCEV© earnings	**49**	**35**	**15**	**14**	**63**
Economic variances	11	11	0	9	19
Other non-operating variances	(3)	(3)	0	2	0
TOTAL MCEV© EARNINGS	**58**	**43**	**15**	**24**	**82**
Closing adjustments	0	0	0	0	0
2014 MCEV©	**668**	**384**	**284**	**248**	**916**

The 2013 MCEV© for Europe excluding France adjusted for the 2013 dividend, improvements in method and model, stood at €834 million.

The value of new business contributed €7 million to the change in MCEV©. This includes a net loss of €29 million in new business in 2014 due to the discounted commission paid to the UniCredit network in Italy. The increase in required capital pertaining to this new business amounted to €41 million.

Observed variances in operating activities for ANAV mainly results from the capitalisation and amortisation of deferred income revenue and deferred acquisition costs (Cyprus, Italy) and provisions in Spain for IT developments. They also include the non-modelled scope in Cyprus (non-life) and in Greece, thereby generating a difference between actual and projected income. Furthermore, the fall in surrenders observed in Italy (unit-linked and traditional savings contracts) explains the positive operating variance in required capital.

The effects of the economic situation (€19 million) reflect a rise in the unrealised gains of asset portfolios further to the narrowing spreads of Italian, Spanish and Portuguese borrowing rates observed in 2014.

2.4.4 Methodology

Embedded value is the consolidated value of shareholders' interests generated by the portfolio's insurance activities as of the date of measurement. It is measured before dividends and related taxes. This value does not take into account future New Business. The methodology adopted by the CNP Assurances Group is based on the MCEV© calculation standards as set out in the European Insurance CFO Forum Market Consistent Embedded Value Principles in October 2009. This section details the principles adopted by the CNP Assurances Group.

2.4.4.1 REPORTING SCOPE

The reporting scope includes the Group's entities that significantly contribute to the value, France, Latin America and Europe excluding France.

Geographic area	Entities	Shares owned
France	CNP Assurances	Consolidating entity
	CNP IAM	100%
	Préviposte	100%
	ITV	100%
	CNP International	100%
	MFPrévoyance	64.72%
	La Banque Postale Prévoyance	50%
Italy	CNP UniCredit Vita	57.5%
	Italian branch of CNP Assurances	100%
Brazil	Caixa Seguradora	51.75%
Spain	CNP Vida	94.47%
	EstalVida	94.47%
	CNP Barclays Vida y Pensiones*	50%
Cyprus	CNP Cyprus Insurance Holdings	50.1%

* *Including business activities in Portugal and Italy*

The other entities were valued in compliance with IFRS principles. The following changes have not been considered in valuation: changes that will occur owing to the partnership with BPCE as of 1 January 2016, the sale of CNP BVP which will occur to 2015, and the possible changes in the partnership with La Banque Postale, which expires end of 2015.

New reporting entities

Further to the announcement on 10 July 2014 of a strategic agreement with the Banco Santander group, and after obtaining the necessary regulatory approvals, CNP finalised the acquisition of a 51% stake in the life and non-life insurance subsidiaries of Santander Consumer Finance and an exclusive distribution agreement on all protection insurance products in ten European countries.

At this juncture, this new entity has been valued in MCEV© ANAV on the basis of IFRS principles after adjustments for intangible items.

Scheduled derecognitions (first half of 2015)

As reported in the press release published on 22 December 2014, the CNP Assurances Group is selling its 50% stake in Spanish company CNP BVP (CNP Barclays Vida y Pensiones) to Barclays Bank for a total of €453 million, including exceptional dividends.

Subject among other things to the approval of the competition authorities and the Spanish insurance regulator, this deal should be finalised by the end of first half 2015.

The value of CNP BVP is still included in MCEV© at 31 December 2014, as the capital gain has not been measured at this juncture.

Group activities

The CNP Assurances Group's activities are primarily centred on personal insurance:

- individual traditional savings and unit-linked products
- individual retirement savings
- individual and group risk
- group retirement savings
- term creditor insurance.

All calculations are based on the portion attributable to the Group, net of reinsurance and external co-insurance.

2.4.4.2 ADJUSTED NET ASSET VALUE

Adjusted Net Asset Value (ANAV) reflects the market value of the assets backing shareholders' equity after deduction of intangible assets, subordinated liabilities and other elements used to measure In-Force business.

ANAV is calculated on the basis of IFRS equity, after restating the following elements:

- elimination of intangible assets such as goodwill and distribution agreements, book In-Force values and deferred acquisition costs
- deduction of unrealised capital gains and losses already accounted for in the VIF, and add-back of shareholders' interest in unrealised gains not accounted for under IFRS (property and held-to-maturity securities)
- and the reclassification of subordinated debt.

Analytically, ANAV is determined as the portion attributable to the Group at the date of valuation and breaks down into required capital and free surplus.

2.4.4.2.1 Required capital

Required capital is the market value of assets, attributed to the covered business over and above that required to back liabilities for covered business, whose distribution to shareholders is restricted.

Required capital is the level of capital a company sets itself to achieve a targeted credit rating and to controls its own risks. The capital level set by the CNP Assurances Group to manage its risk equals 110% of the regulatory solvency margin requirement (Solvency I) net of all other sources of funding such as subordinated debt. Subordinated debt covers 49% of the CNP Assurances entity's margin requirement as of 31 December 2014.

2.4.4.2.2 Free surplus

Free surplus is the market value of any assets allocated to, but not required to support In-Force covered business at the valuation date.

2.4.4.3 VALUE OF IN-FORCE

2.4.4.3.1 Present value of future profits

PVFP is the present value of future profits net of tax generated by In-Force policies at the valuation date. PVFP is calculated using a Market Consistent methodology except for Caixa Seguradora, for which the traditional methodology is maintained. For this entity, the unrealised gains and losses are accounted in the ANAV. This value reflects the embedded value of financial options and guarantees in the portfolio, their time value being accounted for separately in the TVOG to determine VIF.

According to the MCEV© methodology, no risk premium is included in the projected returns and in the discount rates. The reference interest rate curve is based on the swap rate curve plus a liquidity premium.

2.4.4.3.2 Frictional costs of required capital

The need to back required capital for covered business entails allocating a frictional cost to the embedded value and to new business value. In a market consistent model, the frictional cost reflects the taxation and investment costs on assets backing required capital.

The frictional cost of required capital also takes into account the cost of financing a portion of required capital with subordinated debt; this cost is calculated as the difference between the economic value and the face value of subordinated debt. The CNP Assurances Group defines this economic value as the net present value of the future cash flows paid to the debt's holders, based on a discount rate which takes into account every security's spread at inception. For new business, required capital is assumed to be financed by subordinated debt to the same extent as for In-Force; this financing is ensured by newly issued subordinated debt, whose economic value is equal to the face value.

2.4.4.3.3 Time value of options and guarantees

CNP Assurances has chosen a market consistent approach to value the main financial options and guarantees stipulated in the contracts.

The main options and guarantees include:

- minimum guaranteed interest rate

- profit sharing option
- guaranteed annuity option
- guaranteed minimum death benefits
- guarantee of technical rate for annuity business and guaranteed acquisition premium associated with the L.441 contract portfolio
- guarantee on the surrender values, surrender option.

The time value of financial options and guarantees (TVOG) is generated by the asymmetric nature of the distribution of profits between the shareholders and the insured according to the different movements of financial markets. Broadly speaking, a financial loss is fully incurred by the shareholders, whereas financial gains are shared out in accordance with regulatory and contractual profit-sharing rules. On the basis of multiple simulations, the use of stochastic calculations covers all possible trends in financial markets and therefore captures the cost associated with unfavourable market deviations.

Method for calculating risk-neutral valuation

Valuation implements a stochastic model based on a risk-neutral approach. This approach defines the price of an asset as the expectancy of present value of future cash flows discounted at the risk-free rate. The scenarios are taken from the generator developed by Barrie & Hibbert. This generates 1,000 equiprobable scenarios that forecast:

- the trend on equities indexes
- changes in a property index
- the real rates curve for full maturities between 1 and 50 years
- the nominal rates curve for full maturities between 1 and 50 years
- the corporate credit spreads curves (credit ratings AAA to CCC) for full maturities between 1 and 50 years.

Inflation is obtained as the difference between actual and nominal rates. Share and property dividend rates (set at 2.5%) are assumed to be constant.

The techniques the Group uses to calibrate this economic scenario generator are described in section 2.4.5.

In addition, the projection model includes a dynamic surrender component, which factors in the tendency of insured parties to surrender their contracts when their return underperforms compared with a market reference.

Given the economic and financial context in Brazil, the CNP Assurances Group has opted for a traditional valuation method for its Brazilian subsidiary Caixa Seguradora. This approach is motivated by the lack of market inputs needed for a valuation consistent with the principles of the CFO Forum. Moreover, the activities of Caixa Seguradora mainly consist in hedging insurance risks; financial options are considered marginal at Group level.

2.4.4.3.4 Costs of residual non-hedgeable risks

In accordance with principles 6 and 9 of the CFO Forum, a cost must be allocated for non-hedgeable financial and non-financial risks. This cost results from:

- risks not measured in the PVFP or in the TVOG
- the asymmetrical effect of some non-hedgeable risks on the value
- the underlying uncertainty inherent in best estimate assumptions for non-hedgeable risks.

CNP Assurances uses a cost-of-capital approach to measure residual non hedgeable risks. The capital allocated for these risks is the capitalisation target CNP Assurances must achieve to comfortably absorb exceptional shocks, not included in other respects in the TVOG and the PVFP. It thus equals the level of capital required to reduce the probability of ruin to 0.5% within a one-year time frame on each of the specified risks.

Risks not modelled in the TVOG and PFVP

The following is a list of non-valued risks:

- default risk
- concentration risk
- operational risk
- catastrophe risk.

Asymmetrical Risks

The asymmetrical nature associated with the sharing of risk by insured parties and shareholders, depending on various trends in non-financial inputs, generates a cost that must be factored into the valuation of the portfolio. The asymmetrical impact of the mortality/longevity/morbidity risk is the result of contracts that include profit sharing clauses containing a component that is based on the technical result.

Uncertainty

Embedded value calculations are based on several best estimate assumptions: claims rate, surrender risk, expenses risk. An additional cost, related to the underlying uncertainty inherent in making such assumptions, has been factored in.

2.4.4.4 NEW BUSINESS VALUE

2.4.4.4.1 Definition of New Business

The projections used to estimate the value of one year's new business are based on the profile of the business and the volume of premiums written during 2014.

- Individual retirement savings and unit-linked products

New business is defined as the business generated from the sale of new contracts and in some cases increases to existing contracts during the reported period. Without an assumption of premium recurrence over the periodic premiums, the later payments are considered as unique premiums.

- Individual risk

  New business only includes new policies. Future regular premiums on existing contracts are included in the Value of In-Force.

- Group retirement savings

  New business volumes of L.441 contracts include new policies and *ad hoc* single premium contributions on existing contracts. On the rest of the segment, future regular premiums on existing contracts are included in the Value of In-Force.

- Group risk

  As future premiums on existing policies are not valued in In-Force contracts, new business volumes for Group risk products are equal to the 2014 accounting premiums.

- Credit Life insurance

  New business only includes new policies. Future regular premiums on existing contracts are included in the value of In-Force.

2.4.4.4.2 Methodology

The approach used to value new business is identical to the one used for the valuation of In-Force. The value of new business is the present value of projected profits of policies written during the year less the frictional costs of required capital, the time value of financial options and guarantees and the cost of residual non-hedgeable risks.

New business value is based on projected cash flows from the date of issue. The economic assumptions are based on prevailing market conditions at 31 December 2014.

In accordance with the "standalone" method used by CNP Assurances, no unrealised gains are allocated to the new business. The new business premiums are invested in new assets available at valuation date according to the acquisition strategy observed during the year. Therefore there is no sharing of unrealised gains and losses between In-Force and new business.

2.4.4.4.3 Annual premium equivalent

APE, a business volume indicator, equals one tenth of the sum of single premiums and flexible premiums written during a given year plus the annualised amount of regular premiums written during that same year. Unlike IFRS premium income APE revenue generated through new business is defined as the portion attributable to the Group of written premiums net of reinsurance and co-insurance. Furthermore, the exchange rate is that at 31 December 2014, not the average rate used to determine IFRS premium income.

2.4.4.5 SENSITIVITIES

The published sensitivities correspond to the sensitivities required by the CFO Forum standards:

- Rates curve +/-100 bps:

  This sensitivity corresponds to a parallel shift in the swap rates curve of plus or minus 100 bps (with a floor value of 0%). This among other things entails:

  - a revaluation of the market value of bonds
  - a 100 bp adjustment to the reinvestment rate of all asset classes and
  - updated discount rates.

  The impact on the initial mathematical provision for unit-linked business is not valued.

  Given the low level of risk-free eurozone rates at 31 December 2014 on initial maturities, the parallel translation for the 100 bp decrease in sensitivity is not fully adhered to on the whole curve. In that case the CFO Forum recommends using a floor value of 0% (see Guidance 17.8.1 in the MCEV© principles published in October 2009). Furthermore, the ultimate forward rate is not shocked.

- Interest rate curve with a liquidity premium +10 bps:

  This sensitivity corresponds to a 10 bps increase in the liquidity premium. This entails an adjustment to the reinvestment rate of all classes of assets and an updating of discount rates.

- Equities -10%:

  This sensitivity measures the impact that an immediate 10% fall in equity and property indexes would have on the value. This shock implies a 10% fall in the market value of equities and property assets, as well as a decrease in the mathematical provisions of unit-linked business for the proportion invested in equity and property.

- Surrenders -10%:

  This sensitivity measures the impact of a 10% decrease in total and partial surrender rates.

- Costs -10%:

  This sensitivity measures the impact of a 10% drop in all expenses: acquisition, management, claims and overhead costs.

- Claims rate -5%:

  This sensitivity measures the impact of a decrease in the claims rate: incidence rates, loss ratios, disability rates, and mortality rates are reduced proportionately by 5%. The risks of longevity and mortality/disability are measured separately.

- Swaption implied volatility +25%/Equity implied volatility +25%:

  This sensitivity measures the impact of a 25% increase in the volatility of interest rates and equities/property on the time value of financial options and guarantees.

- Required capital:

  This sensitivity consists in defining a required capital equal to the regulatory solvency margin assuming the proportion of subordinated debt remains constant, and in measuring the impact of this change on the value.

- A new marginal methodology used to value new business:

  In 2014 the CNP Assurances Group decided to adopt a so-called "marginal" methodology in the context of sensitivity to value the new business of France and Italy entities. This methodology is different from the "standalone" approach currently used by the CNP Assurances Group in that it includes a proportion of the unrealised gains on the In-Force stock. This method take into account the sharing of riches and diversification in the same portfolio between In-Force stock and new business. The figures in section 2.4 include traditional savings for France and Italy.

2.4.5 Assumptions

2.4.5.1 FINANCIAL ASSUMPTIONS

The Embedded Value calculations are based on economic conditions as at 31 December 2014.

2.4.5.1.1 Reference interest rate curve

Maturity	Swap rate 31.12.2013	Swap rate 31.12.2014
1	0.39%	0.16%
2	0.56%	0.18%
5	1.27%	0.36%
10	2.23%	0.83%
15	2.70%	1.18%
20	2.85%	1.38%
30	3.17%	2.01%
Ultimate forward rate	**4.20%**	**4.20%**
Point of entry of the extrapolation	**20 years**	**20 years**

The data used for all Group subsidiaries in the eurozone to describe the initial state of the reference rates curve is taken from the smoothed and zero-coupon swap rate curve. The extrapolation method was adjusted in 2013 to be consistent with the approach currently developed in connection with the Solvency II reform. The rate curve is extrapolated with a point of entry at 20 years converging over 40 years according to the Smith-Wilson technique towards an ultimate forward rate of 4.2%.

In compliance with MCEV© Principle 14, CNP Assurances integrates a liquidity premium into the reference rate curves. The market liquidity premium corresponds to the Maximum [0; 50% x (Spread of corporate bonds -40 bps)], the spread of corporate bonds being determined as the margin on the swap rate of the iBoxx € Corporates bond index. The liquidity premium (24 bps at 31 December 2014) is added to the swap rate curve at 100% on the non-extrapolated portion, then decreases as the curve converges towards the ultimate forward rate. Moreover, only a fraction of this premium is allocated to different groups of contracts according to degree of illiquidity of the underlying liabilities. The table below summarises the liquidity premium selected for the main categories of products, in reference to the swap rate curve:

Category	2013	2014
Unit-linked savings	15 bps	12 bps
Individual risk	15 bps	12 bps
Term creditor insurance	22 bps	18 bps
Group risk	22 bps	18 bps
Traditional savings	22 bps	18 bps
Individual retirement savings	22 bps	18 bps
Group retirement savings	22 bps	18 bps

2.4.5.1.2 Calibration of the interest rate model

The economic scenario generator used for nominal rates changed in 2014 and is now based on the Libor Market Model Plus (LMM+) with two factors. The at-the-money swaption market volatilities adopted for the calibration are as follows:

Terms	1 year	2 years	5 years	10 years	20 years
2013 MCEV©	23.7%	24.3%	24.0%	21.7%	18.4%
2014 MCEV©	43.5%	41.2%	36.0%	32.5%	28.4%

The actual rates are generated using the Vasicek model with two factors, which has been calibrated on treasury bonds indexed-linked to inflation.

2.4.5.1.3 Calibration of the equity model

A different level of volatility for each projection term between one and ten years was used to generate the share index (deterministic volatility model). The resulting levels are given in the table below.

The volatility inputs are calibrated using implicit at-the-money forward volatilities on the Eurostoxx 50 index at 31 December 2014.

Maturity	1 year	2 years	5 years	10 years
2013 MCEV©	17.8%	18.9%	20.1%	20.6%
2014 MCEV©	20.7%	20.8%	20.7%	20.8%

The correlation coefficient between the various factors (share, actual rates and nominal rates) are determined by Barrie & Hibbert on the basis of econometric tests and expert opinion.

Likewise, property volatility is set at 15%.

2.4.5.1.4 Calibration of the corporate credit spread model

In 2014 the CNP Assurances Group adopted the Credit G2 (JLT) corporate credit spread model. Its inputs are calibrated so as to reproduce the spread of an A-rated bond maturing in seven years (52 bps at 31 December 2014) with the following historic transition matrix:

		Rating at the end of the period							
		AAA	AA	A	BBB	BB	B	CCC	Default
Rating at the beginning of the period	AAA	94.0%	5.7%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
	AA	2.3%	89.5%	7.1%	0.4%	0.3%	0.2%	0.0%	0.1%
	A	1.6%	3.2%	89.4%	4.8%	0.4%	0.4%	0.0%	0.2%
	BBB	1.5%	1.5%	5.2%	88.3%	2.0%	0.5%	0.5%	0.4%
	BB	0.1%	0.6%	1.3%	6.7%	82.2%	6.8%	0.6%	1.7%
	B	0.0%	0.1%	1.3%	1.8%	6.5%	80.8%	5.3%	4.3%
	CCC	0.0%	0.0%	1.1%	1.4%	2.6%	8.7%	73.3%	12.8%
	Default	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

2.4.5.1.5 Financial Assumptions for Brazil

	2014	2015	2016	2017	2018	2019	Post 2019
Discount rate	12.7%	12.8%	12.5%	12.2%	11.5%	11.3%	11.3%
Assets yield	10.3%	10.5%	10.0%	9.5%	8.3%	8.0%	8.0%
Inflation	5.8%	5.9%	5.5%	5.5%	5.4%	5.4%	5.4%
Risk premium 2013 MCEV©	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
Discount rate	13.6%	14.0%	13.5%	12.9%	12.5%	11.9%	11.9%
Assets yield	11.8%	12.5%	11.7%	10.6%	10.0%	9.0%	9.0%
Inflation	6.4%	6.5%	5.7%	5.5%	5.5%	4.5%	4.5%
Risk premium 2014 MCEV©	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%

The euro-to-real (EUR/BRL) exchange rate weakened from 3.2576 at 31 December 2013 to 3.2207 at 31 December 2014.

2.4.5.2 TAX RATES

The tax rate used to calculate Embedded Value is the standard corporate tax rate applied in countries where the CNP Assurances Group operates:

	France	Italy	Spain	Portugal	Brazil	Cyprus
2013 MCEV©	38% (1)	34.32%	30.0%	29.0%	40% (3)	12.5%
2014 MCEV©	38% (2)	34.32%	28.0%	28.5%	40% (3)	12.5%

(1) Exceptional surcharge on tax paid in 2013 and 2014. After 2014, the tax rate is 34.43%
(2) Exceptional surcharge on tax paid in 2014 and 2015. After 2015, the tax rate is 34.43%
(3) With the exception of CAIXA Consorcio, for w which the tax rate has been maintained at 34%

Tax credits observed in France that reduce the standard corporate tax rate are valued elsewhere.

2.4.5.3 COST OF CAPITAL FOR RESIDUAL NON-HEDGEABLE RISKS

A rate of 5% is applied to the capital relating to non-modelled and asymmetrical risks. The capital allocated for uncertainty in assumptions is subject to the frictional costs of holding that capital.

The average rate applied to the capital was 2.5% at 31 December 2014 (2.4% at 31 December 2013).

2.4.5.4 NON-ECONOMIC ASSUMPTIONS

2.4.5.4.1 Expenses

At each year-end closing, CNP Assurances carries out a functional cost analysis: acquisition, management, claims, investment costs and other technical and non-technical expenses, as well as a breakdown by company, product group and network.

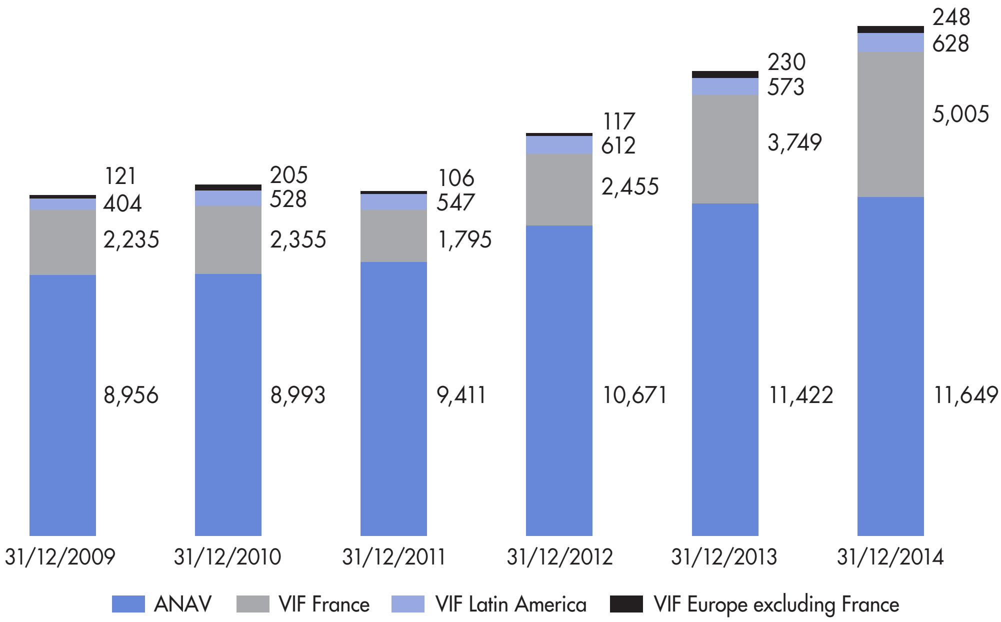
An annual inflation rate of 1% is applied to unit costs for European entities.

2.4.5.4.2 Claims and persistency assumption

Non-economic assumptions, experienced mortality and morbidity, lapse rates and claim rate assumptions are determined by each entity on the basis of their best estimate at the date of valuation. They stem from an analysis of current and past experience observed in each valued portfolio.

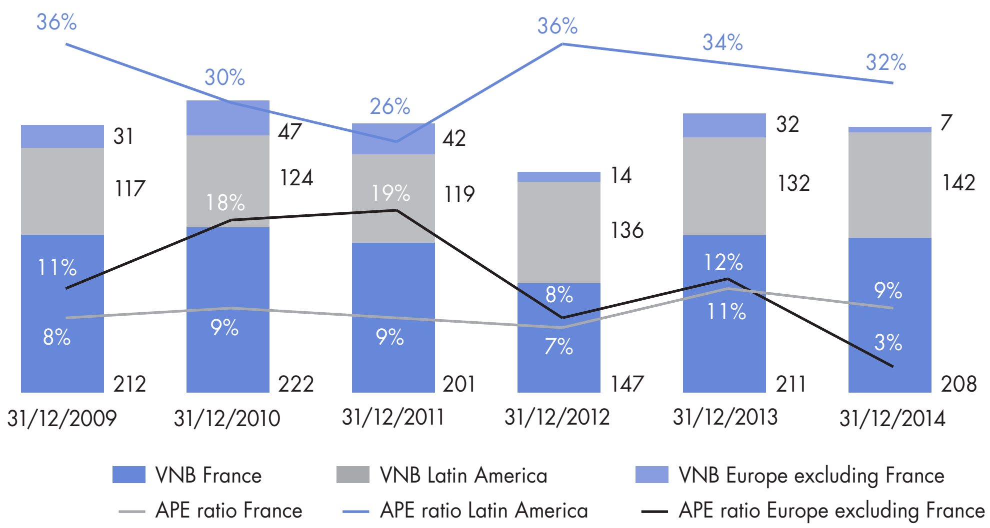
2.4.6 MCEV© trend since 2009

2.4.6.1 MCEV© HISTORY *(in € millions)*



The MCEV© history, prepared in accordance with the principles of the CFO Forum, shows the resilience of the CNP Assurances Group's MCEV© to various shocks.

2.4.6.2 VNB HISTORY *(in € millions and APE ratio as a percentage)*



2.4.7 Report on Embedded Value

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Group Financial Director of CNP Assurances

As Statutory Auditors of CNP Assurances and in accordance with your request, we have examined the Market Consistent Embedded Value (MCEV© [(1)]) information regarding the MCEV© and its components, the value of new business, the analysis of movements in MCEV© and the sensitivities (hereinafter referred to as "the MCEV© Information") at 31 December 2014 of the CNP Assurances Group, presented in the attached document ("Embedded Value Report at 31 December 2014", hereinafter referred to as "the EV Report").

The MCEV© Information and the underlying assumptions upon which the information relies have been established under the responsibility of management. The methods and significant assumptions adopted are detailed in the EV Report. We are required, based on our work, to express a conclusion on the compliance of the results of the MCEV© Information with the methodology and assumptions adopted by management and with the MCEV© principles and guidance published by the CFO Forum in October 2009, as well as on the consistency of the accounting information used with the consolidated financial statements as at 31 December 2014.

Our work, which does not constitute an audit, has been performed in accordance with professional standards, and aims to form a conclusion based on appropriate procedures.

Our work included the following procedures:

- understanding the process used by management to prepare the MCEV© Information
- a review of the "market consistent" approach used by management and described in the EV Report, with regards to its compliance with the MCEV© principles and guidance published by the CFO Forum
- a review of the consistency of the methodology applied with that described in the EV Report
- a review of the economic assumptions used and their consistency with observable market data
- a review of the consistency of the operational assumptions used with regards to past, current and expected future experience
- checking the consistency of the results presented in the MCEV© Information with the methodology and assumptions described in the EV Report
- checking the consistency of the accounting information and other relevant underlying data used in preparing the MCEV© Information with the annual financial statements and underlying accounting records at 31 December 2014
- obtaining the information and the explanations deemed necessary to deliver our conclusion.

We note that the embedded value calculation is based on a number of assumptions and thus by nature includes an element of uncertainty. As a result, actual outcomes may differ significantly from those expected in the MCEV© Information. We do not express any conclusion relating to the possibility of such outcomes.

With respect to Caixa Seguros, we note that the embedded value has been calculated using a traditional approach, under which the risks are measured by adding a risk premium to the discount rate. With respect to the partnership with BPCE, we note that the final agreements have not been taken into account in the 2014 embedded value; these new agreements were concluded after the closing and will enter into force only by 2016.

Based on our work, we do not have any observations regarding:

- the compliance of the results of the MCEV© Information at 31 December 2014 presented in the EV Report with the methodology and the assumptions adopted by management, which are compliant with MCEV© principles 1 to 16 and guidance published by the CFO Forum in October 2009
- the consistency of the accounting information used with the CNP Assurances Group consolidated financial statements at 31 December 2014, upon which we expect to issue our audit report on 26 February 2015.

Neuilly-sur-Seine and Courbevoie, 19 February 2015

PRICEWATERHOUSECOOPERS AUDIT		**MAZARS**	
Éric Dupont	Éric Demerlé	Jean-Claude Pauly	Grégory Boutier

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3

FINANCIAL STATEMENTS

3.1 Consolidated financial statements

3.1.1 Consolidated balance sheet

ASSETS

(in € millions)	Notes	31.12.2014	31.12.2013 restated *
Goodwill	*7*	473.8	236.0
Value of In-Force business	*7*	20.8	81.9
Other intangible assets	*7*	122.9	200.2
Total intangible assets		**617.5**	**518.1**
Investment property	*8*	2,408.4	2,540.6
Held-to-maturity investments	*9*	564.4	603.1
Available-for-sale financial assets	*9*	285,235.5	265,664.0
Securities held for trading	*9*	68,775.3	65,514.4
Loans and receivables	*9*	4,984.4	4,662.4
Derivative instruments	*9*	5,173.0	5,855.1
Insurance investments		**367,141.1**	**344,839.7**
Banking and other investments		**15.0**	**48.5**
Investments in associates	*5*	**358.8**	**332.6**
Reinsurers' share of insurance and financial liabilities	*10*	**10,951.1**	**9,794.6**
Insurance or reinsurance receivables	*12*	3,053.2	2,773.3
Current tax assets		698.1	318.5
Other receivables	*12*	6,733.0	4,645.3
Owner-occupied property and other property and equipment	*8*	349.0	348.8
Other non-current assets		1,365.9	508.7
Deferred participation asset	*10*	0.0	0.0
Deferred tax assets	*13*	281.1	232.4
Other assets		**12,480.3**	**8,827.0**
Non-current assets held for sale		**3,041.5**	**0.0**
Cash and cash equivalents		**795.9**	**1,069.0**
TOTAL ASSETS		**395,401.2**	**365,429.5**

* *The application of IFRS 10, IFRS 11 and IFRS 12 constitutes a change in accounting method that needs to be applied retrospectively to all accounting periods beginning on or after 1 January 2014. Consequently these periods need to be restated. The impact of these new standards is disclosed in Note 3.2 "Impact of changes in accounting policies"*

EQUITY AND LIABILITIES

(in € millions)	Notes	**31.12.2014**	31.12.2013 restated *
Share capital	4	686.6	686.6
Share premium account		1,716.8	1,716.8
Revaluation reserve		3,162.4	2,084.7
Cash flow hedge reserve	9	(11.7)	(11.6)
Undated subordinated notes reclassified in equity	4	2,635.3	2,141.7
Retained earnings		7,498.7	7,076.2
Profit for the period		1,079.8	1,030.2
Translation reserve		(88.0)	(98.4)
Equity attributable to owners of the parent		**16,679.9**	**14,626.4**
Non-controlling interests		1,619.6	1,367.4
Total equity		**18,299.5**	**15,993.7**
Insurance liabilities (excluding unit-linked)	10	132,914.4	121,124.6
Insurance liabilities (unit-linked)	10	31,034.6	27,977.8
Insurance liabilities		**163,949.1**	**149,102.4**
Financial liabilities – financial instruments with DPF (excluding unit-linked)	10	140,338.7	143,172.2
Financial liabilities – financial instruments without DPF (excluding unit-linked)	10	811.4	779.8
Financial liabilities – unit-linked financial instruments	10	7,471.3	8,051.8
Financial liabilities		**148,621.5**	**152,003.8**
Derivative financial instruments separated from the host contract		0.0	0.0
Deferred participation reserve	10	31,783.1	18,980.0
Insurance and financial liabilities		**344,353.7**	**320,086.2**
Provisions	14	**250.1**	**245.7**
Subordinated debt	11	3,175.0	2,614.4
Financing liabilities		**3,175.0**	**2,614.4**
Operating liabilities represented by securities		8,847.5	9,163.2
Operating liabilities due to banks		154.8	136.9
Liabilities arising from insurance and reinsurance transactions	15	2,147.8	1,598.4
Current taxes payable		298.1	259.2
Current account advances		42.1	43.4
Liabilities towards holders of units in controlled mutual funds		820.7	1,169.6
Derivative instruments	9	5,806.4	6,114.2
Deferred tax liabilities	13	1,378.5	1,138.6
Other liabilities	15	7,168.8	6,866.1
Other liabilities		**26,664.8**	**26,489.5**
Liabilities related to assets held for sale		**2,658.1**	**0.0**
TOTAL EQUITY AND LIABILITIES		**395,401.2**	**365,429.5**

* *The application of IFRS 10, IFRS 11 and IFRS 12 constitutes a change in accounting method that needs to be applied retrospectively to all accounting periods beginning on or after 1 January 2014. Consequently these periods need to be restated. The impact of these new standards is disclosed in Note 3.2 "Impact of changes in accounting policies"*

3.1.2 Income statement

(in € millions)	Notes	31.12.2014	31.12.2013 restated *
Premiums written		30,643.4	27,489.9
Change in unearned premiums reserve		(107.7)	(70.8)
Earned premiums	16	**30,535.7**	**27,419.1**
Revenue from other activities	16	**150.4**	**153.7**
Other operating revenue		**0.0**	**0.0**
Investment income		10,452.9	10,311.2
Gains and losses on sales of investments, net		546.0	970.7
Change in fair value of financial assets at fair value through profit or loss		2,629.8	3,169.7
Impairment losses on financial instruments		650.7	387.8
Investment income before finance costs	20	**14,279.3**	**14,839.7**
Net revenue		**44,965.5**	**42,412.4**
Claims and benefits expenses	17	(37,842.8)	(35,375.8)
Investment and other financial expenses, excluding finance costs	20	(887.9)	(808.9)
Reinsurance result	19	196.7	(115.1)
Expenses of other businesses		1.1	0.2
Acquisition costs	18	(3,355.4)	(3,239.3)
Amortisation of value of In-Force business acquired and distribution agreements	7	(16.6)	(18.2)
Contract administration expenses	18	(196.6)	(195.1)
Other recurring operating income and expense, net	18	(487.9)	(449.3)
Total other recurring operating income and expense, net		**(42,589.3)**	**(40,201.5)**
Recurring operating profit		**2,376.1**	**2,210.9**
Other non-recurring operating income and expense, net		(45.8)	(12.4)
Operating profit		**2,330.4**	**2,198.5**
Finance costs	20	(177.8)	(154.9)
Change in fair value of intangible assets	7	1.4	(54.9)
Share of profit of associates	5	22.1	20.5
Income tax expense	21	(773.2)	(686.1)
Profit (loss) from discontinued operations, after tax		0.0	0.0
Profit for the period		**1,402.9**	**1,323.1**
Non-controlling interests		(323.1)	(292.9)
Attributable to owners of the parent		**1,079.8**	**1,030.2**
Basic earnings per share *(in €)*		1.49	1.46
Diluted earnings per share *(in €)*		1.49	1.46

* *The application of IFRS 10, IFRS 11 and IFRS 12 constitutes a change in accounting method that needs to be applied retrospectively to all accounting periods beginning on or after 1 January 2014. Consequently these periods need to be restated. The impact of these new standards is disclosed in Note 3.2 "Impact of changes in accounting policies"*

3.1.3 Consolidated statement of income and expense recognised directly in equity

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY – 2014

(in € millions)	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Profit for the period	**1,079.8**	**323.1**	**1,402.9**
Gains and losses recognised directly in equity			
Amounts recycled through profit or loss	**1,086.6**	**67.7**	**1,154.3**
Available-for-sale financial assets			
Change in revaluation reserve during the period	14,541.5	224.5	14,766.1
Reclassification of proceeds from disposals	(806.9)	(15.5)	(822.3)
Reclassification of impairment losses to profit or loss	113.9	1.6	115.5
Sub-total including deferred participation and deferred taxes	*13,848.5*	*210.7*	*14,059.2*
Deferred participation including deferred taxes	(12,173.5)	(139.6)	(12,313.1)
Deferred taxes	(598.7)	(22.7)	(621.4)
Of which, change in revaluation reserve for non-current assets held for sale	9.4	9.4	18.7
Sub-total net of deferred participation and deferred taxes	*1,076.3*	*48.4*	*1,124.7*
Cash flow hedge reserve	(0.1)	0.0	(0.1)
Change in cash flow hedge reserve during the period	74.4	0.0	74.4
Cash flow hedge reserve recycled through profit or loss during the period	(74.6)	0.0	(74.6)
Deferred taxes	0.1	0.0	0.1
Translation differences	10.4	19.4	29.8
Amounts not recycled through profit or loss	**(21.5)**	**0.0**	**(21.6)**
Actuarial gains and losses	(23.0)	0.0	(23.1)
Other movements	1.5	0.0	1.5
Total income and expense recognised directly in equity	**1,065.0**	**67.7**	**1,132.8**
NET INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	**2,144.8**	**390.9**	**2,535.7**

CONSOLIDATED STATEMENT OF INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY – 2013

(in € millions)	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Profit for the period	**1,030.2**	**292.9**	**1,323.1**
Gains and losses recognised directly in equity			
Amounts recycled through profit or loss	**(67.6)**	**(209.6)**	**(277.1)**
Available-for-sale financial assets			
Change in revaluation reserve during the period	(7.4)	(76.3)	(83.7)
Reclassification of proceeds from disposals	(1,252.7)	(16.2)	(1,268.9)
Reclassification of impairment losses to profit or loss	182.7	2.2	184.9
Sub-total including deferred participation and deferred taxes	*(1,077.5)*	*(90.3)*	*(1,167.8)*
Deferred participation including deferred taxes	1,332.1	(46.9)	1,285.2
Deferred taxes	(125.4)	59.2	(66.2)
Sub-total net of deferred participation and deferred taxes	*129.2*	*(78.0)*	*51.2*
Cash flow hedge reserve	(15.2)	0.0	(15.2)
Change in cash flow hedge reserve during the period	(52.8)	0.0	(52.8)
Cash flow hedge reserve recycled through profit or loss during the period	28.4	0.0	28.4
Deferred taxes	9.2	0.0	9.2
Translation differences	(181.6)	(131.6)	(313.1)
Amounts not recycled through profit or loss	**(6.7)**	**0.0**	**(6.7)**
Actuarial gains and losses	(7.1)	0.0	(7.1)
Other movements	0.4	0.0	0.4
Total income and expense recognised directly in equity	**(74.3)**	**(209.5)**	**(283.8)**
NET INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	**956.0**	**83.3**	**1,039.3**

3.1.4 Consolidated statement of changes in equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – 2014

(in € millions)	Share capital	Share premium account	Revaluation reserve	Cash flow hedge reserve	Undated subordinated notes reclassified in equity	Retained earnings and profit	Translation adjustments	**Equity attributable to owners of the parent**	Non-controlling interests	**Total equity**
Adjusted equity at 01.01.2014 – IFRS	**686.6**	**1,716.8**	**2,084.7**	**(11.6)**	**2,141.7**	**8,106.4**	**(98.4)**	**14,626.4**	**1,367.4**	**15,993.7**
Net income and unrealised and deferred gains and losses for the period			**1,076.3**	**(0.1)**		**1,058.2**	**10.4**	**2,144.8**	**390.9**	**2,535.7**
▪ Dividends paid						(528.5)		(528.5)	(214.4)	(742.9)
▪ Issue of shares										
▪ Subordinated notes, net of tax					493.6	(59.8)		433.8		433.8
▪ Treasury shares, net of tax						2.6		2.6		2.6
▪ Changes in scope of consolidation			1.3			(0.5)		0.9	78.5	79.4
▪ Other movements									(2.8)	(2.8)
EQUITY AT 31.12.2014	**686.6**	**1,716.8**	**3,162.4**	**(11.7)**	**2,635.3**	**8,578.5**	**(88.0)**	**16,679.9**	**1,619.6**	**18,299.5**

The amount shown in undated subordinated notes reclassified in equity corresponds to a €500 million issue of equity instruments and issuance costs accounted for as a deduction from equity.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – 2013

(in € millions)	Share capital	Share premium account	Revaluation reserve	Cash flow hedge reserve	Undated subordinated notes reclassified in equity	Retained earnings and profit	Translation adjustments	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Adjusted equity at 01.01.2013 – IFRS	**643.5**	**1,321.0**	**1,955.5**	**3.6**	**2,515.8**	**7,624.2**	**83.2**	**14,146.8**	**1,441.1**	**15,588.0**
Net income and unrealised and deferred gains and losses for the period			**129.2**	**(15.2)**		**1,023.5**	**(181.6)**	**956.0**	**83.3**	**1,039.3**
▪ Dividends paid	43.1	395.8				(494.7)		(55.8)	(160.8)	(216.6)
▪ Issue of shares								0.0		0.0
▪ Subordinated notes, net of tax					(374.0)	(56.3)		(430.3)	0.0	(430.3)
▪ Treasury shares, net of tax						9.6		9.6	0.0	9.6
▪ Changes in scope of consolidation								0.0	3.7	3.7
▪ Other movements								0.0	0.0	0.0
EQUITY AT 31.12.2013	**686.6**	**1,716.8**	**2,084.7**	**(11.6)**	**2,141.7**	**8,106.4**	**(98.4)**	**14,626.4**	**1,367.4**	**15,993.7**

The amount shown in undated subordinated notes reclassified in equity mainly corresponds to the buyback of a portion of the €1,250 million perpetual notes.

3.1.5 Consolidated statement of cash flows

The statement of cash flows includes:

- cash flows of fully-consolidated companies
- cash flows arising from Group investments, dividends and other transactions with associates or jointly-controlled entities accounted for by the equity method.

DEFINITION OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents are short-term, highly liquid investments (sight deposits and other instruments) that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

They include units in "ordinary" money market funds but do not include units in dynamic funds that are highly sensitive to changes in market prices, in accordance with the guidelines issued by the French financial markets authority (*Autorité des Marchés Financiers* – AMF) in Position No. 2011-13. This approach analyses both the fund prospectus and yield patterns (fund performance, volatility, etc.).

Cash and cash equivalents reported in the statement of cash flows are stated net of bank overdrafts used for cash management purposes.

DEFINITION OF CASH FLOWS FROM OPERATING ACTIVITIES

Cash flows from operating activities correspond essentially to the cash flows of the Group's revenue-generating activities.

DEFINITION OF CASH FLOWS FROM INVESTING ACTIVITIES

Cash flows from investing activities correspond to cash flows from purchases and sales of investment property and securities, operating property and equipment and intangible assets.

DEFINITION OF CASH FLOWS FROM FINANCING ACTIVITIES

Cash flows from financing activities correspond to all cash flows leading to a change in the amount and components of equity and financing liabilities, as follows:

- share issues and cancellations
- debt issues and repayments
- purchases and sales of treasury stock
- dividends paid to owners of the parent and non-controlling shareholders of subsidiaries.

RECONCILIATION OF CASH AND CASH EQUIVALENTS REPORTED IN THE BALANCE SHEET AND IN THE STATEMENT OF CASH FLOWS

(in € millions)	**31.12.2014**	31.12.2013 Restated *
Cash and cash equivalents (reported in the balance sheet)	795.9	1,069.0
Cash and cash equivalents relating to assets held for sale	84.4	0.0
Operating liabilities due to banks	(121.3)	(87.1)
Securities held for trading	13,755.2	9,108.9
TOTAL (REPORTED IN THE CONSOLIDATED STATEMENT OF CASH FLOWS)	**14,514.3**	**10,090.8**

Cash and cash equivalents reported in the statement of cash flows correspond to:

- cash and cash equivalents reported in the balance sheet under assets
- operating liabilities due to banks: correspond to short-term bank loans and overdrafts other than financing liabilities, reported in the balance sheet under liabilities
- securities held for trading: consist of money market mutual funds reported in the balance sheet under "insurance investments".

CONSOLIDATED STATEMENT OF CASH FLOWS

(in € millions)	31.12.2014	31.12.2013 restated [1]
Operating profit before tax	***2,330.4***	***2,198.5***
Gains and losses on disposal of investments	(320.5)	(1,028.9)
Depreciation and amortisation expense, net	97.0	108.3
Change in deferred acquisition costs	(31.3)	(60.4)
Impairment losses, net	(568.3)	(363.6)
Charges to technical reserves for insurance and financial liabilities	11,669.8	7,758.3
Charges to provisions, net	5.3	39.3
Change in fair value of financial instruments at fair value through profit or loss (other than cash and cash equivalents)	(2,611.2)	(3,150.3)
Other adjustments	(170.6)	(54.1)
Dividends received from associates	22.1	13.4
Total adjustments	**8,092.2**	**3,262.0**
Change in operating receivables and payables	(1,706.2)	1,148.9
Change in securities sold and purchased under repurchase and resale agreements	(237.7)	4,569.3
Change in other assets and liabilities	(42.8)	(38.3)
Income taxes paid, net of reimbursements	(1,113.3)	(871.6)
Net cash provided by operating activities	**7,322.4**	**10,268.7**
Acquisitions of subsidiaries and joint ventures, net of cash acquired [2]	(327.5)	(10.9)
Divestments of subsidiaries and joint ventures, net of cash sold	0.0	0.0
Acquisitions of associates	0.0	0.0
Divestments of associates	0.0	0.0
Net cash used by divestments and acquisitions	**(327.5)**	**(10.9)**
Proceeds from the sale of financial assets	65,477.7	121,728.3
Proceeds from the sale of investment properties	164.9	14.8
Proceeds from the sale of other investments	33.6	4.2
Net cash provided by sales and redemptions of investments	**65,676.2**	**121,747.4**
Acquisitions of financial assets	(68,115.9)	(133,219.2)
Acquisitions of investment properties	(117.2)	(99.5)
Acquisitions and/or issuance of other investments	0.0	0.0
Net cash used by acquisitions of investments	**(68,233.1)**	**(133,318.7)**
Proceeds from the sale of property and equipment and intangible assets	8.4	39.6
Purchases of property and equipment and intangible assets	(83.3)	(171.2)
Net cash used by sales and purchases of property and equipment and intangible assets	**(74.9)**	**(131.6)**
Net cash used by investing activities	**(2,959.4)**	**(11,713.9)**

(in € millions)	**31.12.2014**	31.12.2013 restated [1]
Issuance of equity instruments [3]	1.8	440.0
Redemption of equity instruments	0.0	0.0
Purchases and sales of treasury shares	2.9	10.8
Dividends paid	(745.2)	(655.8)
Net cash used by transactions with owners	**(740.2)**	**(205.1)**
New borrowings [4]	993.6	389.1
Repayments of borrowings	(30.4)	(682.6)
Interest paid on borrowings	(274.1)	(245.7)
Net cash provided by (used by) other financing activities	***689.1***	***(539.2)***
Net cash used by financing activities	**(51.4)**	**(744.3)**
Cash and cash equivalents at beginning of period	**10,090.8**	**10,985.1**
Net cash provided by operating activities	7,322.4	10,268.7
Net cash used by investing activities	(2,959.4)	(11,713.9)
Net cash used by financing activities	(51.4)	(744.3)
Effect of changes in exchange rates	19.9	26.5
Effect of changes in accounting policies and other changes	91.9	1,268.6
CASH AND CASH EQUIVALENTS AT THE REPORTING DATE	**14,514.3**	**10,090.8**

(1) The application of IFRS 10, IFRS 11 and IFRS 12 constitutes a change in accounting method that needs to be applied retrospectively to all accounting periods beginning on or after 1 January 2014. Consequently these periods need to be restated. The impact of these new standards is disclosed in Note 3.2 "Impact of changes in accounting policies"

(2) First-time consolidation of Santander subsidiaries: net amount of €282.9 (€14.2 million in cash acquired) and Odonto Empresas Convenios Dentarios: €44.6 million, net of cash acquired)

(3) Increase in Previsul's share capital of €1.8 million

(4) Issuance of subordinated notes for amounts of €500 million and €493.6 million on 5 June 2014 and 18 November 2014, respectively

DETAILED CONTENTS

3.1.6 Notes to the consolidated financial statements

SIGNIFICANT EVENTS OF THE YEAR AND SUBSEQUENT EVENTS

Note 1 Significant events of the year

1.1 COMPLETION OF TWO SUBORDINATED BOND ISSUES TOTALLING €1 BILLION

On 27 May 2014, CNP Assurances completed a €500-million issue of subordinated bonds with a final maturity date of 5 June 2045 and a first-call date of 5 June 2025. This issue will be classified as debt under IFRS. The bonds will pay a 4.25% fixed rate of interest over the first 11 years and the coupon will subsequently be adjusted every five years in line with future benchmark interest rates.

A second €500-million issue of perpetual subordinated bonds was completed on 12 November 2014 with a first-call date of 18 November 2024, and callable every five years thereafter. The issue will be classified as equity under IFRS. The bonds will pay a 4% fixed rate of interest over the first 10 years and the coupon will subsequently be adjusted every five years in line with future benchmark interest rates.

The two issues have been structured to be recognized as capital under both Solvency I and II standards and Standard & Poor's rating rules. Proceeds from the issues will be used to refinance bonds maturing in the near future.

1.2 LONG-TERM STRATEGIC PARTNERSHIP WITH BANCO SANTANDER

On 9 July 2014, CNP Assurances signed an agreement to acquire a 51% stake in Santander Consumer Finance's Irish life and non-life insurance subsidiaries, the terms of which also provided for an exclusive long-term distribution agreement with Santander Consumer Finance (Banco Santander Group).

The partnership includes a full range of protection insurance products; personal risk products and Payment Protection Insurance (PPI) will be developed in priority. It covers 10 European countries where Santander Consumer Finance enjoys leading market positions: Germany, Poland, Italy, Spain, Austria, Portugal, Norway, Sweden, Denmark and Finland.

The agreement was finalised on 17 December 2014 after the necessary approvals were obtained from the regulatory authorities thus satisfying all of the conditions precedent.

Consideration for the transaction amounts to €297 million and this figure may be adjusted upwards or downwards based on the acquiree's financial performance. Contingent consideration, which will be payable in 2018, 2021 and 2024, is capped at €97 million in earn-outs, or at €62 million in price reductions.

The three entities acquired under this agreement (Santander Insurance Life, Santander Insurance Europe and Santander Insurance Services Ireland) were fully consolidated at 31 December 2014, however, for purposes of simplicity and given the proximity of the transaction completion date to the reporting date and the non-material amounts involved, the contribution of the Santander entities to 2014 consolidated net income is deemed to be zero.

1.3 DECISION OF THE SANCTIONS COMMITTEE OF THE FRENCH FINANCIAL SERVICES SUPERVISOR (ACPR) CONCERNING THE PROCESSING OF UNCLAIMED LIFE INSURANCE SETTLEMENTS

On 31 October 2014, the Sanctions Committee of the French financial services supervisor (ACPR) issued a reprimand to CNP Assurances and fined it €40 million as part of ongoing controls of insurers' legal obligation to search for potential beneficiaries of unclaimed policies which have been stepped up since 2007.

While CNP Assurances has noted this decision, it has deployed considerable resources and processes over the past few years to ensure that deceased policyholders and potential beneficiaries of unclaimed policies are identified rapidly to prevent a backlog of unclaimed settlements.

Moreover, it should also be stressed that – as the ACPR itself indicated in its press release of 3 November 2014 – neither the written submissions nor the exchanges that took place at CNP Assurances' hearing before the Committee indicate that any profit was derived as a result of delays in identifying or paying over sums due to potential beneficiaries.

1.4 PROTOCOL AGREEMENT WITH BPCE GROUP

On 4 November 2014, CNP Assurances announced the conclusion of a preliminary protocol setting out the proposed terms of the agreement renewing the partnership between CNP Assurances and BPCE Group as from 1 January 2016. On 18 February 2015, the Board of Directors of CNP Assurances approved the terms of the definitive agreements.

These new agreements concern the expiry of the old agreement between CNP Assurances and BPCE on 31 December 2015 and BPCE's decision to make Natixis Assurances its insurance platform for all savings and pensions policies to be distributed through the Caisses d'Epargne network from 1 January 2016.

The new partnership agreement is planned to come into effect on 1 January 2016 for an initial period of seven years, and would provide for:

- an exclusive partnership in group term creditor insurance between CNP Assurances and Natixis Assurances on the one hand and BPCE Group networks on the other. The partnership will be based on a co-insurance agreement underwritten 66% by CNP Assurances and 34% by Natixis Assurances
- specific partnerships in protection insurance, with (i) development by CNP Assurances of an offer covering the main employee benefit plans of BPCE Group's business and corporate clients, including a long-term care formula, and (ii) a personal risk insurance partnership focused on long-term care products and renters' insurance
- A gradual reduction of CNP's exposure on savings and retirement business undertaken with Caisses d'Epargne through a progressive rundown of new business in 2016, the retention of future instalments on In-Force business and mechanisms to align interests of both parties concerning the management of existing contracts. The savings In-Force business undertaken with Caisses d'Epargne will be reinsured by Natixis Assurances through quota-share reinsurance of 10%.

This proposed partnership is in line with CNP Assurances' strategic goal to develop the risk protection business.

For information, the contribution of this agreement to the consolidated financial statements at 31 December 2014 was as follows:

- premium income: €9.8 billion
- commissions paid: €875 million
- technical reserves: €115.9 billion.

1.5 SALE OF STAKE IN CNP BVP TO BARCLAYS BANK

On 22 December 2014, CNP Assurances announced the sale of its 50% stake in Spanish-based CNP Barclays Vida y Pensiones (CNP BVP) to Barclays Bank for a total of €453 million, including a special dividend of €36 million.

The deal, which is subject in particular to approval by the relevant anti-trust authorities and the Spanish insurance supervisor, is scheduled to be completed before the end of the first-half of 2015. This transaction should result in a capital gain of approximately €200 million in the fiscal year 2015 (this estimated amount may be adjusted when the transaction is recorded in the accounts).

At 31 December 2014, CNP Assurances' stake in CNP BVP is accounted for as a "non-current asset held for sale".

Note 2 Subsequent events

No material changes occurred in the Group's financial or commercial position between the end of the year and the date on which the financial statements were approved by the Board of Directors.

ASSETS AND LIABILITIES

Note 3 Summary of significant accounting policies

CNP Assurances SA, the parent company of the Group, is a *société anonyme* (joint-stock company) with a Board of Directors, governed by the French Insurance Code. It has fully paid-up share capital of €686,618,477. The Company is registered in the Paris Trade and Companies Register under no. 341 737 062.

The registered office is located at 4 place Raoul Dautry, 75015 Paris.

The Group's principal business is the writing of personal insurance. CNP Assurances' corporate purpose is to:

- write life and endowment insurance
- write bodily injury insurance covering accident and health risks
- hold majority interests in insurance companies.

The consolidated financial statements for the year ended 31 December 2014 include the financial statements of the Company and its subsidiaries, as well as the Group's interests in the results and net assets of jointly-controlled entities and associates. They were approved by the Board of Directors on 18 February 2015.

3.1 STATEMENT OF COMPLIANCE

In accordance with EU directive 1606/2002/EC of 19 July 2002, the consolidated financial statements have been prepared in accordance with the IFRSs adopted by the European Union before 31 December 2014.

The subsidiaries all apply Group accounting policies, as presented in these notes.

New accounting standards adopted since 1 January 2014

- IFRS 10 – Consolidated Financial Statements, IFRS 11 – Joint Arrangements, IFRS 12 – Disclosure of Interests in Other Entities, Revised IAS 27 – Separate Financial Statements and Revised IAS 28 – Investments in Associates and Joint Ventures, published on 12 May 2011 and applicable from 1 January 2014.

  IFRS 10 develops a standard framework for analysing control over an investee and the basis for full consolidation comprising: power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns.

  IFRS 10 amends IAS 27 which is now called "Separate Financial Statements". The rules relating to separate financial statements remain unchanged while those relating to consolidated financial statements are replaced by the provisions of IFRS 10

- IFRS 11 replaces IAS 31 – Interests in Joint Ventures and SIC 13 – Jointly Controlled Entities – Non-monetary Contributions by Venturers. It focuses on rights and obligations in joint arrangements and distinguishes between two forms of such arrangements: joint ventures and joint operations. For consolidation of joint ventures, the proportionate method is replaced by the equity method. IAS 28 has also been amended to bring it into line with the new provisions of IFRS 11

- IFRS 12 brings all of the disclosure requirements for interests in subsidiaries, joint arrangements, associates and special purpose entities together within a single standard. The purpose of IFRS 12 is to require disclosures that will allow users of financial statements to evaluate the basis of control, any restrictions on consolidated assets and liabilities, exposure to risks arising from interests in non-consolidated special purpose entities and non-controlling interests in consolidated entities.

  The impact of these three new standards that focus on the scope of consolidation is disclosed in Note 3.2

- Amendments to transition guidance for IFRS 10, IFRS 11 and IFRS 12, published on 28 June 2012 and applicable for accounting periods beginning on or after 1 January 2014, clarify retrospective application arrangements and propose simplified disclosure requirements for non-consolidated special purpose entities

- Amendment by Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27), published on 31 October 2012 and applicable for accounting periods beginning on or after 1 January 2014, introduce the investment entity consolidation exemption. Where an entity meets the definition of an "investment entity" it does not consolidate its subsidiaries but is required to measure them at fair value through profit or loss. Special disclosure requirements also apply. These amendments do not have any impact on the Group's consolidated financial statements

- Amendment to IAS 32 – Offsetting Financial Assets and Financial Liabilities, published on 16 December 2011, and applicable to accounting periods beginning on or after 1 January 2014, sets out the rules for offsetting financial assets and financial liabilities. These amendments do not have any impact on the Group's consolidated financial statements

- Amendments to IAS 39 – Novation of Derivatives and Continuation of Hedge Accounting, published on 27 June 2013 and applicable to accounting periods beginning on or after 1 January 2014: these amendments provide an exception to the requirement to discontinue hedge accounting if a hedging instrument is novated to a central counterparty as a result of laws or regulations. The application of these amendments does not have any impact on the Group's consolidated financial statements
- Amendments to IAS 36 – Recoverable Amount Disclosures for Non-Financial Assets, published on 29 May 2013 and applicable to accounting periods beginning on or after 1 January 2014: these amendments introduce additional disclosure requirements when an asset's recoverable amount is based on its fair value less costs of disposal. These amendments do not have any impact on the Group's consolidated financial statements.

Main accounting standards and interpretations approved by the European Union but not yet in force

- The IFRS annual improvements 2011-2013 cycle, as published on 12 December 2013 and applicable for accounting periods beginning on or after 1 January 2015 at EU level, includes minor amendments to four standards and is not expected to have a material impact on the Group's consolidated financial statements. The four standards in question are:
  - IFRS 1 – First-time Adoption of International Financial Reporting Standards: the amendment seeks to clarify the meaning of "effective IFRSs"
  - IFRS 3 – Business Combinations: the amendment clarifies that IFRS 3 excludes from its scope joint arrangements as defined by IFRS 11
  - IFRS 13 – Fair Value Measurement: the purpose of the amendment is to clarify the scope exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis
  - IAS 40 – Investment Property: the amendment seeks to clarify the interrelationship of IFRS 3 – Business combinations and IAS 40 when classifying property as investment property or owner-occupied property
- IFRIC 21 – Levies, published on 20 May 2013 and applicable for the first accounting period beginning after 16 July 2014, subject to adoption by the European Union: this interpretation provides guidance in accounting for a levy imposed by a government in the payer entity's financial statements, and in particular when to recognise a liability in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. This interpretation is not expected to have a material impact on the Group's consolidated financial statements when it becomes effective in 2015.

Accounting standards and interpretations published but not yet in force

- IFRS 9 – Financial Instruments: issued in definitive form on 24 July 2014 and mandatory from 1 January 2018 subject to adoption by the European Union. This standard, which replaces IAS 39 – Financial Instruments, sets down accounting principles and disclosure requirements for financial assets and liabilities. This comprehensive final version of IFRS 9 follows three earlier partial publications:
  - on 12 November 2009, IASB published the first (partial) version of IFRS 9 – Financial Instruments, focusing exclusively on "classification and measurement" of financial assets
  - on 28 October 2010, IASB published the second (partial) version of IFRS 9 – Financial Instruments, incorporating requirements on accounting for financial liabilities
  - on 19 November 2013, IASB published a new section of IFRS 9 – Financial Instruments, focusing on Hedge Accounting and amendments to IFRS 9, IFRS 7 – Disclosures and IAS 39 – Financial Instruments: recognition and measurement.

The final version consolidates the three core phases, *i.e.*, classification and measurement, impairment and hedge accounting. Macro hedge accounting is covered in a separate IASB project. This has not yet been finalised but a discussion paper was published on 17 April 2014.

Classification and measurement

IFRS 9 introduces a standard approach to classification and measurement of financial assets and contains only three classification categories: amortised cost, fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL).

In the case of debt instruments, the assessment is based around two criteria that determine how a financial asset should be classified and measured:

- the business model that the entity uses for managing the financial asset and
- the contractual cash flow characteristics of the financial asset.

IFRS 9 introduces two types of business model as follows:

- the financial asset is held within a business model whose objective is to collect the contractual cash flows. If this is the case, the financial asset is measured at amortised cost
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. If so, the financial asset must be measured at FVTOCI.

All other financial assets must be measured at fair value through profit or loss (FVTPL). An entity may designate the asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a mismatch.

Equity instruments are always measured at FVTPL with the exception of those not held for trading. An entity may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is not held for trading (including realised gains and losses). Only dividends received from such investments are to be recognised in profit or loss.

IFRS 9 retains the accounting treatment of financial liabilities but adds guidance on certain issues, notably the impact of changes in own credit risk in profit or loss when non-trading financial liabilities are measured at fair value.

In the field tests organised by the European Financial Reporting Advisory Group (EFRAG) on the classification of assets in April 2013, CNP Assurances performed analyses to estimate the impact of IFRS 9 on the classification and measurement of the Group's financial assets. The ultimate impact of the new standard will depend on its effective date for insurers. It will also depend on how insurance policies are interpreted within the project's framework which will influence decisions taken in terms of the practical application of IFRS 9.

Impairment

IFRS 9 also introduces a new debt instrument impairment model that involves writing off expected credit losses at initial recognition. Under IAS 39, impairment losses were only taken if there was a recognised risk due to the existence of one or more objective indicators of impairment.

Under the new model, assets move through three stages:

- at investment: the entity recognises 12-month expected credit losses and interest income is calculated on the gross carrying amount of the instrument
- stage 2: if there has been a significant increase in credit risk since initial recognition, lifetime expected credit losses are recognised, but interest revenue is still calculated on the gross carrying amount of the asset
- stage 3: if a credit event affects the issuer, lifetime expected credit losses are recognised and interest income is calculated on the net carrying amount.

These aspects of IFRS 9 are currently being studied by the Group.

Hedge accounting

IFRS 9 broadens hedge accounting eligibility criteria in exchange for greater transparency in risk management disclosure.

The new model marks an important change that aligns hedge accounting more closely with risk management and enables entities to disclose these activities more effectively in their financial statements. For example, IFRS 9 allows entities to hedge the risk components of non-financial items and homogeneous groups of items for all types of risk on a net basis.

IFRS 9 changes certain aspects relating to hedging instruments. In particular, changes in the fair value of the time value of an option used as a hedging instrument may be recognised in OCI. Eligibility also extends to the forward element of a forward contract or the foreign currency basis spread, thus reducing volatility in the income statement.

The standard also makes hedge effectiveness testing less rigid. Retrospective and prospective testing (using the 80%-125% bright line) is replaced by a single prospective test based on three effectiveness requirements: there is "an economic relationship" between the hedged item and the hedging instrument; the effect of credit risk does not "dominate the value changes" that result from that economic relationship; and the hedge ratio is consistent with the entity's risk management approach.

These aspects of IFRS 9 are currently being studied by the Group.

As IFRS 9 has not yet been adopted by the European Union, it is not yet available for early adoption. The Group is currently reviewing the basis of application and the potential impact of the new standard.

- IFRS 15 – Revenue from Contracts with Customers: published on 28 May 2014 and applicable to accounting periods beginning on or after 1 January 2017, subject to adoption by the European Union, provides a single model to be applied to all contracts with customers. It replaces the standards currently dealing with revenue recognition, namely IAS 18 – Revenue and IAS 11 – Construction Contracts their related interpretations and the following interpretations: IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services.

  Specific types of contracts dealt with in other standards, such as leases, insurance policies and financial instruments, are excluded from the scope of IFRS 15.

The core principle of IFRS 15 is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This new standard also introduces enhanced disclosure requirements and provides a framework for dealing with transactions that were not comprehensively covered previously as well as improved guidance for contracts with multiple-element arrangements. The core principle is delivered in a five-step model framework:

- identify the contract(s) with a customer
- identify the performance obligations in the contract
- determine the transaction price
- allocate the transaction price to the performance obligations in the contract
- recognise revenue when (or as) the entity satisfies a performance obligation.

The Group is currently reviewing the basis of application and the potential impacts of IFRS 15

- IFRS 14 – Regulatory Deferral Accounts: published on 30 January 2014 and applicable to accounting periods beginning on or after 1 January 2016, subject to adoption by the European Union. This provisional standard allows first-time adopters of IFRSs to continue to account for rate-regulated activities in accordance with its previous GAAP until such time as the IASB can complete its comprehensive project on rate regulated activities. This amendment is not expected to have a material impact on the Group's consolidated financial statements
- Amendments to IAS 19 – Defined Benefit Plans: Employee Contributions, published on 21 November 2013 and applicable to accounting periods beginning on or after 1 July 2014, subject to adoption by the European Union. These limited amendments are intended to simplify the accounting treatment of contributions by employees or third-parties to defined benefit plans where the amounts of the contributions are independent of the number of years of service. The Group is currently studying the potential impact of these amendments. Amendments to IFRS 11 – Accounting for the Acquisition of an Interest in a Joint Operation: published on 6 May 2014 and applicable to accounting periods beginning on or after 1 January 2016, subject to adoption by the European Union. These amendments seek to clarify how to account for the acquisition of an interest in a joint operation that is a business within the meaning of IFRS 3 – Business Combinations. These amendments are not expected to have a material impact on the Group's consolidated financial statements
- Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation: published on 12 May 2014 and applicable to accounting periods beginning on or after 1 January 2016, subject to adoption by the European Union. These amendments limit the use of revenue-based depreciation on the assumption that this is not an appropriate method of amortising the economic benefits embodied in an intangible asset
- Amendments to IAS 27 – Equity Method in Separate Financial Statements: published on 12 August 2014 and applicable to accounting periods beginning on or after 1 January 2016, subject to adoption by the European Union. These amendments will enable entities to account for their subsidiaries, joint arrangements and associates using the equity method in accordance with IAS 28 – Investments in Associates and Joint Ventures. Because they concern separate financial statements, they will not have any impact on the Group's consolidated financial statements
- Amendments to IFRS 10 and IAS 28 – Sales or contributions of assets between an investor and its associate/joint venture, published on 11 September 2014 and applicable to accounting periods beginning on or after 1 January 2016, subject to adoption by the European Union. The purpose of these amendments is to reduce the inconsistencies between the requirements in IFRS 10 and IAS 28 so that the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognised in full. These amendments are not expected to have a material impact on the Group's consolidated financial statements
- Amendment by Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 28): Application of the investment entity consolidation exemption, published on 18 December 2014 and applicable from 1 January 2016. These amendments are intended to clarify the rules for exempting investment entities from consolidation and for using the equity method for accounting for investment entity investees. They are not expected to have a material impact on the Group's consolidated financial statements
- Amendments to IAS 1 – Disclosures, published on 18 December 2014 and applicable to accounting periods beginning on or after 1 January 2016. These amendments are designed to encourage entities to apply professional judgement in determining what information to disclose in their financial statements. The Group is currently studying the potential impact of these amendments
- Amendments to IAS 16 and IAS 41 – Agriculture: bearer biological assets: published on 30 June 2014 and applicable to accounting periods beginning on or after 1 January 2016, subject to adoption by the European Union. These amendments introduce new disclosure requirements for certain biological assets. They are not expected to have a material impact on the Group's consolidated financial statements
- The IFRS annual improvements 2010-2012 cycle, as published on 12 December 2013 and applicable for accounting periods beginning on or after 1 July 2014 – subject to adoption by the European Union – includes minor amendments to seven standards and is not expected to have a material impact on the Group's consolidated financial statements
- The IFRS annual improvements 2012-2014 cycle, as published on 25 September 2014 and applicable for accounting periods beginning on or after 1 January 2016 – subject to adoption by the European Union – includes minor amendments to four standards and is not expected to have a material impact on the Group's consolidated financial statements.

3.2 IMPACT OF CHANGES IN ACCOUNTING POLICIES

3.2.1 Comments concerning the application of IFRS 10, IFRS 11, IFRS 12, Revised IAS 27 and Revised IAS 28

The main impacts of applying these new standards involves replacing the proportionate method (used until 31 December 2013) by the equity method when accounting for joint ventures. The resulting impact on the consolidated financial statements is not material.

IFRS 10 – Consolidated Financial Statements and IFRS 11 – Joint Arrangements

First-time application of IFRS 10 does not have a material impact on the Group.

A review of CNP Assurances' control over its international subsidiaries based on IFRS 10 criteria has not undermined the Group's exclusive control. An assessment of the right to appoint the majority of the Board of Directors, the power to appoint key management executives and the limited number of "reserved areas" requiring the joint agreement of the partners, would all appear to confirm CNP Assurances' exclusive control over its international subsidiaries (Caixa Seguros Holding, CNP UniCredit Vita, CNP Barclays Vida y Pensiones and CNP Cyprus Insurance Holdings) and the subsidiaries belonging to them.

The consolidation scope of mutual funds remains stable despite the application of the new IFRS 10 control model, especially analysis of the agent-principal relationship and the application of a threshold for assessing exposures to variable returns.

Banque Postale Prévoyance, two mutual funds and a property company that were accounted for by the proportionate method through end-2013 are now consolidated using the equity method.

CNP Assurances has elected for the simplified approach to accounting for mutual funds using the equity method, and has measured its investments in two jointly-controlled mutual funds at fair value through profit or loss in accordance with IAS 39.

These changes have not had a material impact on the Group's consolidated financial statements.

IFRS 12 – Disclosure of Interests in Other Entities

The consolidated financial statements at 31 December 2014 include new notes to meet disclosure requirements introduced by IFRS 12, particularly those concerning material non-controlling interests, joint arrangements and investments in non-consolidated special purpose entities.

Revised IAS 27 – Separate Financial Statements and Revised IAS 28 – Investments in Associates and Joint Ventures

Application of Revised IAS 27 and Revised IAS 28 does not have any impact on the Group.

3.2.2 Transition of the consolidated balance sheet at 1 January 2013 and at 31 December 2013

Assets *(in € millions)*	31.12.2012 (reported)	La Banque Postale Prévoyance	Other *	01.01.2013 (restated)	Movements for the period	31.12.2013 (restated)
Goodwill	334.2	(22.9)	0.0	311.3	(75.3)	236.0
Value of In-Force business	103.1	0.0	0.0	103.1	(21.2)	81.9
Other intangible assets	209.6	(0.1)	0.0	209.5	(9.3)	200.2
Total intangible assets	**646.8**	**(23.0)**	**0.0**	**623.9**	**(105.7)**	**518.1**
Investment property	2,528.0	0.0	0.0	2,528.0	12.6	2,540.6
Held-to-maturity investments	854.1	0.0	0.0	854.1	(251.0)	603.1
Available-for-sale financial assets	255,287.7	(688.2)	0.0	254,599.5	11,064.5	265,664.0
Securities held for trading	65,492.2	(23.9)	0.0	65,468.4	46.1	65,514.4
Loans and receivables	4,967.4	0.0	0.0	4,967.4	(305.0)	4,662.4
Derivative instruments	4,340.8	0.0	0.0	4,340.8	1,514.3	5,855.1
Insurance investments	**333,470.2**	**(712.1)**	**0.0**	**332,758.2**	**12,081.5**	**344,839.7**
Banking and other investments	**52.8**	**0.0**	**0.0**	**52.8**	**(4.2)**	**48.5**
Investments in associates	**0.0**	**136.7**	**168.9**	**305.6**	**27.0**	**332.6**
Reinsurers' share of insurance and financial liabilities	**8,926.7**	**39.0**	**0.0**	**8,965.7**	**828.9**	**9,794.6**
Insurance or reinsurance receivables	3,035.3	(51.8)	0.0	2,983.4	(210.2)	2,773.3
Current tax assets	286.2	(0.8)	0.0	285.4	33.1	318.5
Other receivables	4,948.6	(1.5)	(8.6)	4,938.5	(293.2)	4,645.3
Owner-occupied property and other property and equipment	264.4	(0.6)	0.0	263.8	85.0	348.8
Other non-current assets	460.0	(0.1)	0.0	459.9	48.8	508.7
Deferred participation asset	0.0	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	169.6	0.0	(32.4)	137.2	95.2	232.4
Other assets	**9,164.1**	**(54.9)**	**(41.0)**	**9,068.2**	**(241.2)**	**8,827.0**
Non-current assets held for sale	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Cash and cash equivalents	**955.2**	**(1.4)**	**(12.2)**	**941.6**	**127.5**	**1,069.0**
TOTAL ASSETS	**353,215.8**	**(615.7)**	**115.7**	**352,715.9**	**12,713.7**	**365,429.5**

* *Impact of switching from the proportionate method to the equity method to consolidate the property company PB6. Changing consolidation methods in accordance with the simplified method has no impact on the Group's consolidated financial statements*

Equity and liabilities *(in € millions)*	31.12.2012 (reported)	La Banque Postale Prévoyance	Other *	01.01.2013 (restated)	Movements for the period	31.12.2013 (restated)
Share capital	643.5	0.0	0.0	643.5	43.1	686.6
Share premium account	1,321.0	0.0	0.0	1,321.0	395.8	1,716.8
Revaluation reserve	1,955.5	0.0	0.0	1,955.5	129.2	2,084.7
Cash flow hedge reserve	3.6	0.0	0.0	3.6	(15.2)	(11.6)
Undated subordinated notes reclassified in equity	2,515.8	0.0	0.0	2,515.8	(374.0)	2,141.7
Retained earnings	6,672.9	0.0	0.0	6,672.9	403.3	7,076.2
Profit for the period	951.4	0.0	0.0	951.4	78.9	1,030.2
Translation reserve	83.2	0.0	0.0	83.2	(181.6)	(98.4)
Equity attributable to owners of the parent	**14,146.9**	**0.0**	**0.0**	**14,146.9**	**479.5**	**14,626.4**
Non-controlling interests	1,441.1	0.0	0.0	1,441.1	(73.7)	1,367.4
Total equity	**15,588.0**	**0.0**	**0.0**	**15,588.0**	**405.8**	**15,993.7**
Insurance liabilities (excluding unit-linked)	112,800.4	(533.6)	136.5	112,403.3	8,721.3	121,124.6
Insurance liabilities (unit-linked)	28,455.4	0.0	0.0	28,455.4	(477.6)	27,977.8
Insurance liabilities	**141,255.8**	**(533.6)**	**136.5**	**140,858.7**	**8,243.7**	**149,102.4**
Financial liabilities – financial instruments with DPF (excluding unit-linked)	145,707.7	0.0	0.0	145,707.7	(2,535.5)	143,172.2
Financial liabilities – financial instruments without DPF (excluding unit-linked)	881.5	0.0	0.0	881.5	(101.8)	779.8
Financial liabilities – unit-linked financial instruments	7,913.0	0.0	0.0	7,913.0	138.7	8,051.8
Financial liabilities	**154,502.3**	**0.0**	**0.0**	**154,502.3**	**(2,498.5)**	**152,003.8**
Deferred participation reserve	19,097.8	(33.4)	(14.9)	19,049.6	(69.6)	18,980.0
Insurance and financial liabilities	**314,855.9**	**(567.0)**	**121.6**	**314,410.5**	**5,675.7**	**320,086.2**
Provisions	**220.5**	**(1.3)**	**0.0**	**219.3**	**26.5**	**245.7**
Subordinated debt	2,559.6	0.0	0.0	2,559.6	54.8	2,614.4
Financing liabilities	**2,559.6**	**0.0**	**0.0**	**2,559.6**	**54.8**	**2,614.4**
Operating liabilities represented by securities	4,593.8	0.0	0.0	4,593.8	4,569.3	9,163.2
Operating liabilities due to banks	129.3	(0.3)	0.0	129.0	7.9	136.9
Liabilities arising from insurance and reinsurance transactions	2,062.5	(1.4)	0.0	2,061.1	(462.7)	1,598.4
Current taxes payable	355.2	0.0	0.0	355.2	(96.0)	259.2
Current account advances	48.3	0.0	0.0	48.3	(4.9)	43.4
Liabilities towards holders of units in controlled mutual funds	1,085.6	0.0	0.0	1,085.6	84.0	1,169.6
Derivative instruments	4,622.4	0.0	0.0	4,622.4	1,491.8	6,114.2
Deferred tax liabilities	1,092.7	(11.9)	0.0	1,080.8	57.9	1,138.6
Other liabilities	6,002.1	(33.9)	(5.9)	5,962.4	903.7	6,866.1
Other liabilities	**19,991.9**	**(47.5)**	**(5.8)**	**19,938.5**	**6,551.0**	**26,489.5**
Liabilities related to assets held for sale	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
TOTAL EQUITY AND LIABILITIES	**353,215.8**	**(615.7)**	**115.8**	**352,715.9**	**12,713.7**	**365,429.5**

* *Impact of switching from the proportionate method to the equity method to consolidate the property company PB6. Changing consolidation methods in accordance with the simplified method has no impact on the Group's consolidated financial statements*

3.2.3 Transition of the consolidated income statement for the year ended 31 December 2013

(in € millions)	31.12.2013 (reported)	La Banque Postale Prévoyance	31.12.2013 (restated)
Premiums written	27,679.6	(189.8)	27,489.9
Change in unearned premiums reserve	(70.9)	0.1	(70.8)
Earned premiums	**27,608.7**	**(189.7)**	**27,419.1**
Revenue from other activities	**153.7**	**0.0**	**153.7**
Other operating revenue	**0.0**	**0.0**	**0.0**
Investment income	10,335.2	(23.7)	10,311.5
Gains and losses on sales of investments, net	972.5	(1.8)	970.7
Change in fair value of financial assets at fair value through profit or loss	3,169.6	0.1	3,169.7
Impairment losses on financial instruments	387.4	0.3	387.8
Investment income before finance costs	**14,864.8**	**(25.2)**	**14,839.7**
Net revenue	**42,627.2**	**(214.8)**	**42,412.4**
Claims and benefits expenses	(35,512.5)	136.7	(35,375.8)
Investment and other financial expenses, excluding finance costs	(810.8)	1.9	(808.9)
Reinsurance result	(105.9)	(9.2)	(115.1)
Expenses of other businesses	0.2	0.0	0.2
Acquisition costs	(3,289.4)	50.1	(3,239.3)
Amortisation of value of In-Force business acquired and distribution agreements	(18.2)	0.0	(18.2)
Contract administration expenses	(202.8)	7.8	(195.1)
Other recurring operating income and expense, net	(448.3)	(1.1)	(449.7)
Total other recurring operating income and expense, net	**(40,387.8)**	**186.3**	**(40,201.4)**
Recurring operating profit	**2,239.5**	**(28.6)**	**2,210.9**
Other non-recurring operating income and expense, net	(12.4)	0.0	(12.4)
Operating profit	**2,227.0**	**(28.6)**	**2,198.5**
Finance costs	(154.9)	0.0	(154.9)
Change in fair value of intangible assets	(54.9)	0.0	(54.9)
Share of profit of associates	2.6	18.0	20.5
Income tax expense	(696.7)	10.6	(686.1)
Profit (loss) from discontinued operations, after tax	0.0	0.0	0.0
Profit for the period	**1,323.1**	**0.0**	**1,323.1**
Non-controlling interests	(292.9)	0.0	(292.9)
Attributable to owners of the parent	**1,030.2**	**0.0**	**1,030.2**
Basic earnings per share *(in €)*	1.46	0.0	1.46
Diluted earnings per share *(in €)*	1.46	0.0	1.46

3.2.4 Transition of the consolidated statement of cash flows at 31 December 2013

(in € millions)	31.12.2013 (reported)	La Banque Postale Prévoyance	Other	31.12.2013 (restated)
Operating profit before tax	**2,227.0**	**(28.8)**	**0.2**	**2,198.5**
Gains and losses on disposal of investments	(1,030.7)	1.8	0.0	(1,028.9)
Depreciation and amortisation expense, net	108.4	(0.1)	0.0	108.3
Change in deferred acquisition costs	(60.4)	0.0	0.0	(60.4)
Impairment losses, net	(363.2)	(0.3)	0.0	(363.6)
Charges to technical reserves for insurance and financial liabilities	7,829.6	(72.7)	1.4	7,758.3
Charges to provisions, net	38.9	0.7	(0.3)	39.3
Change in fair value of financial instruments at fair value through profit or loss (other than cash and cash equivalents)	(3,150.3)	(0.1)	0.0	(3,150.3)
Other adjustments	(88.0)	33.9	0.0	(54.1)
Dividends received from associates	0.0	13.4	0.0	13.4
Total adjustments	**3,284.3**	**(23.3)**	**1.1**	**3,262.0**
Change in operating receivables and payables	1,176.7	(36.8)	8.9	1,148.9
Change in securities sold and purchased under repurchase and resale agreements	4,569.3	0.0	0.0	4,569.3
Change in other assets and liabilities	(38.3)	0.0	0.0	(38.3)
Income taxes paid, net of reimbursements	(880.6)	8.9	0.0	(871.6)
Net cash provided by (used by) operating activities	**10,338.5**	**(80.0)**	**10.2**	**10,268.7**
Acquisitions of subsidiaries and joint ventures, net of cash acquired	(10.9)	0.0	0.0	(10.9)
Divestments of subsidiaries and joint ventures, net of cash sold	0.0	0.0	0.0	0.0
Acquisitions of associates	0.0	0.0	0.0	0.0
Divestments of associates	0.0	0.0	0.0	0.0
Net cash used by divestments and acquisitions	**(10.9)**	**0.0**	**0.0**	**(10.9)**
Proceeds from the sale of financial assets	121,762.1	(33.8)	0.0	121,728.3
Proceeds from the sale of investment properties	14.8	0.0	0.0	14.8
Proceeds from the sale of other investments	4.2	0.0	0.0	4.2
Net cash provided by (used by) sales and redemptions of investments	**121,781.2**	**(33.8)**	**0.0**	**121,747.4**
Acquisitions of financial assets	(133,322.7)	103.5	0.0	(133,219.2)
Acquisitions of investment properties	(99.5)	0.0	0.0	(99.5)
Acquisitions and/or issuance of other investments	0.0	0.0	0.0	0.0
Net cash provided by (used by) acquisitions of investments	**(133,422.2)**	**103.5**	**0.0**	**(133,318.7)**
Proceeds from the sale of property and equipment and intangible assets	39.6	0.0	0.0	39.6
Purchases of property and equipment and intangible assets	(171.3)	0.1	0.0	(171.2)
Net cash provided by (used by) sales and purchases of property and equipment and intangible assets	**(131.7)**	**0.1**	**0.0**	**(131.6)**
Net cash provided by (used by) investing activities	**(11,783.7)**	**69.8**	**0.0**	**(11,713.9)**

(in € millions)	31.12.2013 (reported)	La Banque Postale Prévoyance	Other	31.12.2013 (restated)
Issuance of equity instruments	440.0	0.0	0.0	440.0
Redemption of equity instruments	0.0	0.0	0.0	0.0
Purchases and sales of treasury shares	10.8	0.0	0.0	10.8
Dividends paid	(656.9)	0.0	1.0	(655.8)
Net cash used by transactions with owners	**(206.1)**	**0.0**	**1.0**	**(205.1)**
New borrowings	389.1	0.0	0.0	389.1
Repayments of borrowings	(682.6)	0.0	0.0	(682.6)
Interest paid on borrowings	(245.7)	0.0	0.0	(245.7)
Net cash used by other financing activities	**(539.2)**	**0.0**	**0.0**	**(539.2)**
Net cash used by financing activities	**(745.3)**	**0.0**	**1.0**	**(744.3)**
Cash and cash equivalents at beginning of period	**11,018.9**	**(21.6)**	**(12.2)**	**10,985.1**
Net cash provided by (used by) operating activities	10,338.5	(80.0)	10.2	10,268.7
Net cash provided by (used by) investing activities	(11,783.7)	69.8	0.0	(11,713.9)
Net cash used by financing activities	(745.3)	0.0	1.0	(744.3)
Effect of changes in exchange rates	26.5	0.0	0.0	26.5
Effect of changes in accounting policies and other changes	1,268.6	0.0	0.0	1,268.6
CASH AND CASH EQUIVALENTS AT THE REPORTING DATE	**10,123.5**	**(31.7)**	**(1.0)**	**10,090.8**

RECONCILIATION OF CASH AND CASH EQUIVALENTS REPORTED IN THE BALANCE SHEET AND IN THE STATEMENT OF CASH FLOWS

(in € millions)	31.12.2013 (reported)	La Banque Postale Prévoyance	Other	31.12.2013 (restated)
Cash and cash equivalents (reported in the balance sheet)	1,080.3	(10.3)	(1.0)	1,069.0
Cash and cash equivalents relating to assets held for sale	0.0	0.0	0.0	0.0
Operating liabilities due to banks	(87.5)	0.5	0.0	(87.1)
Securities held for trading	9,130.8	(21.9)	0.0	9,108.9
TOTAL (REPORTED IN THE CONSOLIDATED STATEMENT OF CASH FLOWS)	**10,123.5**	**(31.7)**	**(1.0)**	**10,090.8**

3.3 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The following information is incorporated by reference in the Registration Document, in accordance with Article 28 of European Commission Regulation 809/2004/EC dated 29 April 2004:

- the consolidated financial statements of CNP Assurances for the year ended 31 December 2013 and the related Statutory Auditors' report, as presented on pages 51 to 149, and pages 150 to 151, respectively, of the Registration Document filed with the AMF on 10 April 2014
- the consolidated financial statements of CNP Assurances for the year ended 31 December 2012 and the related Statutory Auditors' report, as presented on pages 129 to 225, and pages 226 to 227, respectively, of the Registration Document filed with the AMF on 4 April 2013.

The consolidated financial statements are presented in millions of euros, rounded up or down to the nearest decimal.

They have been prepared according to the cost model, except for (i) insurance assets and liabilities and assets and liabilities related to investment contracts with a discretionary participation feature which have been measured by the methods used in the French GAAP accounts and (ii) the following assets and liabilities which have been measured by the fair value model: financial assets at fair value through profit or loss (financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss), available-for-sale financial assets, investment property held in unit-linked portfolios and derivative instruments separated from their host contracts.

Non-current assets and groups of assets held for sale are measured at the lower of their carrying amount and their fair value less costs to sell, with the exception of deferred tax assets, assets generated by employee benefits, financial assets, investment property measured at fair value, biological assets and assets arising under insurance contracts, all of which are measured using their own specific valuation basis.

The preparation of financial statements in accordance with IFRSs requires the use of estimates and assumptions that have an impact on the application of accounting policies and on the reported amounts of assets and liabilities, income and expenses. The main balance sheet headings concerned by such estimates and assumptions include goodwill (particularly with regard to impairment testing), the value of In-Force business acquired, assets measured at fair value not quoted in an active market, insurance-related assets and liabilities (technical reserves, deferred participation assets and deferred participation reserves) and deferred taxes.

These estimates and the underlying assumptions are based on past experience, regulatory information, generally accepted actuarial principles and other factors considered reasonable under the circumstances and they are subject to sensitivity analyses when this is required by regulations or when such tests back up the assumptions made by the Group.

They serve as the basis for the exercise of judgement in determining the carrying amounts of assets and liabilities which cannot be obtained directly from other sources. Actual values may be different from these estimates. Estimates and the underlying assumptions are reviewed at regular intervals.

The effect of changes in accounting estimates are recognised in the period in which the change occurs.

The accounting policies described below have been applied consistently to all periods presented in the consolidated financial statements.

They have been applied uniformly by all Group entities.

3.4 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of subsidiaries, jointly-controlled entities and associates. Other than the regulatory capital requirements of the insurance subsidiaries, the Group does not have any restrictions limiting its access to assets or settling the liabilities of the entities within its scope of consolidation.

Subsidiaries

A subsidiary is an entity controlled by the Company. Control is a function of three elements: power over the investee; exposure, or rights, to variable returns from involvement with the investee; and the ability to use power over the investee to affect the amount of the investor's returns.

Power results from existing rights that give the current ability to direct an investee's relevant activities. The rights that confer power may differ depending on the investee's purpose and design, structure, the nature of its relevant activities or the way in which decisions about the investee are taken. It is generally voting or similar rights that give an investor power, either individually or in combination with other arrangements. Where the relevant activities are directed by means of contractual arrangements, such arrangements need to be assessed in order determine whether an investor has rights sufficient to give it power. In circumstances where it is difficult to determine whether an investor's rights are sufficient to give it power over an investee, it may be necessary to consider evidence of whether it has the practical ability to direct the relevant activities unilaterally.

Exposure or rights to variable returns from involvement with the investee are assessed based on the investor's returns from existing arrangements which have the potential to vary as a result of the investee's performance. An investor assesses whether returns from an investee are variable and how variable those returns are on the basis of the substance of the arrangement and regardless of the legal form of the returns.

Control results not merely from power over the investee and exposure to variable returns, but from the ability to use power over the investee to affect the amount of the investor's returns from its involvement with the investee. Thus, an investor with decision-making rights must determine whether it is acting as a principal or an agent.

Subsidiaries are fully consolidated.

New subsidiaries are consolidated from the date when control is acquired. Divested subsidiaries are consolidated up to the date when control is relinquished.

Minority interests represent holders of non-controlling interests in the Group's subsidiaries. The materiality of these non-controlling interests is assessed based on the percentage interest in the share capital of the subsidiary, as well as their impact on the consolidated financial statements.

Jointly-controlled entities (joint arrangements)

A joint venture is a contractual arrangement whereby the Group and one or more other parties exercise joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. There are two types of joint arrangement:

- joint operations: a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement. Each joint operator accounts for the assets, liabilities, revenues and expenses relating to its interest in the joint operation in accordance with the IFRSs applicable
- joint ventures: a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Each joint venturer recognises its interest in the joint venture as an investment using the equity method.

The consolidated financial statements include the Group's interest in the joint venture, recognised by the equity method, from or up to the date when the Group exercises or ceases to exercise joint control.

Associates

An associate is an entity over which the Group has significant influence. Significant influence is defined as the power to participate in the financial and operating policy decisions of the associate.

It is presumed to be exercised when the Group holds at least 20% of the associate's voting rights, directly or indirectly. However, this is only one of the criteria used, and the existence or absence of significant influence may be determined on the basis of other factors, regardless of the percentage of voting rights held. Other indicators of significant influence include representation on the Board of Directors or equivalent governing body of the associate and material transactions between CNP Assurances and the associate.

The consolidated financial statements include the Group's share of the net assets and profits of associates, recognised by the equity method, from or up to the date when the Group exercises or ceases to exercise significant influence.

If the Group's share of an associate's losses is equal to or greater than the carrying amount of its investment in the entity concerned, the investment is reduced to zero and recognition of the Group's share of future losses is discontinued, unless the Group has incurred legal or constructive obligations to bear a portion of future losses or to make payments on behalf of the associate.

3.5 INTRAGROUP TRANSACTIONS

All material intragroup balances, transactions, income and expenses are eliminated in full. Income and expenses from transactions with associates and joint ventures should be eliminated based on the Group's share of the entity's profit. Losses resulting from the impairment in value of an asset transferred in an intragroup transaction are not eliminated.

3.6 DEFERRED PARTICIPATION ASSET/RESERVE

The adjustments made in application of IFRS 4 lead to the recognition of deferred policyholders' participation in assets or liabilities.

There are two types of deferred participation:

3.6.1 Unconditional participation

All differences in the calculation base of future rights between the separate financial statements and the consolidated financial statements are recognised in the deferred participation reserve.

This applies in particular to policyholder rights in positive and negative fair value adjustments and restatements of the separate financial statements of Group entities. Their amount is adjusted using a method that is consistent with the initial measurement and the pattern of recognition in profit or loss of fair value adjustments and restatements.

3.6.2 Conditional participation

This corresponds to the difference in rights between the separate and consolidated financial statements, whose payment depends on a management decision or the occurrence of an event.

These rights are recognised only when the event or management decision is highly probable. Conditional participation also arises from the application of the shadow accounting technique described in Note 3.14.2.

3.7 FOREIGN CURRENCY TRANSLATION INTO THE GROUP'S PRESENTATION CURRENCY

The functional currency of subsidiaries, in which the majority of transactions are denominated, is their local currency.

Assets and liabilities of international operations – mainly international subsidiaries and independent branches – including goodwill and fair value adjustments recorded on consolidation, are translated into euros, *i.e.,* the Group's presentation currency, at the closing exchange rate.

Income and expenses of international operations are translated at the exchange rate on the transaction date. For practical reasons, the average exchange rate for the period is used as the rate on the transaction date for currencies that have been subject to only limited fluctuations during the period.

Translation differences between the exchange rates used to translate assets and liabilities, and those used to translate income and expenses are recognised separately in equity as a translation adjustment.

3.8 FOREIGN CURRENCY BALANCES

The individual Group entities translate foreign currency transactions into the entity's functional currency at the exchange rate on the transaction date. For practical reasons, in certain cases the average exchange rate for the period is used as the rate on the transaction date for currencies that have been subject to only limited fluctuations during the period.

At each reporting date, monetary balance sheet items (excluding available-for-sale financial assets) are translated using the closing rate, and the resulting exchange differences are recognised in profit or loss unless hedge accounting is used as described in Note 3.11.3.

Non-monetary assets and liabilities measured using the cost model are translated into euros at the exchange rate on the transaction date, while non-monetary assets and liabilities measured using the fair value model are translated at the exchange rate on the date of remeasurement at fair value. When a gain or loss on a non-monetary item is recognised directly in equity, e.g. when a non-monetary asset is classified as available-for-sale, the difference arising on translation of the item is also recognised in equity. Similarly, when a gain or loss on a non-monetary item is recognised directly in profit or loss, the translation difference is also recognised in profit or loss.

3.9 BUSINESS COMBINATIONS AND OTHER CHANGES IN SCOPE OF CONSOLIDATION

Business combinations in which the Group acquires control of one or more businesses are recognised using the purchase method.

Business combinations carried out prior to 1 January 2010 are recognised in accordance with the accounting principles used to prepare the financial statements for the year ended 31 December 2009. Non-controlling interests (also known as minority interests) are measured at the Group's proportionate share in the acquiree's net revalued assets, while adjustments to contingent consideration are treated as an adjustment to the cost of the combination.

Business combinations that took place after 1 January 2010 are recognised and measured in accordance with revised IFRS3. Consideration transferred (acquisition cost) is measured at the acquisition-date fair value of the assets transferred, liabilities incurred and equity interests issued by the buyer. The acquiree's identifiable assets and liabilities are measured at fair value at the acquisition date. Costs directly attributable to the business combination are expensed as incurred.

Any excess of the consideration transferred over the Group's proportionate share in the net fair value of the acquiree's identifiable assets and liabilities is recognised as goodwill (full goodwill method). CNP Assurances can choose to measure its non-controlling interests at fair value.

Goodwill is calculated at the date control is obtained and is not adjusted after the end of the measurement period. No additional goodwill is recognised on subsequent acquisitions of non-controlling interests.

Acquisitions and disposals of non-controlling interests are recognised directly in equity.

If the consideration transferred is lower than the Group's proportionate share in the net assets of the acquiree measured at fair value, the difference is recognised directly in profit or loss for the period.

The initial accounting for a business combination must be completed within 12 months of the acquisition date. This timeline applies to the measurement of identifiable assets and liabilities, consideration transferred and non-controlling interests. In principle, any adjustments made after the measurement period affecting financial assets or liabilities are recognised in profit or loss.

3.10 INTANGIBLE ASSETS

3.10.1 Goodwill

Goodwill is equal to the difference between the acquisition cost to the buyer and the fair value of the corresponding identifiable assets and liabilities. Negative goodwill is recognised directly in profit or loss.

Positive goodwill is:

- recognised in intangible assets when it arises on the acquisition of entities consolidated by the full-consolidation or proportionate methods
- included in investments in associates when it arises on the acquisition of an entity accounted for by the equity method
- recognised in the local currency of the acquiree and translated into euros at the closing exchange rate when it arises on the acquisition of an international entity (outside the eurozone).

For impairment testing purposes, goodwill is allocated to cash-generating units (CGUs) or groups of CGUs likely to benefit from the synergies developed within the scope of the business combination resulting from the acquisition. A CGU is defined as the smallest group of identifiable assets that generates cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The Group identifies CGUs by entity or group of similar entities.

When goodwill is positive, it is stated in the balance sheet at cost less any accumulated impairment losses. It is no longer amortised but tested for impairment:

- each year on the same date, usually close to the reporting date
- or more frequently if events or changing market conditions indicate that it may be impaired since it was last tested for impairment
- or at the end of a period in which an acquisition has taken place if there is a marked deterioration in the business environment.

An impairment loss is recognised if the recoverable amount of the CGU to which the goodwill has been allocated is less than its carrying amount. The recoverable amount is defined as the higher of its fair value less costs to sell and value in use.

The Group usually calculates value in use as the net asset value of the CGU plus the present value of expected future revenues from existing portfolios and new business.

Expected future cash flows are based on the assumption that the business will continue over the long-term and that relations with banking partners will be pursued beyond the renewal date of current agreements, as well as on forecasts that have been validated by the Board of Directors and extrapolated in line with the growth rates generally used within the industry for the businesses concerned, and using conservatively estimated discount rates in line with the average weighted cost of capital.

3.10.2 Life insurance portfolios

The fair value of insurance contracts and financial instruments with a discretionary participation feature acquired in a business combination or a separate transaction is split into two components, as follows:

- a liability measured in accordance with the Group's accounting policies for insurance contracts and financial instruments with a discretionary participation feature
- an intangible asset ("value of In-Force business") representing the difference between the fair value of these contracts and the amount described above.

The value of In-Force business corresponding to purchased insurance portfolios is generally amortised by the effective interest method over the portfolios' remaining life.

3.10.3 Distribution agreements

The value of a distribution agreement represents the future cash flows expected to result from new business relating to a partner network falling within the scope of such an agreement. These intangible assets are estimated based on the terms and conditions specific to each agreement, and are amortised over the term of the agreement taking into account a residual value where appropriate.

3.10.4 Intangible asset related to the reform of the French pension system

Pursuant to Article 26 of French Act No. 2010-1330 of 9 November 2010, dealing with the reform of the French pension system, the insurer is entitled to receive a termination payment. This entitlement has been recognised as an intangible asset in the consolidated financial statements for its recoverable amount and will be amortised over a five-year period (see Note 7.1).

3.10.5 Software

Purchased software licences are recognised as an intangible asset at cost less accumulated amortisation and any accumulated impairment losses.

Directly attributable internal and external costs of developing software for internal use, integrating business applications and ongoing maintenance are capitalised if, and only if, it is probable that they will have the effect of increasing the future economic benefits to be derived from the asset and comply with the other provisions of IAS 38. Costs that do not fulfil the criteria for recognition as an asset are recorded in expenses for the period.

Software licences and development costs are generally amortised over between five and eight years.

3.11 INVESTMENTS

3.11.1 Property

Investment property is property (land or building) held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes, or for sale in the ordinary course of business.

The Group has elected to measure investment and operating properties using the cost model under IAS 40 and IAS 16, except for properties held in unit-linked portfolios which are measured at fair value.

Details of the fair value of properties measured using the cost model are also disclosed in these notes to the financial statements. Fair value corresponds to the probable realisable value of properties and shares in unlisted property companies. It is determined on the basis of five-year valuations performed by a qualified expert recognised by the French prudential control authority (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR). In the period between two five-year valuations, fair value is estimated at each year-end and the amounts obtained are certified by a qualified expert.

Under the cost model, properties are measured at cost less accumulated depreciation and any accumulated impairment losses.

Borrowing costs directly attributable to acquisition or construction are included in the cost of the asset and expensed once the building is in use.

For the purpose of determining depreciation periods, properties are considered as comprising five significant parts with different useful lives:

- land
- shell and roof structure
- facades and roofing
- fixtures
- technical installations.

Maintenance costs are added to the cost of the part of the property to which they relate when it is probable that they will generate future economic benefits and they can be measured reliably.

Expenses directly attributable to the purchase of a property are included in its cost and depreciated over the useful life of the shell.

Depreciation

Depreciation is calculated on a straight-line basis to write off the acquisition or construction cost of each significant part of a property over its estimated useful life.

Due to the difficulty of reliably determining the residual value of property, investment and operating properties are considered as having no residual value.

Depreciation periods are based on the estimated useful lives of the significant parts of each property, with the exception of land which is not depreciated. These periods are as follows:

- shell: 50 years
- facades and roofing: 30 years, except for warehouses, factories, shopping centres and cinemas: 20 years
- technical installations: 20 years
- fixtures: 10 years.

Impairment

At the end of each reporting period, properties are assessed to determine whether there is any indication that they may be impaired. One such indicator is a loss of over 20% of the building's value measured against cost. If there is evidence of impairment, CNP Assurances estimates the recoverable amount of the building concerned.

The recoverable amount of a property is the higher of its value in use and its market price less costs to sell, as determined by annual independent valuations of the Group's entire property portfolio.

3.11.2 Financial assets

Classification

Financial assets are allocated among the following four categories, based on the type of portfolio, the type of financial assets, the specific features of certain financial assets and prioritised application of the criteria defining each category:

- financial assets at fair value through profit or loss, corresponding to assets held for trading and assets designated at the outset as being at fair value through profit or loss in accordance with the fair value option. Financial assets allocated to this category include assets backing unit-linked liabilities, assets with an embedded derivative that is separable from the host contract, assets of consolidated mutual funds and derivative instruments
- held-to-maturity investments, corresponding to fixed-income securities that the Group has the positive intention and ability to hold to maturity. This classification is applied restrictively to certain bonds, held mainly by Caixa Seguros
- loans and receivables, corresponding to non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than assets classified as held for trading or available-for-sale
- available-for-sale financial assets, corresponding to assets that are not held with the firm intention of being sold but which the Group may decide to sell, for example to meet its liquidity needs. This classification is applied to assets not classified in any of the above three categories.

Recognition

Financial assets are recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recorded on the transaction date.

Financial assets are initially recognised at fair value. The carrying amount includes directly attributable transaction costs, except in the case of financial assets at fair value through profit or loss.

Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or the asset is transferred in a transaction that transfers substantially all the risks and rewards of ownership of the financial asset.

Valuation method

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently measured at fair value.

Changes in fair value of available-for-sale financial assets are recognised directly in equity, taking into account the impact on liabilities arising from insurance contracts and financial instruments with a discretionary participation feature (DPF) (in accordance with the shadow accounting principle, see Note 3.14.2) and the deferred tax effect.

Changes in fair value of financial assets at fair value through profit or loss are recognised directly in profit or loss, taking into account the impact on liabilities arising from insurance contracts and financial instruments with DPF (in accordance with the shadow accounting principle, see Note 3.14.2) and the deferred tax effect.

Loans and receivables and held-to-maturity investments are measured at amortised cost by the effective interest method. Commissions and fees paid or received, directly attributable transaction costs, and all other premiums or discounts are recognised in the income statement over the expected life of the instrument.

The fair value of financial instruments for which there is no active market is estimated using a valuation technique. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

Impairment

Financial assets other than those measured at fair value through profit or loss are tested for impairment at each reporting date. A financial asset has been impaired if there is objective evidence of impairment based on one or a number of events whose impact on the asset's estimated future cash flows may be reliably determined.

Assets measured at amortised cost and debt instruments available for sale

For debt instruments held to maturity or available for sale, an impairment loss related to their fair value is recognised in the income statement if future cash flows are unlikely to be entirely recoverable due to the existence of one or more objective indicators of impairment.

However, downgrading by a rating agency or widening credit spreads do not in themselves constitute objective evidence of impairment. One or a combination of the following factors would constitute objective evidence of impairment:

- a credit event as defined by the ISDA (International Swaps and Derivatives Association), namely, bankruptcy of the entity in question, failure to pay or a reorganisation
- knowledge of material financial difficulties being experienced by the counterparty that amount to a recognised risk, even in instances where the counterparty has not actually defaulted
- the existence of certain facilities that would not have been granted to the counterparty in the absence of financial difficulties.

Available-for-sale equity instruments

At each reporting date, available-for-sale equity instruments are reviewed to determine whether there is any objective evidence that they are impaired. This is considered to be the case when there is:

- a prolonged decline in fair value: the market price is less than the average carrying amount over the three years preceding the reporting date or
- a significant decline in fair value: the market price at the reporting date represents less than 50% of the average carrying amount.

When objective evidence of impairment is detected, the cumulative unrealised loss previously recorded directly in equity is recognised in profit or loss.

Moreover, in all cases where these thresholds have not been exceeded but the market price represents less than 70% of the average carrying amount over the previous six months, the Group systematically tests all equity instruments on an asset-by-asset basis to ascertain whether or not an impairment loss needs to be recognised.

This approach is based on both the materiality of the decline in the fair value and the intrinsic underlying features of the valuation for each asset.

Any subsequent decline in fair value is recognised in profit or loss as an impairment expense.

A similar method is employed for unlisted variable-income securities.

Reversals of impairment losses

Available-for-sale financial assets

Impairment losses recognised in the income statement on available-for-sale equity instruments are reversed through profit or loss when the instrument is derecognised.

If the fair value of an available-for-sale debt instrument increases in a subsequent period due to new circumstances, *e.g.*, an improvement in the counterparty's credit rating, the impairment loss is reversed in profit or loss.

Loans and receivables, held-to-maturity investments

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account, provided that the reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been, had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

3.11.3 Derivative instruments

A derivative is a financial instrument or other contract within the scope of IAS 39 with all three of the following characteristics:

a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable (the "underlying")

b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors and

c) it is settled at a future date.

Derivative instruments are classified as financial assets at fair value through profit or loss except for instruments designated as hedges whose effectiveness can be demonstrated.

Embedded derivatives are separated from their host contract and recognised as derivative instruments when the following three conditions are met:

- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative
- the hybrid (combined) contract is not measured at fair value with changes in fair value recognised in profit or loss.

If the Group is unable to measure the embedded derivative separately either at acquisition or at a subsequent financial reporting date, the entire combined contract is treated as a financial asset or financial liability at fair value through profit or loss.

Hedge accounting

Derivatives designated as hedging instruments are accounted for in accordance with IAS 39 if they are part of a designated hedging relationship as defined by the standard.

The Group has contracted two cash flow hedges on sterling-denominated subordinated notes issued in 2011 and on US dollar-denominated subordinated notes issued in 2013. For these and any future operations, hedge accounting involves (i) documenting the hedging relationship and risk management objective and strategy for undertaking the hedge and (ii) assessing the effectiveness of the hedge at inception and over the life of the hedge by demonstrating the effectiveness of the hedging relationship both retrospectively and prospectively.

Cash flow hedge accounting consists of recognising the effective portion of changes in the fair value of the derivative in equity. The gain or loss on the ineffective portion of the hedge is immediately recognised in profit or loss. The cumulative gains or losses recognised in equity are recycled to the income statement over the period in which the hedged item impacts profit or loss. If the hedging instrument expires, is sold or no longer qualifies for hedge accounting, cumulative gains or losses recognised in equity are recycled to the income statement either immediately or as and when the transaction initially hedged is completed. The fair values of derivatives designated as hedging instruments are disclosed in Note 9.7.

3.11.4 Measurement at fair value

A financial instrument is considered as traded in an active market when quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and these prices represent actual and regularly occurring market transactions conducted on an arm's length basis. The main criteria used in determining whether or not a market is active is how recent the quoted prices actually are as well as the liquidity of the securities traded. The market in question will be considered inactive if one or more of the following indicators is observed: a sharp fall in the number of transactions, a major increase in settlement costs or volatility, or a rapid widening in Z-spreads.

In the case of financial instruments whose price is not quoted in an active market (*i.e.,* no price is quoted or a price is quoted but the market does not qualify as active, as is the case for certain structured products), fair value prices are estimated using valuation techniques. These are based on:

- prices not freely available provided upon demand by the arrangers or pricing services, or prices provided by an external agency that are freely available but where the market on which the assets are traded is not always active
- internal models that maximise the use of observable market data to measure financial assets.

Structured products held by the Group consist of financial instruments for which income is indexed to indices, baskets of equities, hedge funds, interest rates and credits. They may also comprise embedded derivatives that can modify the structure of revenues or repayments.

The Group negotiates with each arranger for prices to be quoted every month. These prices correspond to the products' economic value. Their reliability is checked on a test basis and in the case of a significant change, using valuation techniques (for example, discounted cash flow analysis) or by asking the arrangers for details of the methods used. To date, these checks have consistently confirmed the reliability of the prices quoted by the arrangers. The CNP Assurances Group checks the quality of the arrangers' valuation methods and issue ratings and the absence of any credit events.

Structured product valuation principles

The aim of the valuation techniques is to obtain estimated values that approximate the economic value of a position using prices and rates corresponding to the underlying assets or benchmark interest rates. The prices quoted by the arrangers correspond to the estimated amount that a buyer would be willing to pay to purchase the asset. Actual prices could be significantly different from these estimates, due to various factors such as credit spreads, market liquidity, the size of the position, financing costs, and hedging costs and risks.

The valuation techniques used:

- make maximum use of market inputs
- incorporate all factors that market participants would consider in setting a price and
- are consistent with accepted economic methodologies for pricing financial instruments.

Fair value hierarchies

The Group uses the following three-level measurement hierarchy for financial instruments (see Note 9.2):

Level 1: financial instruments measured using quoted prices in active markets. The fair value of most financial instruments held by the Group is determined based on the quoted market price, whenever quoted prices are readily and regularly available and represent actual and regularly occurring market transactions conducted on an arm's length basis. The active market for such transactions is the market in which the most recent prices were quoted along with the largest volumes of transactions. The following financial assets are measured at their quoted market price:

- equities, measured on the basis of quoted prices on their reference market
- mutual fund units, measured at their net asset value
- bonds, EMTNs, BMTNs: for each instrument, the value is determined based on the most recent quoted prices available – on the stock exchange, from brokers, trading rooms or trading platforms, the ICMA Price Service (average prices) or BGN (average prices excluding highs and lows) taking into account liquidity factors in the choice of market
- BTAN treasury notes, at the prices quoted under the Banque de France's centralised quotation system
- derivatives traded on an organised market.

Level 2: financial instruments measured by standard valuation techniques using mainly observable inputs. These include:

- structured products valued by the Group, arrangers or external valuers
- investments in unlisted securities
- OTC derivative contracts
- money market securities other than BTANs measured based on the zero coupon price curve plus a spread
- investment property measured based on prices recorded for similar recent transactions or the rental value of equivalent-type properties
- any other quoted financial instrument for which no active market exists.

Level 3: financial instruments measured using inputs not based on observable market data (unobservable inputs). These are defined as inputs based neither on observable market transactions involving the same instrument at the measurement date, nor on observable market data available at the same date. Very few financial instruments used by the Group fall into this level, but it would be used, for example, to classify asset-backed securities. For such instruments, the Group ensures that any change in inputs used for measurement purposes based on reasonable alternative scenarios would not have any material impact on the consolidated financial statements.

3.11.5 Repurchase and securities lending transactions

Repurchase and securities lending transactions are part of the Group's portfolio optimisation strategy.

The securities sold or loaned are not derecognised as the Group retains substantially all of the risks and rewards of ownership.

They continue to be carried in the same asset category (with their value adjusted accordingly) and the cash received, which represents a liability to the transferee, is recorded in "Operating liabilities represented by securities".

The Group remains exposed to changes in the fair value of securities sold or loaned and has virtually no counterparty risk exposure due to the margin calls used to safeguard the value of the securities in question.

3.11.6 Structured entities

CNP Assurances' business involves investing in different types of financial assets both in policyholder and own-funds portfolios as part of asset allocation and financial risk diversification strategies.

Under IFRS 12, structured entities are entities that have been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. In the Group's case, mutual funds and asset-backed security funds fulfil the criteria for classification as structured entities.

Details of CNP Assurances' investments in structured entities are disclosed in Note 9.1.4.

3.12 EQUITY

3.12.1 Components of equity

Equity includes share capital, retained earnings, unrealised gains and losses from remeasurement at fair value of available-for-sale financial assets net of tax and shadow accounting adjustments, adjustments to the capitalisation reserve and subordinated debt instruments classified in equity due to the discretionary nature of interest payments (see Note 3.17).

3.12.2 Capital management

Under European insurance directives, the Group is required to comply with certain minimum capital requirements at the level of the Company and of each of its European insurance subsidiaries, as well as at consolidated level.

At 31 December 2014, the insurance subsidiaries and the Group as a whole complied with these minimum solvency capital requirements. Details of the Group's adjusted solvency capital based on the consolidated financial statements are reported each year to the French prudential supervision and resolution authority (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR).

The level of solvency capital is monitored regularly by each subsidiary as well as at Group level by the Finance department. Five-year capital projections are produced using stress scenarios based on extreme conditions in the equity and fixed income markets.

3.13 TREASURY SHARES

The Group may acquire treasury stock *via* the liquidity contract set up for the purpose of stabilising the CNP Assurances share price or allocating shares under employee share grant plans (see Note 3.16.2). Treasury stock is recorded as a deduction from equity in the IFRS accounts.

3.14 INSURANCE AND FINANCIAL LIABILITIES

3.14.1 Contract classification

Contracts recognised and measured in accordance with IFRS 4 include:

- insurance contracts (see definition below) that cover a risk for the insured. Examples include personal risk contracts, pension contracts, property and casualty contracts and unit-linked savings contracts with a guaranteed element
- financial instruments with DPF, comprising both traditional savings contracts with DPF and unit-linked contracts including a traditional savings component with DPF.

Financial instruments without DPF are recognised and measured in accordance with IAS 39. This category corresponds to unit-linked savings contracts that do not have any traditional savings component or guaranteed element.

Contracts that do not fulfil the criteria for classification as either insurance contracts or financial instruments without DPF fall within the scope of:

- IAS 18, when they correspond to the provision of services or
- IAS 19, for contracts taken out in connection with benefit plans in favour of Group employees.

3.14.2 Insurance contracts and financial instruments with DPF

Insurance contracts and financial instruments with DPF are accounted for in accordance with Group accounting policies, as well as with the specific provisions of IFRS 4 concerning shadow accounting and liability adequacy tests. At each reporting date, the Group assesses whether its recognised insurance liabilities net of its insurance assets (deferred participation asset plus other insurance-related intangible assets) are adequate, using current estimates of future cash flows under the insurance contracts and financial instruments with DPF.

Insurance contracts

Contracts under which the Group accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder or another beneficiary if a specified uncertain future event (the insured event) adversely affects the policyholder or beneficiary are classified as insurance contracts.

Insurance risk is a risk other than a financial risk. Financial risk is the risk of a possible future change in one or more variables such as a specified interest rate, financial instrument price, commodity price, foreign exchange rate, or other variable. In the case of a non-financial variable, if the variable is not specific to a party to the contract, the risk is financial; otherwise it is an insurance risk. Surrender risk, extension risk or the risk of higher-than-expected administrative costs are not insurance risks, unless they are risks originally incurred by the policyholder that are transferred to the Group under an insurance contract.

For each group of contracts with similar characteristics, the significance of the insurance risk is assessed based on a single representative contract. Under this approach, the insurance risk may be considered significant although the probability of the group of contracts generating a loss that has a material adverse effect on the financial statements is remote due to the pooling of risks.

Financial instruments with a DPF

Contracts that do not expose the Group to an insurance risk or for which the insurance risk is not material are qualified as financial instruments when they give rise to a financial asset or liability.

Contracts are qualified as financial instruments with DPF when they incorporate a contractual or regulatory entitlement to receive, as a supplement to guaranteed benefits, additional benefits:

- that are likely to be a significant portion of the total contractual benefits
- whose amount or timing is contractually at the Group's discretion and
- that are contractually based on the performance of a specified pool of contracts or a specified type of contract, or realised and/or unrealised investment returns on a specified pool of assets held by the Group, or the profit or loss of the Company, fund or other entity that issues the contract.

Hybrid contracts

Certain contracts written by the Group comprise both an insurance component and a deposit component. These two components are unbundled only when the deposit component can be measured separately and, under the Group's accounting policies, the rights and obligations arising from the deposit component would not be recognised if the contract was not unbundled. The insurance component of an unbundled contract is accounted for under IFRS 4 and the deposit component under IAS 39.

In line with the policy described above, the components of traditional savings contracts written by the Group are not unbundled.

Life insurance and savings contracts

Premiums

Premiums on contracts in force during the period are recognised in revenue after adjustment for:

- the estimated earned portion of premiums not yet written on group contracts comprising whole life cover
- estimated cancelled premiums, determined by reviewing written premiums and earned premiums not yet written. This adjustment is made for the main products based on the observed cancellation rate for contracts written and cancelled during the period.

Technical and mathematical reserves

Reserves for contracts including whole life cover include the portion of premiums written but not earned during the reporting period.

Mathematical reserves for traditional savings contracts correspond to the difference between the present value of the respective commitments of the Group and the policyholder.

Life premium reserves are determined using a discount rate that is equal to or less than the conservatively estimated forecast yield on the assets backing the liabilities.

Insurance liabilities are discounted at a rate that is equal to or less than the contractual rate, using regulatory mortality tables or internal experience-based tables if these are more conservative. The discount rate applied to annuities takes into account the effects of a fall in interest rates when the contractual rate is considered too high compared with the expected yield from reinvested premiums.

A general reserve is set up for future contract administration costs not covered by the loading on premiums or by the fees levied on financial products.

When policyholders are entitled to participate in surplus underwriting profits and investment income in addition to the guaranteed minimum yield, any surplus not paid during the period is accumulated in the policyholder surplus reserve.

This reserve also includes the deferred policyholders' participation resulting from the use of shadow accounting.

An unexpired risks reserve is set up to cover claims and benefits outstanding at the reporting date.

Mathematical reserves for unit-linked contracts are determined by reference to the assets backing the linked liabilities. Gains and losses arising from the remeasurement of these assets at fair value are recognised in profit or loss, to offset the impact of changes in the related technical reserves.

Reserves for guaranteed yields are determined using the Black & Scholes method.

Disability, accident and health insurance

Premiums are recognised net of taxes and estimated cancelled premiums.

Earned premiums for the period are adjusted for:

- estimated earned premiums not yet written at the period-end
- the change in the unearned premium reserve (corresponding to the portion of premiums written during the period that relates to the next period).

A reserve is recorded to cover timing differences between the coverage of risks and their financing in the form of insurance premiums.

Claims are recognised in the period in which they are incurred. The amount recorded covers both reported claims and estimated claims incurred but not reported (IBNR).

Claims reserves are based on the estimated cost of settling the claims, net of any forecast recoveries.

A deferred participation reserve is recorded for participating contracts, based on shadow accounting principles.

A reserve is also recorded for claims handling expenses.

Liability adequacy test

At each period end, the Group assesses whether its recognised insurance liabilities, net of its insurance assets (deferred participation asset, deferred acquisition costs and insurance-related intangible assets), are adequate, based on current estimates of future cash flows under its insurance contracts and financial instruments with DPF. The test is performed using asset/liability management models, by applying a stochastic approach to estimate liabilities according to a wide range of scenarios. The models take into account embedded derivatives (policyholder surrender options, guaranteed yields, etc.) and administrative costs. The test determines the economic value of insurance liabilities corresponding to the average of the stochastic trajectories. Similar-type contracts are grouped together when performing the test and the results are analysed at entity level: if the sum of the surrender value and deferred participation (asset or liability), less related deferred acquisition costs and related intangible assets, is less than the fair value of the recognised insurance liability, the shortfall is recognised in profit or loss.

Shadow accounting

Shadow accounting procedures are designed to address the risk of an artificial imbalance between assets and liabilities valued using different valuation models. When the measurement of liabilities, deferred acquisition costs or the value of In-Force business is directly affected by realised gains and losses on assets, a deferred participation reserve is recorded in insurance liabilities to offset the unrealised gains or losses in financial assets. Deferred participation is accounted for in the same way as the underlying, *i.e.,* by adjusting either profit or the revaluation reserve.

The deferred participation reserve is determined by multiplying fair value adjustments to assets by the estimated participation rate corresponding to the contractual obligations associated with each portfolio. The estimated participation rate takes into account regulatory and contractual participation clauses, as well as the Group's profit-taking programme and policyholder bonus policy. Participation rates applied to unrealised gains and losses for shadow accounting purposes are the same as the rates applied to consolidation adjustments for the purpose of determining deferred participation.

The portion of gains or losses attributable to policyholders is determined based on the terms of participating contracts. Shadow accounting is not applied to non-participating contracts that fall outside the scope of regulations requiring payment of a guaranteed minimum participating dividend.

The amount of deferred participation calculated for each entity under shadow accounting principles is recognised either in liabilities as a deferred participation reserve or in assets as a deferred participation asset.

Testing deferred participation assets for recoverability

Deferred participation assets are tested for recoverability to ensure that the amount calculated based on the participation rates estimated as described previously and in accordance with the going concern principle, is recoverable out of future actual or unrealised profits and will not result in liability inadequacy vis-à-vis the Group's economic obligations. Recoverability testing uses the same methods as liability adequacy testing described above and testing is performed by each group of contracts in order to factor portfolio segregation arrangements into the assessment.

Pursuant to the recommendation of the French National Accounting Board (*Conseil national de la comptabilité* - CNC) of 19 December 2008 concerning the recognition of deferred participation assets in the consolidated accounts of insurance companies, the recoverability of these amounts is enhanced by the Group's conservative assessment of its ability to continue to hold its assets. In particular, no future retained fund flows have been taken into account. Moreover, the Group has demonstrated the recoverability of the deferred participation assets using unprecedented surrender rates.

Reinsurance

Outward reinsurance

Premiums, claims and technical reserves are stated before reinsurance. Ceded amounts are recognised under the "Reinsurance result" line item of the income statement.

Ceded technical reserves are tested for impairment at each reporting date. If there is objective evidence that these reserves are impaired, as a result of an event that occurred after initial recognition, the carrying amount of the asset is reduced by recording an impairment loss in the income statement. For reinsurance assets secured by collateral, the estimated discounted cash flows from the asset take into account cash flows from the sale of the collateral, net of the estimated cost of obtaining execution of the guarantee, regardless of whether or not such sale is considered probable.

Inward reinsurance

Inward reinsurance contracts give rise to a significant insurance risk and are therefore accounted for in the same way as insurance contracts.

3.14.3 Financial instruments without DPF (IAS 39)

Financial instruments without DPF are initially recorded at fair value. Loadings on premiums are recognised in "Revenue from other activities".

Unit-linked contracts are subsequently measured at fair value, with changes in fair value recognised in profit or loss.

Traditional savings investment contracts are subsequently measured at fair value, corresponding to their surrender value.

3.14.4 Service contracts

Contracts that do not expose the Group to an insurance risk or for which the insurance risk is not material are qualified as service contracts when they do not give rise to any financial asset or liability. In accordance with IAS 18, revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at the reporting date, provided that the transaction's outcome can be estimated reliably.

3.15 PROPERTY AND EQUIPMENT

Property and equipment consists mainly of office equipment and miscellaneous installations.

Office systems equipment is depreciated over three years and fixtures, fittings and technical installations over ten years.

3.16 EMPLOYEE BENEFIT OBLIGATIONS

Employee benefit obligations are recognised in full in the balance sheet in accordance with IAS 19, except for share grants which are recognised and measured in accordance with IFRS 2.

3.16.1 Employee benefit plans

Defined benefit pension plan

The annuity and financial risks arising from the retirement of plan participants are covered by an insurance policy.

Obligations under defined benefit plans and the related costs are measured by the projected unit credit method. The amount recognised in the balance sheet for pension obligations corresponds to the difference between the projected benefit obligation and the fair value of the plan assets.

The actuarial assumptions used to measure defined benefit obligations vary depending on economic conditions in the country in which the plan has been set up.

Pension plans in the international entities

Several defined contribution plans and a limited number of defined benefit plans have been set up throughout the different Group entities. The related obligations are non-material from a Group perspective.

Length-of-service awards payable to employees on retirement and jubilees

Obligations for the payment of length-of-service awards and jubilees are measured by the projected unit credit method and recognised as a liability.

Early-retirement plans

Obligations under early-retirement plans are measured at the discounted present value of probable future benefit payments and recognised as a liability.

Business start-up grants

Financial assistance given to employees to set up a new business or acquire an existing business is recognised in the balance sheet.

Discount rate

The discount rate corresponds to the yield on investment grade corporate bonds that are traded in an active market (or the Government bond rate if no active market exists) with maturities that match the duration of the benefit obligation.

Accounting treatment

Assets of funded plans are segregated and managed separately from the Group's assets, and any funding surplus or deficit is recognised in the balance sheet.

Liabilities under unfunded plans are recognised in the balance sheet.

The Group recognises gains and losses on post-employment defined benefit plans directly in equity. Actuarial gains and losses on other post-employment benefits are recognised directly in profit or loss.

Actuarial losses recognised in current profit for defined benefit plans comprise two elements:

- current service cost and past service cost
- interest cost (reflecting the unwinding of any discounting to present value) less the expected return on plan assets.

3.16.2 Share-based payment

Accounting treatment of employee share grants

The shares held for allocation when the share grants vest are recorded as a deduction from equity. The difference between the average cost of the shares and their fair value at the grant date is recognised in equity, with no impact on profit or loss. The cost of the employee services received in exchange for the grants is measured by reference to the fair value of the shares, in accordance with IFRS 2, and is recognised in employee benefits expense over the vesting period, with a corresponding adjustment to equity. The cost recognised in profit or loss takes into account the estimated number of grantees at each reporting date and the cost of managing the shares.

3.17 FINANCING LIABILITIES AND SUBORDINATED DEBT

Subordinated notes for which the contractual clauses do not stipulate any obligation to repay the nominal amount or pay any compensation are classified as equity instruments. All other dated and undated debt instruments, especially those with a repayment schedule, are classified as financing liabilities in accordance with IAS 32.

3.18 ACQUISITION COSTS AND OPERATING EXPENSES

Underwriting expenses are presented by function:

- claim and benefit handling expenses include the costs of the departments responsible for paying claims, endowments and periodic benefits and processing surrenders
- acquisition costs include all selling, distribution and administrative costs incurred for the acquisition of new contracts
- contract administration expenses include all the costs of managing In-Force business
- investment management costs include all internal and external costs of managing asset portfolios and financial expenses
- other underwriting costs correspond to overhead expenses that cannot be allocated rationally to the other functions
- non-underwriting costs correspond to costs related to businesses that have no technical link to the insurance business.

Cost recognition and allocation:

- operating expenses are initially recognised by nature and are then reallocated by function
- costs recognised by nature that relate to a single function are posted to the function concerned without applying any allocation key.

Other costs are analysed between:

- corporate costs, which are allocated to the operating centres using statistical cost allocation keys or actual business data
- operating costs, as adjusted to include corporate costs, which are allocated to the functions using a specific allocation key for each business.

3.19 TAXATION

3.19.1 Group relief

CNP Assurances and its main French subsidiaries have elected to file a consolidated tax return under French group relief rules. The companies in the tax group are CNP Assurances, CNP IAM, Préviposte, Investissement Trésor Vie (ITV), CNP International, CNP Caution, Carrés Bleus SA, Prévimut, CICOGE SA (a property investment company), Âge d'Or Expansion, SAS THEEMIM, AEP 3, AEP 4, Assur-immeuble, Pyramides 2, Assur-helene, Ecureuil Vie Investment, Ecureuil Vie Crédit, 270 Investment, US Real Estate EVJ and US Real Estate 270.

3.19.2 Current and deferred taxes

Income tax expense reported in the income statement includes both current and deferred taxes.

Deferred taxes are recognised on temporary differences between the carrying amount of assets and liabilities and their tax base. However, for taxable temporary differences related to investments in subsidiaries, associates, joint ventures and branches, a deferred tax liability is recognised only when the Group is unable to control the period in which the temporary difference will reverse and it is improbable that it will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset at the level of each taxable entity or tax group. Deferred tax assets and liabilities arising from changes in asset values and from the recognition of deferred participation are calculated and tracked separately.

Deferred tax assets are recognised for tax losses carried forward when it is probable that sufficient taxable profit will be available to permit their realisation. Net deferred tax assets resulting from the offsetting of deferred tax assets and liabilities are recognised when sufficient taxable profit can be expected to be generated to permit their realisation. Deferred tax assets and liabilities are not discounted.

3.20 OPERATING SEGMENTS

In accordance with IFRS 8, the Group's reportable business segments are based on the internal reporting system approved by the Group's Executive Committee, regarded as the chief operating decision maker as defined by IFRS 8 and on the technical characteristics of the products distributed by the Group.

Three business segments are reported which generate risks and returns that are separate from those of the other segments:

- the Savings business concerns products enabling policyholders to build up capital which they can cash in. A key feature of these products is their sensitivity to changes in interest rates
- the Pensions business concerns products designed to enable policyholders to receive an annuity or lump sum on retirement. The main risk associated with these products concerns the probable annuity payment period
- the Personal Risk business includes products enabling policyholders to insure against the risks of death, accident or illness, property damage or liability claims. The return on these products depends on the occurrence of the insured risk.

The Group's internal reporting system is based on the following indicators:

- premium income: new money, corresponding to premium income measured under French GAAP, *i.e.,* before adjustments related to the deposit component of financial instruments without a discretionary participation feature
- net new money: premium income as defined above, net of claims settled during the period, and excluding changes in the unexpired risks reserve
- net revenue from insurance activities: loadings on premiums recognised on insurance products, net of commissions paid
- general expenses: expenses allocated to each reportable segment based on analyses carried out by the Planning and Performance department
- EBIT: operating profit adjusted for net fair value adjustments to financial assets and before finance costs, taxes and non-controlling interests. EBIT is a key indicator of profit by reportable segment based on analyses by senior group management. EBIT corresponds to attributable profit for the period adjusted for:
  - finance costs
  - share of profit of associates
  - non-recurring items
  - income tax expense
  - non-controlling interests
  - fair value adjustments on the trading portfolio (corresponding to unrealised gains and disposal gains on financial instruments recognised as at fair value through profit or loss) and
  - net capital gains on equity securities and property, after non-recurring write-downs on the portfolio and goodwill (corresponding to disposal gains on equity instruments classified as available-for-sale financial assets and write-downs on financial instruments and property assets)
- equity: equity under IFRS, broken out by reportable segment and based on each segment's average regulatory solvency capital
- segment assets and liabilities: assets and liabilities under IFRS, broken out by reportable segment and validated by the Executive Committee are presented in the notes to the consolidated financial statements. On the assets side, only "Goodwill and the value of In-Force business" and "Financial investments and investments in associates" are tracked by reportable segment on a regular basis. Revenue and financial assets are broken out by geographic area in Note 9.9. In view of the non-material amounts involved and the excessive cost of preparing such information when compared with the related benefits, non-current assets (excluding financial assets, deferred tax assets and assets arising under insurance contracts) by geographic area are not disclosed.

Comparative disclosures have been analysed using the same basis.

3.21 CONTINGENT LIABILITIES

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statements, except when it is not probable that they will give rise to an outflow of resources. Contingent liabilities are regularly reviewed to determine whether an outflow of resources has become probable or can be measured with sufficient reliability.

If this is the case, a provision is recognised in the financial statements for the period in which the change in probability or measurability occurs.

Note 4 Share capital

4.1 UNDATED SUBORDINATED NOTES RECLASSIFIED IN EQUITY

(in € millions)	Issuance date	31.12.2014 Interest rate	Currency	Amount
Subordinated notes (attributable to owners of the parent)				**2,635.3**
CNP Assurances	Jun. 2004	Tec 10 +10 bps, capped at 9%	EUR	300.0
	Mar. 2005	6.50% until March 2008, then 3% +22.5% times 10-year EUR CMS	EUR	225.0
	Mar. 2005	6.25% until 2009, then 4 times (10-year EUR CMS – 2-year EUR CMS), 9% cap and 2.75% floor	EUR	23.8
	Jun. 2005	7% until June 2010, then 10-year CMS +30 bps	EUR	75.0
	May 2006	5.25% until 16 May 2036, then 3-month Euribor +185 bps	EUR	160.0
	Dec. 2006	4.75% until 22 Dec. 2016, then 3-month Euribor +184 bps	EUR	870.0
	Dec. 2006	3-month Euribor +95 bps until 20 Dec. 2026, then 3-month Euribor +195 bps	EUR	108.0
	Oct. 2012	7.5% until Oct. 2018, then reset at the 6-year fixed swap rate +648.1 bps	USD	380.0
	Nov. 2014 *	4% until Nov. 2024 then reset at the 5-year fixed swap rate +410 bps	EUR	493.6
TOTAL				**2,635.3**

* *The Group issued bonds in a gross amount of €500 million on 12 November 2014 (see Note 1)*

(in € millions)	Issuance date	31.12.2013 Interest rate	Currency	Amount
Subordinated notes (attributable to owners of the parent)				**2,141.7**
CNP Assurances	Jun. 2004	Tec 10 +10 bps, capped at 9%	EUR	300.0
	Mar. 2005	6.50% until March 2008, then 3% +22.5% times 10-year EUR CMS	EUR	225.0
	Mar. 2005	6.25% until 2009, then 4 times (10-year EUR CMS – 2-year EUR CMS), 9% cap and 2.75% floor	EUR	23.8
	Jun. 2005	7% until June 2010, then 10-year CMS +30 bps	EUR	75.0
	May 2006	5.25% until 16 May 2036, then 3-month Euribor +185 bps	EUR	160.0
	Dec. 2006	4.75% until 22 Dec. 2016, then 3-month Euribor +184 bps	EUR	870.0 *
	Dec. 2006	3-month Euribor +95 bps until 20 Dec. 2026, then 3-month Euribor +195 bps	EUR	108.0
	Oct. 2012	7.5% until Oct. 2018, then reset at the 6-year fixed swap rate +648.1 bps	USD	380.0
TOTAL				**2,141.7**

* *Buyback of €380 million of a €1,250 million perpetual notes issue on 11 July 2013*

4.2 OWNERSHIP STRUCTURE

Shareholder	Number of shares	% interest
Caisse des Dépôts	280,616,540	40.87%
Sopassure (La Banque Postale and BPCE)	248,926,986	36.25%
French State	7,645,754	1.11%
Total shares held in concert	**537,189,280**	**78.24%**
Private investors	149,429,197	21.76%
of which: CNP Assurances (treasury shares) *	454,823	0.07%
TOTAL	**686,618,477**	**100.00%**

* *The terms and conditions of the CNP Assurances liquidity contract currently in force are set out in the draft resolutions submitted to the CNP Assurances Annual General Meeting included in the 2013 Registration Document*

4.3 EQUITY

	Ordinary shares	
Issued capital	**31.12.2014**	31.12.2013
Number of shares outstanding at the beginning of the period	686,618,477	643,500,175
Shares issued during the period	0	43,118,302
Number of shares outstanding at the end of the period	**686,618,477**	**686,618,477**

4.4 2014 DIVIDENDS

The recommended 2014 dividend amounts to €0.77 per share, representing a total payout of €528.7 million.

4.5 BASIC AND DILUTED EARNINGS PER SHARE

(in € millions)	**31.12.2014**	31.12.2013
Profit attributable to owners of the parent	1,079.8	1,030.2
Charge on undated subordinated notes reclassified in equity	(59.8)	(56.3)
Profit attributable to ordinary shares	**1,020.0**	**973.9**
Number of ordinary shares at 1 January	686,618,477.0	643,500,175.0
New shares (weighted number)	0.0	25,398,451.9
Weighted average number of shares at end of reporting period	**686,618,477.0**	**668,898,626.9**
Treasury shares	(416,018.67)	(989,604.4)
Weighted average number of shares at end of reporting period	**686,202,458.3**	**667,909,022.4**
Impact of instruments with a potential dilution impact	0.0	0.0
Diluted profit attributable to ordinary shares	**1.49**	**1.46**

Diluted earnings per share are calculated by dividing profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding at the end of the reporting period.

4.6 RELATED PARTY INFORMATION

Two parties are related if one controls or exercises significant influence over the policy decisions of the other, or if both parties are subject to significant influence from the same third-party entity or person.

Related parties are determined based on their relationship with CNP Assurances, the parent company of the Group, and mainly consist of its shareholders and entities controlled by these shareholders or by CNP Assurances (including its associates and joint ventures) and members of senior management.

Transactions and outstanding amounts between the parent company and its fully-consolidated subsidiaries are eliminated in full and do not appear in the consolidated financial statements.

For information, CNP Assurances received a total of €288.3 million in dividends from its subsidiaries during the period, comprising €89.9 million from its French subsidiaries, €168.2 million from its Brazilian subsidiaries, €11.4 million from CNP UniCredit Vita, €2.2 million from CNP Seguros de Vida, €13.9 million from Barclays Vida y Pensiones and €2.7 million from CNP Cyprus Insurance Holdings.

The list of subsidiaries and associates is provided in Note 5.

4.6.1 Transactions between CNP Assurances and between Group shareholders and their subsidiaries

(in € millions)	Transaction (income statement)	Balance sheet
Commissions	(1,439.8)	
Claims and benefits	(47.0)	(16.0)
Reinsurance		
Employee benefits expense	(12.7)	(1.7)
Financial income and loans	64.1	1,534.3
Financial expenses and borrowings	(11.2)	(491.9)
Dividends	(407.7)	
Other		

The shareholders of CNP Assurances (Caisse des Dépôts, BPCE and La Banque Postale) and their fully-consolidated and jointly-controlled entities and the entities over which Caisse des Dépôts exercises significant influence – are deemed to be related parties in accordance with IAS 24.

Commissions correspond to revenue received by BPCE and La Banque Postale on the sale of products managed by CNP Assurances.

Fees and employee benefits mainly concern various expenses rebilled by Caisse des Dépôts to CNP Assurances and asset management fees paid to Natixis AM and La Banque Postale AM.

Dividends relating to 2013 and paid to the Group's shareholders in 2014 amounted to €407.7 million, comprising amounts of €216.1 million, €95.8 million and €95.8 million paid to Caisse des Dépôts, BPCE and La Banque Postale, respectively.

4.6.2 Transactions with joint ventures and associates

The only insurance entity consolidated using the equity method is La Banque Postale Prévoyance.

(in € millions)	Transaction (income statement)	Balance sheet
Commissions	0.0	0.0
Claims and benefits	0.0	0.0
Reinsurance	(4.5)	(0.4)
Employee benefits expense	0.0	0.0
Financial income and loans	0.0	0.0
Financial expenses and borrowings	0.0	0.0
Dividends	0.0	0.0
Other	0.0	0.0

In 2014, CNP Assurances received €11.9 million in dividends relating to 2013 from Banque Postale Prévoyance.

4.6.3 Transactions with other related parties

Other related parties mainly consist of non-consolidated investments. Dividends and financial income correspond to compensation earned by the Group from those investments.

(in € millions)	Transaction (income statement)	Balance sheet
Commissions	0.0	0.0
Claims and benefits	0.6	(0.5)
Reinsurance	0.0	0.0
Employee benefits expense	3.9	5.8
Financial income and loans	0.0	0.0
Financial expenses and borrowings	0.0	0.0
Dividends	0.0	0.0
Other	0.0	0.0

4.7 MANAGEMENT REMUNERATION

The total remuneration paid to the Chairman, Chief Executive Officer, the Deputy Chief Executive Officers and the members of the Board of Directors is presented below, together with details of their remuneration by category.

In 2014

- Short-term benefits: the short-term benefits (including salaries, bonuses, directors' fees and benefits in kind) paid to the Chairman, the Chief Executive Officer, the Deputy Chief Executive Officers and the members of the Board of Directors amounted to €2,386,723.34
- Long-term benefits: the cumulative amounts provided for or recognised in respect of pension or other retirement benefits for the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officers total €6,139,329
- Termination benefits: the only termination benefits payable to the members of senior management are provided for in their employment contracts or in the collective bargaining agreement
- Share-based payment: no share-based payments were made in 2014 to the Chief Executive Officer, the Deputy Chief Executive Officers or the members of the Board of Directors.

In 2013

- Short-term benefits: the short-term benefits (including salaries, bonuses, directors' fees and benefits in kind) paid to the Chairman, the Chief Executive Officer, the Deputy Chief Executive Officers and the members of the Board of Directors amounted to €2,251,183.07
- Long-term benefits: the cumulative amounts provided for or recognised in respect of pension or other retirement benefits for the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officers total €5,449,306
- Termination benefits: the only termination benefits payable to the members of senior management are provided for in their employment contracts or in the collective bargaining agreement. The Group neither paid nor agreed to pay any amounts in termination benefits during the period
- Share-based payment: no share-based payments were made in 2013 to the Chief Executive Officer, the Deputy Chief Executive Officers or the members of the Board of Directors.

Note 5 Scope of consolidation

5.1 CONSOLIDATED COMPANIES AND PERCENTAGE OF VOTING RIGHTS AT 31 DECEMBER 2014

				31.12.2014		31.12.2013	
Company	Consolidation method	Country	Business	% rights	% interest	% rights	% interest
1. Strategic subsidiaries							
CNP Assurances	Full	France	Insurance	100.00%	100.00%	100.00%	100.00%
CNP IAM	Full	France	Insurance	100.00%	100.00%	100.00%	100.00%
Préviposte	Full	France	Insurance	100.00%	100.00%	100.00%	100.00%
ITV	Full	France	Insurance	100.00%	100.00%	100.00%	100.00%
CNP International	Full	France	Insurance	100.00%	100.00%	100.00%	100.00%
La Banque Postale Prévoyance	Equity method	France	Insurance	50.00%	50.00%	50.00%	50.00%
MFPrévoyance SA	Full	France	Insurance	51.00%	65.00%	51.00%	64.72%
CNP Seguros de Vida	Full	Argentina	Insurance	76.47%	76.47%	76.47%	76.47%
CNP SA de Capitalización y Ahorro p/fines determinados	Full	Argentina	Insurance	65.38%	50.00%	65.38%	50.00%
CNP Holding Brasil	Full	Brazil	Insurance	100.00%	100.00%	100.00%	100.00%
Caixa Seguros Holding SA	Full	Brazil	Insurance	51.75%	51.75%	51.75%	51.75%
Caixa Seguros Participações Securitarias Ltda	Full	Brazil	Insurance	100.00%	51.75%	100.00%	51.75%
Caixa Seguradora	Full	Brazil	Insurance	100.00%	51.75%	100.00%	51.75%
Caixa Capitalização	Full	Brazil	Insurance	51.00%	26.39%	51.00%	26.39%
Caixa Vida e Previdência	Full	Brazil	Insurance	100.00%	51.75%	100.00%	51.75%
Caixa Consórcios	Full	Brazil	Insurance	100.00%	51.75%	100.00%	51.75%
Caixa Assessoria e Consultoria	Full	Brazil	Insurance	100.00%	51.75%	100.00%	51.75%
Caixa Saúde	Full	Brazil	Insurance	100.00%	51.75%	100.00%	51.75%
Previsul	Full	Brazil	Insurance	70.00%	36.23%	70.00%	36.23%
Caixa Seguros Participações Do Sul Ltda	Full	Brazil	Insurance	100.00%	51.75%	100.00%	51.75%
CSP Participações Ltda	Full	Brazil	Insurance	51.75%	51.75%	51.75%	51.75%
FPC Par Corretora de Seguros SA	Equity method	Brazil	Brokerage	25.00%	12.94%	25.00%	12.94%
Odonto Empresas Convenios Dentarios Ltda	Full	Brazil	Insurance	100.00%	51.75%	0.00%	0.00%
Holding Caixa Seguros Participações em Saude Ltda	Full	Brazil	Insurance	100.00%	51.75%	0.00%	0.00%
CNP UniCredit Vita	Full	Italy	Insurance	57.50%	57.50%	57.50%	57.50%
CNP Partners (formerly Vida de Seguros y Reaseguros)	Full	Spain	Insurance	94.47%	94.47%	94.47%	94.47%
Estalvida d'Assegurances y Reassegurances SA	Full	Spain	Insurance	100.00%	94.47%	80.30%	75.86%
CNP Insurance Services	Full	Spain	Insurance	100.00%	94.47%	100.00%	94.47%
CNP Barclays Vida y Pensiones	Full	Spain	Insurance	50.00%	50.00%	50.00%	50.00%
CNP Cyprus Insurance Holdings	Full	Cyprus	Insurance	50.10%	50.10%	50.10%	50.10%
CNP Cyprus Tower Ltd	Full	Cyprus	Insurance	100.00%	50.10%	0.00%	0.00%
CNP Zois	Full	Greece	Insurance	100.00%	50.10%	100.00%	50.10%
CNP Praktoriaki	Full	Greece	Insurance	100.00%	50.10%	100.00%	50.10%

Company	Consolidation method	Country	Business	31.12.2014 % rights	31.12.2014 % interest	31.12.2013 % rights	31.12.2013 % interest
CNP Cyprialife	Full	Cyprus	Insurance	100.00%	50.10%	100.00%	50.10%
CNP Asfalistiki	Full	Cyprus	Insurance	100.00%	50.10%	100.00%	50.10%
Santander Insurance Life Ltd	Full	Ireland	Insurance	100.00%	51.00%	0.00%	0.00%
Santander Insurance Europe Ltd	Full	Ireland	Insurance	100.00%	51.00%	0.00%	0.00%
Santander Insurance Services Ireland Ltd	Full	Ireland	Insurance	100.00%	51.00%	0.00%	0.00%
CNP Europe Life	Full	Ireland	Insurance	100.00%	100.00%	100.00%	100.00%
2. Mutual fund units							
Ecureuil Profil 30	Full	France	Mutual fund units	95.76%	95.76%	95.76%	95.76%
Univers CNP 1 FCP	Full	France	Mutual fund units	99.71%	99.71%	99.73%	99.73%
LBPAM Act. Diversif 5DEC	Full	France	Mutual fund units	0.00%	0.00%	57.26%	57.26%
LB ACT.D.A. SI 5DEC	Full	France	Mutual fund units	0.00%	0.00%	98.86%	98.86%
CNP ACP Oblig FCP	Equity method	France	Mutual fund units	49.71%	49.71%	49.69%	49.69%
Natixis Ionis	Full	France	Mutual fund units	100.00%	100.00%	100.00%	100.00%
CNP ACP 10 FCP	Equity method	France	Mutual fund units	49.79%	49.79%	49.78%	49.78%
Ecureuil Profil 90	Full	France	Mutual fund units	54.21%	54.21%	53.17%	53.17%
Vivaccio ACT 5 DEC	Full	France	Mutual fund units	100.00%	100.00%	100.00%	100.00%
OPCVM Caixa Seguradora SA	Full	Brazil	Mutual fund units	100.00%	51.75%	100.00%	51.75%
OPCVM Caixa Capitalizaçao SA	Full	Brazil	Mutual fund units	100.00%	26.39%	100.00%	26.39%
OPCVM Caixa Vida e Previdencia	Full	Brazil	Mutual fund units	100.00%	51.75%	100.00%	51.75%
OPCVM Caixa Consórcios	Full	Brazil	Mutual fund units	100.00%	51.75%	100.00%	51.75%
OPCVM Holding Caixa Seguros Holding SA	Full	Brazil	Mutual fund units	100.00%	51.75%	100.00%	51.75%
3. Property companies							
Assurbail Patrimoine	Full	France	Lease financing	100.00%	100.00%	100.00%	100.00%
AEP 3 SCI	Full	France	NTPC	100.00%	100.00%	100.00%	100.00%
CIMO	Full	France	NTPC	100.00%	100.00%	100.00%	100.00%
AEP 4 SCI	Full	France	NTPC	100.00%	100.00%	100.00%	100.00%
PB6	Equity method	France	Property	50.00%	50.00%	50.00%	50.00%
OPCI AEW Imcom 6	Full	France	OPCI	100.00%	100.00%	100.00%	100.00%
SICAC	Full	France	NTPC	100.00%	100.00%	100.00%	100.00%
CNP Immobilier	Full	France	NTPC	100.00%	100.00%	100.00%	100.00%
Assur-immeuble	Full	France	NTPC	100.00%	100.00%	100.00%	100.00%
OPCI MTP Invest	Full	France	OPCI	100.00%	100.00%	100.00%	100.00%
OPCI AEW Imcom 1	Full	France	OPCI	100.00%	100.00%	100.00%	100.00%
OPCI AEP 247	Full	France	OPCI	100.00%	100.00%	100.00%	100.00%
LBP Actifs Immo	Full	France	OPCI	100.00%	100.00%	100.00%	100.00%
OPCI Ecureuil Vie Développement	Full	France	Brokerage	51.00%	51.00%	51.00%	51.00%

5.2 ANALYSIS OF PURCHASE PRICE OF SANTANDER INSURANCE

CALCULATION OF GOODWILL ON SANTANDER INSURANCE

(in € millions)	On a 100% basis	CNP Group's 51% share
Acquisition cost	582.6	297.1
Net revalued assets at 31.12.2014	164.7	84.0
Goodwill		213.1

The final amount of goodwill to be recognised on the acquisition of Santander Insurance will be calculated within one year of the acquisition date, *i.e.*, before the end of 2015, in accordance with IFRS 3. As of 31 December 2014, with the exception of other intangible assets already capitalised, such as the value of In-Force business, the initial consolidation difference has been allocated in full to goodwill.

5.3 SUMMARY FINANCIAL INFORMATION: CONSOLIDATED ENTITIES WITH MATERIAL NON-CONTROLLING INTERESTS

	CAIXA		CUV		BVP		CIH		MFP	
(in € millions)	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Earned premiums/Revenue	2,828.7	3,018.5	2,692.4	2,303.8	312.6	288.8	142.6	163.1	301.6	308.1
Net profit (100%)	**539.9**	**485.8**	**45.3**	**44.0**	**33.5**	**37.8**	**37.7**	**0.9**	**1.4**	**25.3**
Net profit – non-controlling interests	269.4	241.7	19.3	18.7	16.8	19.0	18.8	0.4	0.5	8.9
OCI (100%)	(45.5)	(61.4)	116.4	61.2	29.6	10.9	5.0	3.4	16.6	9.9
Comprehensive income (100%)	**494.4**	**424.4**	**161.7**	**105.2**	**63.2**	**48.7**	**42.8**	**4.3**	**17.9**	**35.2**
Comprehensive income – non-controlling interests	244.2	207.7	68.7	44.7	31.6	24.4	21.3	2.1	6.3	12.4
Assets	12,413.9	10,924.0	12,955.5	11,211.3	2,918.8	2,766.6	819.4	773.0	1,402.5	1,503.6
Liabilities	10,718.0	9,461.8	12,093.7	10,430.2	2,651.1	2,523.4	530.3	510.1	1,218.0	1,327.1
Net assets (100%)	**1,695.9**	**1,462.3**	**861.8**	**781.2**	**267.8**	**243.2**	**289.0**	**262.9**	**184.5**	**176.5**
Net asset – non-controlling interests	831.3	721.9	366.3	332.0	133.9	121.6	144.2	131.2	64.6	62.3
Net cash provided by (used by) operating activities	845.0	1,320.0	1,005.7	(314.5)	19.2	(47.9)	18.0	(15.1)	47.2	45.0
Net cash provided by (used by) investing activities	(517.0)	(1,097.3)	(937.0)	215.0	(44.2)	33.3	(42.6)	93.2	(62.9)	(29.0)
Net cash provided by (used by) financing activities	(368.2)	(263.9)	(56.7)	(21.9)	(27.7)	(16.6)	(19.0)	(14.1)	0.0	(2.5)
Dividends paid to non-controlling interests	(26.1)	(31.4)	(8.4)	(8.4)	(13.9)	(8.3)	(2.6)	0.0	0.0	(0.9)

5.4 SUMMARY FINANCIAL INFORMATION: MATERIAL JOINT ARRANGEMENTS

	LBPP	
(in € millions)	**2014**	2013
Earned premiums/Revenue	515.6	467.4
Income tax expense/income	(23.4)	(21.6)
Profit	**18.7**	**35.9**
OCI	84.2	42.9
Comprehensive income	**103.0**	**78.8**
Cash and cash equivalents	1.7	20.5
Insurance-related investments	1,959.5	1,661.3
Other assets	127.0	82.0
Insurance-related liabilities	1,572.4	1,349.9
Other liabilities	225.5	178.6
Net assets	**290.4**	**235.3**
Net assets – CNP Assurances share	145.2	117.7
Net assets – excluding CNP Assurances share	145.2	117.7
Reconciling items		
Equity-accounted value for CNP Assurances (opening balance)	**140.5**	**136.7**
Comprehensive income (attributable to owners of the parent)	39.4	17.3
Dividends received	(11.9)	(13.4)
Other adjustments	0.0	0.0
Equity-accounted value for CNP Assurances (closing balance)	**168.1**	**140.5**
Net assets (attributable to owners of the parent)	**145.2**	**117.7**
Goodwill	22.9	22.9
Other adjustments	0.0	0.0
Equity-accounted value for CNP Assurances (closing balance)	**168.1**	**140.5**

5.5 SUMMARY FINANCIAL INFORMATION: NON-MATERIAL JOINT ARRANGEMENTS

	Joint ventures		Associates	
(in € millions)	**2014**	2013	**2014**	2013
Carrying amount of investments accounted for using the equity method in CNP Assurances balance sheet	168.9	168.9	21.8	23.1
Contribution to CNP Assurances net profit	0.0	0.0	3.4	2.6
Contribution to CNP Assurances OCI	0.0	0.0	(0.8)	(1.3)
Contribution to CNP Assurances comprehensive income	**0.0**	**0.0**	**2.6**	**1.3**

5.6 INFORMATION RELATING TO ENTITIES ACCOUNTED FOR BY THE EQUITY METHOD

5.6.1 Summary financial information based on 100% of the share capital

	31.12.2014			
(in € millions)	**Total assets**	**Equity**	**Revenue**	**Profit**
La Banque Postale Prévoyance	2,088.2	290.4	515.6	37.5
FPC Par Corretora de Seguros SA	46.1	29.6	84.0	26.2
PB6	24.8	19.7	0.0	(1.9)
CNP ACP OBLIG FCP	844.1	844.1	0.0	0.0
CNP ACP 10 FCP	830.3	830.3	0.0	0.0

	31.12.2013			
(in € millions)	Total assets	Equity	Revenue	Profit
La Banque Postale Prévoyance	1,763.8	258.6	467.4	35.9
FPC Par Corretora de Seguros SA	57.1	53.3	102.2	19.8
PB6	27.4	21.6	0.0	(2.8)
CNP ACP OBLIG FCP	788.2	788.2	0.0	0.0
CNP ACP 10 FCP	779.3	779.3	0.0	0.0

5.6.2 Investments accounted for by the equity method

(in € millions)	**31.12.2014**	31.12.2013
At 1 January	**332.6**	**305.6**
Increase in investment	0.0	0.3
Change in accounting method	0.0	0.0
Newly-consolidated companies	0.0	21.5
Increase in capital	0.0	0.0
Share in earnings	22.6	20.5
Share in identifiable net assets	20.8	(1.9)
Dividends received	(17.2)	(13.4)
At 31 December	**358.8**	**332.6**

Note 6 Segment information

6.1 BALANCE SHEET BY BUSINESS SEGMENT AT 31 DECEMBER 2014

Assets *(in € millions)*	Savings	Pensions	Personal risk	Other (excluding insurance)	Total segments	LBPP adjustment	Total IFRS
Goodwill and value of In-Force business	50.3	1.0	466.2	0.0	517.5	(22.9)	494.6
Financial investments and investments in associates	305,951.8	43,340.8	18,867.3	166.6	368,326.5	(811.5)	367,515.0
Other assets					27,372.3	19.3	27,391.6
TOTAL ASSETS					**396,216.3**	**(815.1)**	**395,401.2**

Equity and liabilities *(in € millions)*	Savings	Pensions	Personal risk	Other (excluding insurance)	Total segments	LBPP adjustment	Total IFRS
Total equity	13,109.3	1,869.8	3,311.2	9.2	18,299.5	0.0	18,299.5
Financial liabilities (including deferred participation reserve)	167,406.7	12,267.1	787.3	0.0	180,461.1	(56.5)	180,404.6
Insurance liabilities	116,237.2	35,163.1	13,227.0	0.0	164,627.3	(678.2)	163,949.1
Other liabilities					32,828.4	(80.4)	32,748.0
TOTAL EQUITY AND LIABILITIES					**396,216.3**	**(815.1)**	**395,401.2**

6.2 BALANCE SHEET BY BUSINESS SEGMENT AT 31 DECEMBER 2013

Assets *(in € millions)*	Savings	Pensions	Personal risk	Other (excluding insurance)	Total segments	LBPP adjustment	Total IFRS
Goodwill and value of In-Force business	73.8	4.9	262.1	0.0	340.8	(22.9)	317.9
Financial investments and investments in associates	290,178.4	38,496.4	17,088.9	147.2	345,910.9	(690.1)	345,220.8
Other assets					19,854.6	36.2	19,890.9
TOTAL ASSETS					**366,106.3**	**(676.7)**	**365,429.5**

Equity and liabilities *(in € millions)*	Savings	Pensions	Personal risk	Other (excluding insurance)	Total segments	LBPP adjustment	Total IFRS
Total equity	11,427.9	1,565.2	2,991.7	8.9	15,993.7	0.0	15,993.7
Financial liabilities (including deferred participation reserve)	160,543.0	9,906.4	562.6	0.0	171,012.0	(28.2)	170,983.8
Insurance liabilities	105,761.6	32,340.1	11,600.2	0.0	149,702.2	(599.8)	149,102.4
Other liabilities					29,398.4	(48.8)	29,349.7
TOTAL EQUITY AND LIABILITIES					**366,106.3**	**(676.7)**	**365,429.6**

6.3 INCOME STATEMENT BY BUSINESS SEGMENT AT 31 DECEMBER 2014

						Reconciliation with IFRS financial statements		
(in € millions)	Savings	Pensions	Personal risk	Other (excluding insurance)	Total segments	Adjustments relating to the deposit component of financial instruments (IAS 39)	LBPP adjustment	Total IFRS
Premium income	21,967.2	3,118.6	6,432.9	0.0	31,518.7	(716.9)	(212.6)	30,589.3
Net new money	2,304.5	517.2	3,023.7	0.0	5,845.5		(167.9)	5,677.5
Net revenue from insurance activities	**1,668.5**	**205.3**	**1,376.1**	**87.3**	**3,337.3**		**(47.3)**	**3,290.0**
General expenses	(402.1)	(98.5)	(349.9)	(45.1)	(895.6)		17.9	(877.8)
EBIT	**1,266.4**	**106.9**	**1,026.2**	**42.2**	**2,441.7**		**(29.5)**	**2,412.2**
Finance costs					(177.8)		0.0	(177.8)
Share in earnings of associates					3.4		18.7	22.1
Non-recurring items					(201.2)		0.0	(201.2)
Income tax expense (effective tax rate)					(823.6)		11.4	(812.2)
Non-controlling interests					(322.6)		0.0	(322.6)
Fair value adjustments on securities held for trading					77.0		(0.3)	76.7
Net gains on equities and property					82.9		(0.3)	82.6
ATTRIBUTABLE TO OWNERS OF THE PARENT					**1,079.8**		**0.0**	**1,079.8**

(in € millions)	Desensitised income statement 31.12.2014	o/w LBPP
EBIT	**2,441.7**	**(29.5)**
Net fair value adjustments	125.4	(0.5)
Net gains on equities and property	92.5	(0.4)
Non-recurring items	(298.9)	0.0
Operating profit	**2,360.8**	**(30.5)**

6.4 INCOME STATEMENT BY BUSINESS SEGMENT AT 31 DECEMBER 2013

(in € millions)	Savings	Pensions	Personal risk	Other (excluding insurance)	Total segments	Reconciliation with IFRS financial statements: Adjustments relating to the deposit component of financial instruments (IAS 39)	LBPP adjustment	Total IFRS
Premium income	18,482.7	3,828.2	6,202.5		28,513.4	(845.6)	(189.7)	27,478.1
Net new money	(2,531.1)	1,095.9	3,319.1		1,883.9		(150.8)	1,733.1
Net revenue from insurance activities	**1,620.5**	**260.3**	**1,257.1**	**95.6**	**3,233.5**		**(45.3)**	**3,188.2**
General expenses	(405.7)	(99.5)	(328.8)	(45.4)	(879.4)		17.5	(861.9)
EBIT	**1,214.8**	**160.8**	**928.3**	**50.2**	**2,354.1**		**(27.8)**	**2,326.3**
Finance costs					(154.9)		0.0	(154.9)
Share in earnings of associates					2.6		18.0	20.5
Non-recurring items					(226.8)		0.0	(226.8)
Income tax expense (effective tax rate)					(793.4)		10.4	(783.0)
Non-controlling interests					(321.1)		0.0	(321.1)
Fair value adjustments on securities held for trading					101.6		(0.8)	100.8
Net gains on equities and property					68.2		0.1	68.3
ATTRIBUTABLE TO OWNERS OF THE PARENT					**1,030.2**		**0.0**	**1,030.2**

(in € millions)	Desensitised income statement 31.12.2013 (reported)	LBPP JV adjustments	Desensitised income statement 31.12.2013
EBIT	**2,354.1**	**(27.8)**	**2,326.5**
Net fair value adjustments	149.0	(1.3)	147.7
Net gains on equities and property	90.4	0.2	90.6
Non-recurring items	(366.4)	0.0	(366.4)
Operating profit	**2,227.0**	**(28.9)**	**2,198.4**

Note 7 Intangible assets

7.1 INTANGIBLE ASSETS BY CATEGORY

(in € millions)	31.12.2014 Cost	Amortisation	Impairment	Reversals	Carrying amount
Goodwill	867.1	0.0	(393.2)	0.0	473.8
Value of In-Force business	343.8	(164.2)	(158.8)	0.0	20.8
Distribution agreements	5.3	(2.7)	0.0	0.0	2.6
Software	302.9	(198.2)	0.0	0.0	104.7
Internally-developed software	157.6	(95.7)	0.0	0.0	61.9
Other software	145.3	(102.5)	0.0	0.0	42.9
Other *	225.3	(49.2)	(103.3)	(57.2)	15.6
TOTAL	**1,744.3**	**(414.3)**	**(655.3)**	**(57.2)**	**617.5**

(in € millions)	31.12.2013 Cost	Amortisation	Impairment	Reversals	Carrying amount
Goodwill	629.2	0.0	(393.2)	0.0	236.0
Value of In-Force business	443.3	(202.6)	(158.8)	0.0	81.9
Distribution agreements	141.2	(24.5)	(4.8)	0.0	111.9
Software	289.2	(208.2)	0.0	0.0	81.0
Internally-developed software	131.3	(87.2)	0.0	0.0	44.2
Other software	157.8	(121.0)	0.0	0.0	36.9
Other *	173.8	(42.8)	(64.1)	(59.6)	7.3
TOTAL	**1,676.7**	**(478.1)**	**(620.9)**	**(59.6)**	**518.1**

* *Since 31 December 2010, "Other" includes the intangible asset related to the reform of the French pension system. The year-on-year decrease in this item from the original €161.9 million to €4.2 million mainly corresponds to:*
- *a negative amount of €57.2 million related to a downward revision of the impact of the reform on technical reserves (in the income statement, this impact together with the adjustment to the corresponding amortisation, is almost completely offset by the related adjustment to reinsurers' share in technical reserves)*
- *a negative amount of €64.6 million due to the decision to finance the increased provisions required under the reform by reallocating existing provisions. This reallocation resulted in the reversal of existing provisions which offset the impairment losses booked on intangible assets in the income statement and it was based on an analysis of existing margins performed on a sample of the contracts concerned. This analysis is ongoing on the rest of the portfolio*
- *a negative amount of €35.9 million related to accumulated amortisation*

7.2 GOODWILL

7.2.1 Goodwill by company

(in € millions)	Original goodwill	Goodwill investments held at 31.12.2014 *	Goodwill investments held at 31.12.2013
Caixa Seguros group	388.9	225.9	195.1
CNP UniCredit Vita	366.5	0.0	0.0
CNP Cyprus Insurance Holdings	81.6	34.8	34.8
CNP Barclays Vida y Pensiones	55.9	0.0	6.2
Santander Insurance	213.1	213.1	0.0
TOTAL	**1,106.0**	**473.8**	**236.0**

* *Goodwill relating to La Banque Postale Prévoyance no longer appears in consolidated goodwill as this entity has been accounted for using the equity method since 1 January 2014. This change in accounting method has been applied retrospectively and comparative financial periods have been restated accordingly*

The Group's annual goodwill impairment testing procedures are described in Note 3.10.1. The recoverable amount of the CGUs to which the entities listed above have been allocated corresponds to their value in use, based on net asset value plus expected future cash flows from existing policies and new business. Projected future revenues are estimated by taking the embedded value of In-Force insurance policies and financial instruments, and the value of new business. The terminal values of subsidiaries do not assume growth to infinity.

Caixa Seguros group

The expected future cash flows are taken from the four-year business outlook (2015-2019) validated by management and extrapolated using an average growth rate by business segment of between 8% and 14% for new business between 2019 and 2033, and then discounted to present value using a post-tax discount rate of approximately 13%.

At 31 December 2014, as in the previous period, a comparison of the recoverable amount and the carrying amount, and the application of a range of reasonable discount rates to future cash flows did not result in the recognition of an impairment loss.

At present, based only on an analysis of forecast cash flows through to the end of the current agreement in force (2021), there is no need to recognise an impairment loss provision. Similarly, the application of a range of reasonable discount rates to future cash flows did not result in the recognition of an impairment loss.

CNP Cyprus Insurance Holdings

As of 31 December 2014, expected future cash flows are taken from the four-year business outlook (2015-2019) validated by management and extrapolated using a stable growth rate (of between 1.5% in the life insurance and 3% in the non-life insurance segment) for new business between 2018 and 2028 (when the current agreement with Cyprus Popular Bank expires), and then discounted to present value using a post-tax discount rate of approximately 11.0% for the Cypriot business. The goodwill of the Greek subsidiary is no longer tested for impairment as of 31 December 2014 because its banking partner – which constituted its sole distribution channel – is in liquidation, thus severely compromising its future development prospects.

At 31 December 2014, a comparison of the recoverable amount and the carrying amount, and the application of a range of reasonable discount rates to future cash flows, or a significant reduction in future volumes of business in Greece and Cyprus, did not result in the recognition of an impairment loss.

The decrease in the value of goodwill attributable to CNP Barclays Vida y Pensiones is due to adjustments to the acquisition price actually paid, or estimated and relating to future periods – that were booked during the period.

CNP Barclays Vida y Pensiones

The goodwill previously recognised for CNP Barclays Vida y Pensiones has been written down in full and the related amount now appears in Non-current assets held for sale and discontinued operations.

Santander Insurance

The final amount of goodwill to be recognised on the acquisition of Santander Insurance will be calculated within one year of the acquisition date, *i.e.*, before the end of 2015, in accordance with IFRS 3. As of 31 December 2014, with the exception of other intangible assets already capitalised such as the value of In-Force business, the initial consolidation difference has been allocated in full to goodwill.

7.2.2 Changes in goodwill for the period

(in € millions)	31.12.2014	31.12.2013
Carrying amount at the beginning of the period	**236.0**	**311.3**
Goodwill recognised during the period	241.4	12.5
Adjustments to provisional accounting	0.0	0.0
Adjustments resulting from changes in earnouts (1)	(2.5)	(3.2)
Adjustments resulting from subsequent recognition of deferred tax assets	0.0	0.0
Translation adjustment on gross value	2.6	(40.0)
Other movements	0.0	0.0
Impairment losses recognised during the period (2)	0.0	(44.6)
Translation adjustment on movements during the period	0.0	0.0
Increase in interest rates	0.0	0.0
Non-current assets held for sale and discontinued operations	(3.6)	0.0
Carrying amount at the end of the period	**473.8**	**236.0**

(1) The changes in the value of goodwill are due to adjustments to the acquisition price – actually paid, or estimated and relating to future periods – that were booked during the period, particularly in relation to Barclays Vida y Pensiones

(2) Impairment losses are reported in the income statement under "Change in fair value of intangible assets"

7.3 VALUE OF IN-FORCE BUSINESS AND DISTRIBUTION AGREEMENTS

7.3.1 Value of In-Force business

(in € millions)	Original value	Carrying amount at 31.12.2014	Carrying amount at 31.12.2013
Caixa Seguros group	123.5	4.7	4.9
CNP UniCredit Vita	175.3	0.0	0.0
CNP Partners	24.0	0.0	0.0
CNP Seguros de Vida	0.9	0.0	0.0
CNP Cyprus Insurance Holdings	44.4	15.6	17.2
CNP Barclays Vida y Pensiones	101.4	0.0	57.8
MFPrévoyance SA	8.3	0.5	2.1
TOTAL	**477.8**	**20.8**	**81.9**

The value of In-Force business for CNP Barclays Vida y Pensiones has been written down in full as it now appears in Non-current assets held for sale.

7.3.2 Changes in the value of In-Force business

(in € millions)	31.12.2014	31.12.2013
Gross at the beginning of the period	**443.3**	**457.7**
Newly-consolidated companies	0.0	4.1
Translation adjustments	0.9	(18.5)
Acquisitions for the period	1.0	0.0
Disposals for the period	0.0	0.0
Non-current assets held for sale and discontinued operations	(101.4)	0.0
Gross at the end of the period	**343.8**	**443.3**
Accumulated amortisation and impairment at the beginning of the period	(361.4)	(354.7)
Translation adjustments	(0.9)	17.4
Amortisation for the period	(10.7)	(12.5)
Impairment losses recognised during the period *	0.0	(11.6)
Impairment losses reversed during the period	0.0	0.0
Disposals for the period	0.0	0.0
Non-current assets held for sale and discontinued operations	49.9	0.0
Accumulated amortisation and impairment at the end of the period	**(323.0)**	**(361.4)**
CARRYING AMOUNT AT THE END OF THE PERIOD	**20.8**	**81.9**

* *Relates to the value of CNP Cyprus Insurance Holdings In-Force business at 31 December 2013*

7.3.3 Distribution agreements

(in € millions)	31.12.2014	31.12.2013
Carrying amount at the beginning of the period	**111.9**	**117.6**
Acquisitions for the period	2.9	0.0
Amortisation for the period	(5.9)	(5.6)
Adjustments	0.0	0.0
Impairment losses recognised during the period	0.0	0.0
Translation adjustments	0.0	0.0
Other movements	0.0	0.0
Non-current assets held for sale and discontinued operations	(106.4)	0.0
CARRYING AMOUNT AT THE END OF THE PERIOD	**2.6**	**111.9**

7.4 SOFTWARE AND OTHER INTANGIBLE ASSETS

7.4.1 Internally-developed software

(in € millions)	31.12.2014	31.12.2013
Carrying amount at the beginning of the period	**44.2**	**42.1**
Acquisitions for the period	25.2	18.9
Amortisation for the period	(7.7)	(6.8)
Impairment losses	(0.5)	(9.8)
Translation adjustments	0.0	0.0
Other movements	0.7	(0.2)
CARRYING AMOUNT AT THE END OF THE PERIOD	**61.9**	**44.2**

7.4.2 Other software and other intangible assets

(in € millions)	31.12.2014	31.12.2013
Carrying amount at the beginning of the period	**44.1**	**49.9**
Acquisitions for the period	26.0	21.3
Amortisation for the period	(7.9)	(12.8)
Impairment losses	(15.3)	(11.1)
Translation adjustments	(0.1)	(4.8)
Other movements	11.8	1.7
Non-current assets held for sale and discontinued operations	(0.2)	0.0
CARRYING AMOUNT AT THE END OF THE PERIOD	**58.4**	**44.1**

Note 8 Investment and owner-occupied property

The purpose of this note is to show depreciation and impairment losses recognised/reversed during the period through profit or loss in respect of property and the captions impacted by the movements.

It presents:

- the gross carrying amount and accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and end of the period
- a reconciliation of the carrying amount of investment property at the beginning and end of the period, showing (i) additions; (ii) disposals; (iii) depreciation; (iv) impairment losses recognised and reversed during the period; (v) the net exchange differences arising on the translation of the financial statements into a different presentation currency, and on translation of an international operation into the presentation currency of the reporting entity; (vi) transfers to and from inventories and owner-occupied property and (vii) other changes
- the fair value of investment properties held in unit-linked portfolios.

8.1 INVESTMENT PROPERTY

Carrying amount of investment property *(in € millions)*	**31.12.2014**	31.12.2013
Investment property measured by the cost model		
Gross value	2,121.0	2,360.8
Accumulated depreciation	(342.1)	(387.2)
Accumulated impairment losses	(15.5)	(37.7)
Carrying amount	**1,763.4**	**1,935.8**
Investment property measured by the fair value model		
Gross value	645.0	604.8
TOTAL INVESTMENT PROPERTY	**2,408.4**	**2,540.6**

Investment property (other than property held in unit-linked portfolios) *(in € millions)*	**31.12.2014**	31.12.2013
Carrying amount at the beginning of the period	**1,935.9**	**1,903.6**
Acquisitions	45.5	85.9
Post-acquisition costs included in the carrying amount of property	0.0	0.0
Properties acquired through business combinations	0.0	0.0
Disposals	(211.7)	(1.0)
Depreciation for the period	(40.0)	(43.3)
Impairment losses recognised during the period	(1.0)	(12.9)
Impairment losses reversed during the period	23.2	1.5
Translation adjustments	0.0	0.0
Other movements	11.5	2.2
Non-current assets held for sale and discontinued operations	0.0	0.0
CARRYING AMOUNT AT THE END OF THE PERIOD	**1,763.4**	**1,935.8**

Investment property held in unit-linked portfolios *(in € millions)*	31.12.2014	31.12.2013
Carrying amount at the beginning of the period	**604.8**	**624.4**
Acquisitions	63.9	13.6
Post-acquisition costs included in the carrying amount of property	4.8	0.0
Properties acquired through business combinations	17.4	0.0
Disposals	(49.7)	(18.1)
Net gains (losses) arising from remeasurement at fair value	(0.3)	(7.4)
Translation adjustments	0.0	0.0
Other movements	4.1	(7.7)
CARRYING AMOUNT AT THE END OF THE PERIOD	**645.0**	**604.8**

As explained in the description of significant accounting policies, investment properties backing linked liabilities are measured at fair value, while other investment properties are measured using the cost model.

8.2 OWNER-OCCUPIED PROPERTY AND OTHER PROPERTY AND EQUIPMENT

Owner-occupied property *(in € millions)*	31.12.2014	31.12.2013
Carrying amount at the beginning of the period	**289.5**	**209.7**
Acquisitions	21.1	105.1
Post-acquisition costs included in the carrying amount of property	0.1	0.0
Properties acquired through business combinations	0.4	0.0
Disposals	0.0	(7.7)
Depreciation for the period	(5.3)	(5.2)
Impairment losses recognised during the period	(1.2)	(1.1)
Impairment losses reversed during the period	1.1	0.9
Translation adjustments	0.4	(14.3)
Other movements	(1.5)	2.0
CARRYING AMOUNT AT THE END OF THE PERIOD	**304.6**	**289.5**

Other property and equipment *(in € millions)*	31.12.2014	31.12.2013
Carrying amount at the beginning of the period	**59.3**	**54.1**
Acquisitions for the period	12.2	32.7
Depreciation for the period	(16.6)	(17.8)
Disposals for the period	(1.2)	(7.9)
Translation adjustments	0.1	(1.8)
Other movements	(9.2)	0.0
Non-current assets held for sale and discontinued operations	(0.2)	0.0
CARRYING AMOUNT AT THE END OF THE PERIOD	**44.4**	**59.3**

Note 9 Investments by category

9.1 INVESTMENTS BY CATEGORY

The following tables show the fair value of securities held by the Group, by category and intended holding period.

9.1.1 Investments at 31 December 2014

(in € millions)		Cost	Amortisation	Impairment	Fair value adjustments	Carrying amount	Unrealised gains and losses
Assets at fair value through profit or loss	Fixed-rate bonds					12,224.1	
	Variable-rate bonds					18,082.8	
	TCNs (money market securities)					115.0	
	Equities					3,867.1	
	Investment funds					33,094.6	
	Shares in non-trading property companies					1,219.6	
	Other (including lent securities and repos)					172.0	
	Total					**68,775.3**	
Derivative instruments	Derivative instruments (positive fair value)					5,173.0	
	Derivative instruments (negative fair value)					(5,806.4)	
	Total					**(633.4)**	
Available-for-sale financial assets	Fixed-rate bonds	154,332.1	1,873.5	(0.5)	22,803.3	179,008.4	
	Variable-rate bonds	28,248.9	856.4	(43.3)	2,765.6	31,827.6	
	TCNs (money market securities)	3,539.7	0.0	0.0	16.5	3,556.2	
	Equities	13,347.7	0.0	(4,763.9)	5,526.9	14,110.7	
	Investment funds	35,474.0	0.0	(359.4)	2,123.2	37,237.8	
	Shares in non-trading property companies	3,731.5	0.0	(266.7)	1,141.5	4,606.2	
	Non-voting loan stock *	75.9	0.0	(2.8)	15.7	88.9	
	Other (including lent securities and repos)	13,040.7	(149.5)	(507.5)	2,416.0	14,799.6	
	Total	**251,790.4**	**2,580.4**	**(5,944.1)**	**36,808.7**	**285,235.5**	
Held-to-maturity investments	Fixed-rate bonds	150.0	0.0	0.0	0.0	150.0	1.1
	Variable-rate bonds	432.9	0.0	(18.5)	0.0	414.4	0.5
	Total	**582.9**	**0.0**	**(18.5)**	**0.0**	**564.4**	**1.6**
Loans and receivables	Loans and receivables	5,001.6	0.0	(17.1)	0.0	4,984.4	4.5
	Total	**5,001.6**	**0.0**	**(17.1)**	**0.0**	**4,984.4**	**4.5**
Investment property	Investment property at amortised cost	2,121.0	(342.1)	(15.5)	0.0	1,763.4	824.0
	Investment property measured by the fair value model	645.0	0.0	0.0	0.0	645.0	0.0
	Total	**2,766.0**	**(342.1)**	**(15.5)**	**0.0**	**2,408.4**	**824.0**
TOTAL				**(5,995.2)**	**36,808.7**	**361,334.7**	**830.1**

* *To enhance the internal presentation of the table, available-for-sale securities have been reclassified between non-voting loan stock, equities and investment funds in 2014. Consequently, these three line items are no longer comparable year on year and comparisons should be made on the basis of the AFS sub-total*

UNIT-LINKED PORTFOLIOS AT FAIR VALUE THROUGH PROFIT OR LOSS AT 31 DECEMBER 2014

	Carrying amount		
(in € millions)	Unit-linked	Traditional savings	Total
Fixed-rate bonds	6,610.2	5,613.9	12,224.1
Variable-rate bonds	5,503.2	12,579.6	18,082.8
TCNs (money market securities)	98.1	16.9	115.0
Equities	148.0	3,719.2	3,867.1
Investment funds	21,016.7	12,077.9	33,094.6
Shares in non-trading property companies	0.0	1,219.6	1,219.6
Other	169.9	2.1	172.0
TOTAL	**33,546.1**	**35,229.3**	**68,775.3**

9.1.2 Investments at 31 December 2013

(in € millions)		Cost	Amortisation	Impairment	Fair value adjustments	Carrying amount	Unrealised gains and losses
Assets at fair value through profit or loss	Fixed-rate bonds					11,117.5	
	Variable-rate bonds					18,429.3	
	TCNs (money market securities)					196.8	
	Equities					5,056.1	
	Investment funds					29,234.2	
	Shares in non-trading property companies					1,317.8	
	Other (including lent securities and repos)					162.7	
	Total					**65,514.4**	
Derivative instruments	Derivative instruments (positive fair value)					5,855.1	
	Derivative instruments (negative fair value)					(6,114.2)	
	Total					**(259.1)**	
Available-for-sale financial assets	Fixed-rate bonds	161,143.2	1,686.1	(0.5)	11,398.0	174,226.7	
	Variable-rate bonds	25,245.1	840.6	(65.1)	1,790.1	27,810.7	
	TCNs (money market securities)	6,820.2	0.1	0.0	9.3	6,829.7	
	Equities	12,331.0	0.0	(4,993.7)	5,365.9	12,703.2	
	Investment funds	23,283.8	0.0	(248.3)	1,035.3	24,070.8	
	Shares in non-trading property companies	3,267.9	0.0	(237.9)	1,211.8	4,241.9	
	Non-voting loan stock	3,192.0	0.0	(283.0)	628.6	3,537.6	
	Other (including lent securities and repos)	11,536.6	(88.1)	(743.2)	1,538.0	12,243.3	
	Total	**246,819.8**	**2,438.7**	**(6,571.7)**	**22,977.1**	**265,664.0**	
Held-to-maturity investments	Fixed-rate bonds	205.4	0.0	0.0	0.0	205.4	1.9
	Variable-rate bonds	417.9	0.0	(20.2)	0.0	397.7	28.4
	Total	**623.3**	**0.0**	**(20.2)**	**0.0**	**603.1**	**30.2**
Loans and receivables	Loans and receivables	4,679.6	0.0	(17.1)	0.0	4,662.4	5.0
	Total	**4,679.6**	**0.0**	**(17.1)**	**0.0**	**4,662.4**	**5.0**
Investment property	Investment property at amortised cost	2,360.8	(387.2)	(37.7)	0.0	1,935.8	868.4
	Investment property measured by the fair value model	604.8	0.0	0.0	0.0	604.8	0.0
	Total	**2,965.6**	**(387.2)**	**(37.7)**	**0.0**	**2,540.6**	**868.4**
TOTAL				**(6,646.7)**	**22,977.1**	**338,725.5**	**903.7**

UNIT-LINKED PORTFOLIOS AT FAIR VALUE THROUGH PROFIT OR LOSS AT 31 DECEMBER 2013

	Carrying amount		
(in € millions)	Unit-linked	Traditional savings	Total
Fixed-rate bonds	5,646.3	5,471.3	11,117.5
Variable-rate bonds	5,877.8	12,551.4	18,429.3
TCNs (money market securities)	97.7	99.1	196.8
Equities	310.6	4,745.5	5,056.1
Investment funds	18,302.6	10,931.5	29,234.2
Shares in non-trading property companies	0.0	1,317.8	1,317.8
Other	161.4	1.3	162.7
ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**30,396.4**	**35,118.0**	**65,514.4**

9.1.3 Reconciliation of insurance investments in the balance sheet to investments analysed in Notes 9.1.1 and 9.1.2

(in € millions)	31.12.2014	31.12.2013
Analysis of investments	361,334.7	338,725.5
Balance sheet – liabilities – Derivative instruments (negative fair value)	(5,806.4)	(6,114.2)
Balance sheet – assets – Insurance investments	367,141.1	344,839.7
VARIANCE	**0.0**	**0.0**

9.1.4 Non-consolidated structured entities

	Investment funds (excluding unit-linked)		Asset-backed security funds (excluding unit-linked)		Structured entities held in unit-linked portfolios	
(in € millions)	Carrying amount	Gains/ (losses) over the period	Carrying amount	Gains/ (losses) over the period	Carrying amount	Gains/ (losses) over the period
Securities held for trading	12,075.2	356.6	1,010.9	70.5		
Financial assets at fair value through profit or loss	2.7	0.2	3.5	0.0	21,028.0	1,032.5
Available-for-sale financial assets	37,237.8	567.6	1,498.6	30.0		
Held-to-maturity investments			92.4	2.8		
TOTAL ASSETS	**49,315.7**	**924.3**	**2,605.4**	**103.3**	**21,028.0**	**1,032.5**

At 31 December 2014, the Group's maximum exposure to structured entities is limited to the amounts invested and no financial support was provided during the period.

9.2 MEASUREMENT OF ASSETS RECOGNISED AT FAIR VALUE

The following tables show financial assets classified at fair value whose prices are estimated using a valuation technique.

9.2.1 Valuation methods at 31 December 2014

(in € millions)	Category 1: last available quotation of assets quoted in an active market	Category 2: estimated market value using valuation model based on observable market inputs	Category 3: estimated market value using valuation model not based solely on observable market inputs	Total
Financial assets at fair value through profit or loss *	59,545.1	14,403.3	0.0	73,948.4
Available-for-sale financial assets	259,884.4	25,281.5	69.5	285,235.4
TOTAL FINANCIAL ASSETS	**319,429.6**	**39,684.7**	**69.5**	**359,183.8**
Investment property at amortised cost	0.0	2,585.8	1.7	2,587.5
Investment property at fair value	0.0	645.0	0.0	645.0
TOTAL INVESTMENT PROPERTY	**0.0**	**3,230.8**	**1.7**	**3,232.5**
Financial liabilities at fair value through profit or loss	0.0	0.0	0.0	0.0
Financial liabilities – financial instruments without DPF (excluding unit-linked)	811.4	0.0	0.0	811.4
Financial liabilities (linked liabilities) – financial instruments without DPF	4,367.7	0.0	0.0	4,367.7
Derivative instruments	0.0	5,806.4	0.0	5,806.4
TOTAL FINANCIAL LIABILITIES	**5,179.1**	**5,806.4**	**0.0**	**10,985.6**

* *Includes derivative financial instruments (assets)*

Insofar as all of the Group's derivatives are collateralised, counterparty risk is extremely limited, and credit and debt valuation adjustments have no impact on the measurement of these derivatives.

9.2.2 Valuation methods at 31 December 2013

(in € millions)	Category 1: last available quotation of assets quoted in an active market	Category 2: estimated market value using valuation model based on observable market inputs	Category 3: estimated market value using valuation model not based solely on observable market inputs	Total
Financial assets at fair value through profit or loss *	55,190.0	16,154.3	25.2	71,369.5
Available-for-sale financial assets	238,133.3	27,493.2	37.5	265,664.0
TOTAL FINANCIAL ASSETS	**293,323.3**	**43,647.5**	**62.7**	**337,033.5**
Investment property at amortised cost	(167.5)	2,971.6	0.1	2,804.2
Investment property at fair value	0.0	604.8	0.0	604.8
TOTAL INVESTMENT PROPERTY	**(167.5)**	**3,576.4**	**0.1**	**3,409.0**
Financial liabilities at fair value through profit or loss	0.0	0.0	0.0	0.0
Financial liabilities – financial instruments without DPF (excluding unit-linked)	777.4	2.4	0.0	779.8
Financial liabilities (linked liabilities) – financial instruments without DPF	4,490.6	53.2	0.0	4,543.8
Derivative instruments	0.0	6,114.2	0.0	6,114.2
TOTAL FINANCIAL LIABILITIES	**5,268.0**	**6,169.8**	**0.0**	**11,437.8**

* *Includes derivative financial instruments (assets)*

9.2.3 Reconciliation of movements for the period in securities measured using a valuation model not based solely on observable market inputs

(in € millions)	31.12.2014											
	Opening carrying amount	Acqui-sitions	Matu-rity	Transfers to category 3 (additions)	Transfers from category 3 (disposals)	Impact of sales of securities at FV with change in FV through profit or loss	Impact of sales of available-for-sale financial assets	Remea-surement at fair value through equity	Remeasu-rement at fair value through pro-fit or loss	Impair-ment	Translation adjustments	Closing carrying amount
Financial assets at fair value through profit or loss	25.2	0.0	(14.3)	0.0	0.0	(10.9)	0.0	0.0	0.0	0.0	0.0	0.0
Available-for-sale financial assets	37.5	5.5	(7.0)	58.3	(24.0)	0.0	(0.5)	0.3	0.0	(0.6)	0.1	69.5
TOTAL FINANCIAL ASSETS	**62.7**	**5.5**	**(21.3)**	**58.3**	**(24.0)**	**(10.9)**	**(0.5)**	**0.3**	**0.0**	**(0.6)**	**0.1**	**69.5**
Investment property at amortised cost	0.1	0.0	0.0	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.7
TOTAL INVESTMENT PROPERTY	**0.1**	**0.0**	**0.0**	**1.6**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1.7**
TOTAL FINANCIAL LIABILITIES	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

(in € millions)	31.12.2013											
	Opening carrying amount	Acqui-sitions	Matu-rity	Transfers to category 3 (additions)	Transfers from category 3 (disposals)	Impact of sales of securities at FV with change in FV through profit or loss	Impact of sales of available-for-sale financial assets	Remeasu-rement at fair value through equity	Remeasure-ment at fair value through profit or loss	Impair-ment	Translation adjustments	Closing carrying amount
Financial assets at fair value through profit or loss	39.4	123.0	0.0	0.0	0.0	0.0	0.0	0.0	(104.0)	(33.1)	0.0	25.2
Available-for-sale financial assets	492.0	0.7	(1.7)	3.0	(314.4)	0.0	(162.9)	56.3	0.0	(33.1)	(2.3)	37.5
TOTAL FINANCIAL ASSETS	**531.4**	**123.7**	**(1.7)**	**3.0**	**(314.4)**	**0.0**	**(162.9)**	**56.3**	**(104.0)**	**(66.2)**	**(2.3)**	**62.7**
Investment property at amortised cost	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
TOTAL INVESTMENT PROPERTY	**0.0**	**0.1**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.1**
TOTAL FINANCIAL LIABILITIES	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

9.3 REPURCHASE AGREEMENTS

The following table analyses the carrying amount of securities sold under repurchase agreements, by asset category and intended holding period:

(in € millions)		Carrying amount 31.12.2014	Carrying amount 31.12.2013
Available-for-sale financial assets	Fixed-rate bonds	9,485.5	10,235.2
	Equities	0.0	0.0
TOTAL		**9,485.5**	**10,235.2**

9.4 LENT SECURITIES

The following table analyses the carrying amount of lent securities, by asset category and intended holding period:

(in € millions)		Carrying amount 31.12.2014	Carrying amount 31.12.2013
Available-for-sale financial assets	Fixed-rate bonds	3,534.3	0.0
	Equities (quoted)	1,770.3	1,955.0
TOTAL		**5,304.5**	**1,955.0**

9.5 MOVEMENTS FOR THE PERIOD

9.5.1 2014

(in € millions)	Opening carrying amount	Additions	Disposals	Fair value adjustments	Additions to provisions for impairment [1]	Reversals of provisions for impairment [1]	Changes in scope of consolidation	Other [3]	Closing carrying amount
Securities held for trading	65,514.4	28,045.8	(27,050.9)	3,295.6	0.0	0.0	(1,143.4) [2]	113.8	68,775.3
Derivative instruments	(259.1)	272.0	(372.8)	(344.2)	0.0	0.0	0.0	70.7	(633.4)
Available-for-sale financial assets	265,664.0	72,539.0	(65,970.9)	13,997.7	(115.5)	743.8	202.1	(1,824.8)	285,235.5
Held-to-maturity investments	603.1	64.5	(111.2)	0.0	(0.1)	1.8	0.0	6.3	564.4
Loans and receivables	4,662.4	1,595.3	(1,221.2)	0.0	0.0	0.0	137.6	(189.7)	4,984.4
Investment property	2,540.6	74.2	(261.4)	4.3	(1.0)	21.7	17.4	12.6	2,408.4
TOTAL	**338,725.5**	**102,590.9**	**(94,988.4)**	**16,953.4**	**(116.6)**	**767.3**	**(786.3)**	**(1,811.1)**	**361,334.6**

(1) See Note 20.3
(2) Mainly corresponds to the derecognition of two mutual funds
(3) Includes the reclassification of CNP Barclays Vida y Pensiones to assets held for sale

9.5.2 2013

(in € millions)	Opening carrying amount	Additions	Disposals	Fair value adjustments	Additions to provisions for impairment (1)	Reversals of provisions for impairment (1)	Changes in scope of consolidation	Other	Closing carrying amount
Securities held for trading	65,468.4	29,281.0	(30,863.9)	3,192.2	0.0	0.0	(562.1) (2)	(1,001.2)	65,514.4
Derivative instruments	(281.6)	1,940.1	(2,005.1)	87.6	0.0	0.0	0.0	0.0	(259.1)
Available-for-sale financial assets	254,599.5	101,331.9	(89,188.5)	(1,162.6)	(184.5)	578.8	(21.9)	(288.6)	265,664.0
Held-to-maturity investments	854.1	57.3	(171.9)	0.0	(4.2)	25.1	0.0	(157.3)	603.1
Loans and receivables	4,967.4	3,622.4	(3,991.4)	0.0	(17.1)	0.0	7.6	73.5	4,662.4
Investment property	2,528.0	56.2	(25.1)	(9.9)	(12.9)	2.7	0.0	1.7	2,540.6
TOTAL	**328,135.8**	**136,288.9**	**(126,246.1)**	**2,107.2**	**(218.8)**	**606.6**	**(576.3)**	**(1,371.9)**	**338,725.5**

(1) See Note 20.3
(2) Corresponds to the derecognition of a mutual fund and to first-time consolidation of Previsul

9.6 DERIVATIVE INSTRUMENTS

The following table analyses derivative instruments recorded in assets (positive fair value) and in liabilities (negative fair value) by maturity:

	31.12.2014											
	Due within 1 year		**Due in 1 to 5 years**		**Due in 6 to 10 years**		**Due in 11 to 15 years**		**Due in ≥15 years**		**Total**	
(in € millions)	**FV+**	**FV -**	**FV+**	**FV -**	**FV+**	**FV -**	**FV+**	**FV -**	**FV+**	**FV -**	**FV+**	**FV -**
Swap	32.9	(53.0)	1,132.4	(1,255.9)	2,074.9	(2,440.7)	768.7	(889.4)	902.1	(1,098.5)	4,911.0	(5,737.5)
Cap/floor	0.0	0.0	57.5	(1.9)	176.5	(39.6)	0.0	0.0	14.4	(27.2)	248.4	(68.7)
Equity	1.4	0.0	6.2	0.0	6.1	(0.3)	0.0	0.0	0.0	0.0	13.7	(0.3)
TOTAL	**34.3**	**(53.0)**	**1,196.1**	**(1,257.8)**	**2,257.5**	**(2,480.6)**	**768.7**	**(889.4)**	**916.4**	**(1,125.7)**	**5,173.0**	**(5,806.4)**

	31.12.2013											
	Due within 1 year		Due in 1 to 5 years		Due in 6 to 10 years		Due in 11 to 15 years		Due in ≥15 years		Total	
(in € millions)	FV+	FV -	FV+	FV -	FV+	FV -	FV+	FV -	FV+	FV -	FV+	FV -
Swap	167.5	(209.4)	369.9	(481.7)	2,808.8	(3,316.6)	593.8	(575.9)	1,123.4	(1,363.6)	5,063.4	(5,947.2)
Swaption	0.0	0.0	0.0	0.0	0.0	(2.7)	0.0	(15.6)	0.0	0.0	0.0	(18.3)
Cap/floor	18.8	0.0	101.5	(14.7)	644.0	(119.6)	0.0	(0.7)	12.0	(12.3)	776.3	(147.3)
Equity	1.3	0.0	7.2	0.0	6.9	0.0	0.0	0.0	0.0	(1.4)	15.4	(1.4)
TOTAL	**187.7**	**(209.4)**	**478.7**	**(496.5)**	**3,459.7**	**(3,439.0)**	**593.8**	**(592.2)**	**1,135.3**	**(1,377.3)**	**5,855.1**	**(6,114.2)**

9.7 DERIVATIVE INSTRUMENTS QUALIFYING FOR HEDGE ACCOUNTING

	Currency swap	
(in € millions)	31.12.2014	31.12.2013
Notional amount	**722.7**	**722.7**
Cash flow hedge reserve	**(0.1)**	**(15.2)**
Change in cash flow hedge reserve during the period	74.4	(52.8)
Cash flow hedge reserve recycled through profit or loss during the period	(74.6)	28.4
Deferred taxes	0.1	9.2

CNP Assurances has set up two hedges against currency risk on issues of subordinated notes denominated in foreign currencies:

- the first derivative instrument is a cross-currency swap for a notional amount of GBP 300 million (€339.5 million) used to hedge against fluctuations in the euro-sterling exchange rate through 30 September 2021 that could impact interest and principal repayments on sterling-denominated notes issued by the Group in 2011. It qualifies for hedge accounting as a cash flow hedge (see Note 3.11.3). At 31 December 2014, no amount had been recognised in profit or loss for the ineffective portion of the hedge
- the second derivative instrument is a currency swap that immediately transforms dollar-denominated payments of interest and the initial and final repayments of principal into euro-denominated cash outflows through 18 July 2019. The notional amount of the hedge is US$ 500 million (€383.2 million). It qualifies for hedge accounting as a cash flow hedge and no amount had been recognised in profit or loss for the ineffective portion of the hedge at 31 December 2014.

9.8 CREDIT RISK

9.8.1 Analysis of the bond portfolio at 31 December 2014 by issuer rating

Rating *(in € millions)*	Bond portfolio at fair value	%
AAA	26,164.4	10.1%
AA	110,163.2	42.6%
A	54,332.5	21.1%
BBB	61,346.7	24.3%
Non-investment grade	4,352.6	1.8%
Not rated	2,040.2	0.0%
TOTAL	**258,399.6**	**100.0%**

9.8.2 Analysis of the bond portfolio at 31 December 2013 by issuer rating

Rating *(in € millions)*	Bond portfolio at fair value	%
AAA	26,943.8	10.8%
AA	102,519.5	41.1%
A	54,907.6	22.0%
BBB	57,179.7	22.9%
Non-investment grade	5,750.5	2.3%
Not rated	2,182.2	0.9%
TOTAL	**249,483.3**	**100.0%**

9.9 CLASSIFICATION OF INVESTMENTS BY TYPE OF ASSET AND BY GEOGRAPHIC REGION

9.9.1 Classification by type of asset and by geographic region at 31 December 2014

(in € millions)		France	Germany	Italy	Rest of Europe	United States	Brazil	Other	Total
Available-for-sale financial assets	Debt securities	95,128	16,814	7,239	56,459	11,700	1,519	25,534	214,392
	Investment funds	27,479	33	250	9,255	1	0	220	37,238
	Equities	8,113	602	2,769	2,464	0	12	150	14,111
	Other	19,475	0	0	18	0	0	2	19,495
Held-for-trading and FVO	Debt securities	12,486	848	678	4,635	531	8,782	2,335	30,296
	Investment funds	27,242	93	10	5,374	30	253	58	33,059
	Equities	480	115	429	989	1,322	139	392	3,867
	Other	1,242	214	0	66	0	0	32	1,554
Held-to-maturity investments	Debt securities	92	0	0	0	0	380	92	564
Loans and receivables		4,614	0	0	303	0	47	20	4,984
Derivative instruments		(630)	0	(3)	0	0	0	0	(633)
Investment property		2,363	0	0	43	0	2	0	2,408
TOTAL		**198,085**	**18,718**	**11,371**	**79,606**	**13,585**	**11,135**	**28,834**	**361,335**

List of countries (for information) *(in € millions)*	31.12.2014 Gross exposure – carrying amount *	31.12.2014 Gross exposure – fair value	31.12.2014 Net exposure – fair value	31.12.2013 Gross exposure – carrying amount *	31.12.2013 Gross exposure – fair value	31.12.2013 Net exposure – fair value
France	67,676.2	81,013.0	4,344.1	67,395.7	74,007.3	3,652.4
Italy	9,644.9	11,117.8	1,093.0	9,774.2	10,158.3	1,016.4
Belgium	8,201.0	9,617.8	417.3	8,407.6	9,288.3	341.5
Spain	3,695.8	4,378.1	304.9	4,460.0	4,601.6	260.6
Austria	4,793.8	5,739.5	202.1	4,906.1	5,545.1	170.1
Brazil	1,628.0	1,528.5	917.7	1,885.5	1,720.4	1,032.9
Portugal	431.7	468.5	11.7	766.4	734.8	18.4
Netherlands	124.8	154.0	10.4	133.5	152.3	13.9
Ireland	608.5	724.4	18.2	660.3	716.3	14.9
Germany	2,637.4	3,031.1	217.7	2,995.1	3,298.9	216.0
Greece	4.3	4.6	0.2	4.3	6.8	0.3
Finland	34.4	38.6	4.3	32.8	35.5	2.9
Poland	337.2	391.1	31.4	365.2	402.5	16.0
Luxembourg	34.1	39.0	15.4	34.4	37.2	14.6
Sweden	1.2	2.4	1.1	3.2	4.4	2.4
Denmark	45.2	49.2	3.3	204.6	210.6	7.8
Slovenia	237.9	269.4	14.2	247.7	249.4	3.6
United Kingdom	78.1	213.6	0.0	78.1	158.1	0.0
Canada	548.1	625.7	61.9	495.6	554.4	57.7
Cyprus	15.7	16.2	4.0	23.9	22.2	11.2
Other	6,414.2	7,617.0	650.0	6,438.3	7,080.7	551.9
TOTAL	**107,192.3**	**127,039.4**	**8,322.9**	**109,312.5**	**118,984.8**	**7,405.6**

* *Carrying amount, including accrued coupon*

At 31 December 2014, the Group's gross sovereign debt risk exposure calculated on a fair value basis totalled €127.0 billion, or an estimated exposure net of deferred participation and deferred taxes of €8.3 billion. Virtually all of the securities concerned are classified as available-for-sale financial assets. The Group's exposure is calculated based on asset values and before non-controlling interests.

The calculation of net exposure has been standardised at Group level and reflects both the current market environment and policies concerning deferred participation: calculating net exposure from gross exposure takes account of the impacts of deferred taxes and deferred participation based on shadow accounting principles. In accordance with these principles, a change in the deferred participation reserve is recorded to offset unrealised gains or losses on financial assets taking into account contractual participation obligations and the Group's policyholder bonus policy (see Notes 3.20 and 3.14.2, respectively, regarding the Group's accounting policies for more information). The relatively low weighting of contracts with a guaranteed rate of return and the Group's ability to allocate losses on financial assets to policyholders over the long term, reinforces the validity of this approach to presenting the impact of net exposure.

The apparent 6.6% ratio of "net exposure" to "gross exposure" therefore reflects the deferred tax impact (factor of approximately 62.6% corresponding to the impact of the average weighted tax rate on the Group's entities) and a deferred participation impact (a 10.5% factor, supplementing the effective participation rate which corresponds to shareholders' entitlements to unrealised gains or losses).

The combination of these two impacts (taxes and deferred participation) results in a ratio of 6.6% (62.6% multiplied by 10.5%) of net exposure to gross exposure.

The difference between gross and net exposure does not necessarily represent the loss that would be borne by policyholders. The recoverability of successive losses on sovereign debt is limited by the following:

- the policyholder surplus reserve which totalled €5.5 billion at 31 December 2014 for France
- the Group's ability to lower the discretionary participation it pays to policyholders. In France, the estimated minimum guaranteed interest rate is approximately 0.6% for a projected DPF rate of around 2.2% at end-2014, whereas in Italy, Spain and Portugal this ability is limited by the guaranteed yields on policies in these countries
- unrealised gains, especially on property (€2.4 billion) and on equities (€10 billion). These amounts would be taken into account when testing any deferred participation assets for recoverability.

In the absence of an incurred loss, no other sovereign debt securities have been impaired.

9.9.2 Classification by type of asset and by geographic region at 31 December 2013

(in € millions)		France	Germany	Italy	Rest of Europe	United States	Brazil	Other	Total
Available-for-sale financial assets	Debt securities	92,407	8,284	15,652	56,162	10,480	1,401	24,481	208,867
	Investment funds	17,777	148	29	5,967	1	0	149	24,071
	Equities	6,973	2,601	589	2,379	0	14	150	12,703
	Other	19,946	0	0	32	0	42	2	20,023
Held-for-trading and FVO	Debt securities	12,277	554	1,326	5,128	730	7,637	2,091	29,743
	Investment funds	24,074	25	132	4,761	26	170	47	29,235
	Equities	1,490	492	99	1,113	1,322	168	372	5,056
	Other	1,318	0	77	85	0	0	0	1,480
Held-to-maturity investments	Debt securities	50	0	42	91	0	421	0	603
Loans and receivables		4,193	0	0	393	0	69	7	4,662
Derivative instruments		(272)	(1)	0	13	0	0	0	(259)
Investment property		2,518	0	0	23	0	0	0	2,541
TOTAL		**182,752**	**12,103**	**17,943**	**76,147**	**12,559**	**9,922**	**27,299**	**338,725**

9.10 FOREIGN CURRENCY BALANCES

Monetary assets and liabilities denominated in foreign currency (*i.e.*, denominated in currencies other than the functional currencies of Group entities) represented less than 0.5% of consolidated assets and liabilities in both 2013 and 2014.

9.11 COMMITMENTS GIVEN AND RECEIVED

Under IFRS, forward financial instruments are recognised in the balance sheet.

Commitments given *(in € millions)*	**31.12.2014**	31.12.2013
Financing commitments	18.6	17.8
Guarantees	11,149.6	11,235.9
Securities commitments	4,110.6	3,418.7

Guarantees mainly concern the guarantee that CNP Assurances gives to Crédit Immobilier de France in respect of CNP Caution's maximum exposure. This guarantee was unchanged in 2014. It was first put in place and recognised in the income statement in 2011 and is now recognised at its current cost of €12.2 million.

Securities commitments correspond to securities pledged to reinsurers under the terms of outward reinsurance contracts.

Commitments received *(in € millions)*	**31.12.2014**	31.12.2013
Financing commitments	0.0	0.0
Guarantees	70.1	81.3
Securities commitments	9,778.8	8,814.5

Securities commitments correspond to securities pledged by cedants under the terms of inward reinsurance contracts.

Note 10 | Analysis of insurance and financial liabilities

10.1 ANALYSIS OF INSURANCE AND FINANCIAL LIABILITIES

The following tables show the sub-classifications of insurance liabilities that require separate disclosure under IFRS:

10.1.1 Analysis of insurance and financial liabilities at 31 December 2014

(in € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Non-life technical reserves	**7,997.2**	**6,743.4**	**1,253.8**
Unearned premium reserves	598.8	448.4	150.3
Outstanding claims reserves	5,740.4	4,847.6	892.8
Bonuses and rebates (including claims equalization reserve on group business maintained in liabilities)	42.8	41.0	1.8
Other technical reserves	1,615.2	1,406.4	208.9
Liability adequacy test reserves	0.0	0.0	0.0
Life technical reserves	**155,951.9**	**146,418.4**	**9,533.5**
Unearned premium reserves	993.7	718.4	275.3
Life premium reserves	148,384.3	139,241.2	9,143.1
Outstanding claims reserves	2,209.5	2,105.8	103.8
Policyholder surplus reserve	3,836.6	3,833.2	3.3
Other technical reserves	527.8	519.9	8.0
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments with DPF	**143,442.4**	**143,442.4**	**0.0**
Life premium reserves	139,237.7	139,237.7	0.0
Outstanding claims reserves	2,368.6	2,368.6	0.0
Policyholder surplus reserve	1,836.1	1,836.1	0.0
Other technical reserves	0.0	0.0	0.0
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments without DPF	**5,179.1**	**5,015.3**	**163.8**
Derivative financial instruments separated from the host contract	**0.0**	**0.0**	**0.0**
Deferred participation reserve	**31,783.1**	**31,783.1**	**0.0**
TOTAL INSURANCE AND FINANCIAL LIABILITIES	**344,353.6**	**333,402.5**	**10,951.1**
Deferred participation asset			

10.1.2 Analysis of insurance and financial liabilities at 31 December 2013

(in € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Non-life technical reserves	**6,981.4**	**5,997.0**	**984.4**
Unearned premium reserves	260.2	247.5	12.8
Outstanding claims reserves	5,139.8	4,330.0	809.8
Bonuses and rebates (including claims equalisation reserve on group business maintained in liabilities)	41.3	39.0	2.3
Other technical reserves	1,540.0	1,380.5	159.5
Liability adequacy test reserves	0.0	0.0	0.0
Life technical reserves	**142,121.0**	**133,457.7**	**8,663.3**
Unearned premium reserves	181.3	180.0	1.3
Life premium reserves	136,454.2	127,893.9	8,560.3
Outstanding claims reserves	2,004.4	1,911.4	93.1
Policyholder surplus reserve	3,234.9	3,232.6	2.3
Other technical reserves	246.2	239.9	6.3
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments with DPF	**146,680.2**	**146,680.2**	**0.0**
Life premium reserves	143,158.4	143,158.4	0.0
Outstanding claims reserves	2,244.2	2,244.2	0.0
Policyholder surplus reserve	1,277.6	1,277.6	0.0
Other technical reserves	0.0	0.0	0.0
Liability adequacy test reserves	0.0	0.0	0.0
Financial instruments without DPF	**5,323.6**	**5,176.7**	**146.9**
Derivative financial instruments separated from the host contract	**0.0**	**0.0**	**0.0**
Deferred participation reserve	**18,980.0**	**18,980.0**	**0.0**
TOTAL INSURANCE AND FINANCIAL LIABILITIES	**320,086.2**	**310,291.6**	**9,794.6**
Deferred participation asset	**0.0**	**0.0**	**0.0**

10.2 CHANGE IN TECHNICAL RESERVES

This note presents changes in technical reserves by category, such as those arising from changes in the assumptions applied to measure insurance liabilities. Each change with a material impact on the consolidated financial statements is shown separately. Movements are presented before and after reinsurance.

10.2.1 Changes in mathematical reserves – life insurance

10.2.1.1 Changes in mathematical reserves – life insurance – 2014

(in € millions)	Before reinsurance	Net	Reinsurance
Mathematical reserves at the beginning of the period	**279,612.6**	**271,052.3**	**8,560.3**
Premiums	26,402.3	25,962.0	440.3
Extinguished liabilities (benefit payments)	(24,532.8)	(24,185.0)	(347.8)
Locked-in gains	7,587.6	7,260.4	327.1
Change in value of linked liabilities	1,486.3	1,486.3	0.0
Changes in scope (acquisitions/divestments)	24.8	30.8	(6.0)
Outstanding loadings	(1,591.3)	(1,591.3)	0.0
Surpluses/deficits	(7.3)	(7.3)	0.0
Currency effect	53.2	53.2	0.0
Changes in assumptions	(3.4)	(3.4)	0.0
Newly consolidated companies	0.5	0.3	0.2
Non-current liabilities associated with assets held for sale and discontinued operations	(1,764.7)	(1,764.5)	(0.2)
Other	354.2	185.1	169.1
Mathematical reserves at the end of the period	**287,621.9**	**278,478.8**	**9,143.1**

10.2.1.2 Changes in mathematical reserves – life insurance – 2013

(in € millions)	Before reinsurance	Net	Reinsurance
Mathematical reserves at the beginning of the period	**275,254.5**	**267,513.3**	**7,741.2**
Premiums	23,351.4	22,912.3	439.2
Extinguished liabilities (benefit payments)	(25,277.4)	(24,952.2)	(325.2)
Locked-in gains	7,633.4	7,242.2	391.2
Change in value of linked liabilities	381.1	381.2	0.0
Changes in scope (acquisitions/divestments)	1,177.4	1,177.4	0.0
Outstanding loadings	(1,520.5)	(1,520.5)	0.0
Surpluses/deficits	(8.0)	(8.0)	0.0
Currency effect	(1,380.5)	(1,380.5)	0.0
Changes in assumptions	0.0	0.0	0.0
Newly consolidated companies	0.1	0.1	0.0
Non-current liabilities associated with assets held for sale and discontinued operations	0.0	0.0	0.0
Other *	1.1	(312.9)	314.0
Mathematical reserves at the end of the period	**279,612.6**	**271,052.3**	**8,560.3**

* *Includes reclassification of an amount of €217.7 million to enhance regulatory consistency in terms of classification of technical reserves for the Personal Risk and Term Creditor Insurance business segments*

10.2.2 Changes in technical reserves – non-life insurance

10.2.2.1 Changes in technical reserves – non-life insurance – 2014

(in € millions)	Before reinsurance	Net	Reinsurance
Outstanding claims reserves at the beginning of the period	**5,139.8**	**4,330.0**	**809.8**
Claims expenses for the period *	1,863.8	1,653.3	210.5
Prior period surpluses/deficits	(0.1)	0.0	0.0
Total claims expenses	**1,863.8**	**1,653.3**	**210.5**
Current period claims settled during the period	(1,264.9)	(1,136.6)	(128.3)
Prior period claims settled during the period	(19.2)	(14.3)	(5.0)
Total paid claims	**(1,284.1)**	**(1,150.9)**	**(133.2)**
Changes in scope (acquisitions/divestments)	0.0	0.0	0.0
Currency effect	1.7	2.0	(0.3)
Newly consolidated companies	19.4	13.3	6.1
Non-current liabilities associated with assets held for sale and discontinued operations	0.0	0.0	0.0
Other	0.0	0.0	0.0
Outstanding claims reserves at the end of the period	**5,740.4**	**4,847.6**	**892.8**

* *In 2014, the estimate of delegated claims settlement costs was refined for all Term Creditor Insurance and Group Personal Risk products. Accordingly, the Group set aside €22 million in provisions for claims handling expenses for Group Personal Risk and €17 million for Term Creditor Insurance at 31 December 2014*

10.2.2.2 Changes in technical reserves – non-life insurance – 2013

(in € millions)	Before reinsurance	Net	Reinsurance
Outstanding claims reserves at the beginning of the period	**715.1**	**484.9**	**230.2**
Claims expenses for the period	1,590.7	1,356.0	234.7
Prior period surpluses/deficits	13.8	10.8	3.0
Total claims expenses	**1,604.5**	**1,366.8**	**237.7**
Current period claims settled during the period	(591.7)	(940.1)	348.4
Prior period claims settled during the period	(38.9)	(34.5)	(4.3)
Total paid claims	**(630.5)**	**(974.6)**	**344.1**
Changes in scope (acquisitions/divestments)	3,492.5	3,492.5	0.0
Currency effect	(41.8)	(39.5)	(2.2)
Newly consolidated companies	0.0	0.0	0.0
Non-current liabilities associated with assets held for sale and discontinued operations	0.0	0.0	0.0
Other	0.0	0.0	0.0
Outstanding claims reserves at the end of the period	**5,139.8**	**4,330.0**	**809.8**

10.2.3 Changes in mathematical reserves – financial instruments with DPF

	31.12.2014		
(in € millions)	Before reinsurance	Net	Reinsurance
Mathematical reserves at the beginning of the period	**5,323.6**	**5,176.7**	**146.9**
Premiums	716.3	708.7	7.7
Extinguished liabilities (benefit payments)	(797.8)	(780.5)	(17.3)
Locked-in gains	52.0	52.0	0.0
Change in value of linked liabilities	492.7	466.1	26.6
Changes in scope (acquisitions/divestments)	(27.5)	(27.5)	0.0
Currency effect	8.1	8.1	0.0
Newly consolidated companies	0.0	0.0	0.0
Non-current liabilities associated with assets held for sale and discontinued operations	(531.7)	(531.7)	0.0
Other	(56.5)	(56.5)	0.0
Mathematical reserves at the end of the period	**5,179.1**	**5,015.3**	**163.8**

	31.12.2013		
(in € millions)	Before reinsurance	Net	Reinsurance
Mathematical reserves at the beginning of the period	**5,251.0**	**5,109.1**	**141.9**
Premiums	860.2	852.1	8.2
Extinguished liabilities (benefit payments)	(805.3)	(784.5)	(20.8)
Locked-in gains	55.6	55.6	0.0
Change in value of linked liabilities	174.8	157.2	17.6
Changes in scope (acquisitions/divestments)	(58.4)	(58.4)	0.0
Currency effect	(155.6)	(155.6)	0.0
Newly consolidated companies	0.0	0.0	0.0
Non-current liabilities associated with assets held for sale and discontinued operations	0.0	0.0	0.0
Other	1.2	1.2	0.0
Mathematical reserves at the end of the period	**5,323.6**	**5,176.7**	**146.9**

10.3 DEFERRED PARTICIPATION (SHADOW ACCOUNTING ADJUSTMENTS)

This note breaks down the sources of deferred participation arising from the use of shadow accounting. The amount of deferred participation calculated for each entity under shadow accounting principles is recognised either in liabilities as a deferred participation reserve, or in assets as a deferred participation asset (see Note 3.14.2).

	31.12.2014			31.12.2013		
Deferred participation *(in € millions)*	DPA	DPR	Total	DPA	DPR	Total
Deferred participation on remeasurement at fair value through profit	0.0	(198.6)	198.6	0.0	(841.1)	841.1
Deferred participation on remeasurement at fair value recognised in equity	0.0	31,981.7	(31,981.7)	0.0	19,821.1	(19,821.1)
Deferred participation on adjustment of claims equalisation reserves	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**0.0**	**31,783.1**	**(31,783.1)**	**0.0**	**18,980.0**	**(18,980.0)**

The following table analyses year-on-year changes:

(in € millions)	31.12.2014		31.12.2013	
	DPA	DPR	DPA	DPR
Amount at the beginning of the period	**0.0**	**18,980.0**	**0.0**	**19,049.6**
Deferred participation on remeasurement at fair value of securities through profit	0.0	642.5	0.0	1,210.6
Deferred participation on remeasurement at fair value of securities recognised in equity	0.0	12,160.6	0.0	(1,280.2)
Other movements	0.0	0.0	0.0	0.0
Effect of change in recoverability rate	0.0	0.0	0.0	0.0
Deferred participation at the end of the period	**0.0**	**31,783.1**	**0.0**	**18,980.0**

10.4 CHANGES IN FINANCIAL LIABILITIES – LINKED LIABILITIES

10.4.1 Changes in 2014

(in € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Technical reserves at the beginning of the period	**31,485.8**	**31,480.5**	**5.3**
(+) Entries (new contracts, transfers between contracts, replacements)	5,296.7	5,296.6	0.0
(+/-) Revaluation (fair value adjustments, incorporation of policyholder surplus)	2,190.8	2,190.8	0.0
(-) Exits (paid benefits and expenses)	(3,375.8)	(3,375.8)	0.0
(+/-) Entries/exits related to portfolio transfers	(997.9)	(991.9)	(6.0)
(-) Outstanding loadings deducted	(149.4)	(149.4)	0.0
(+/-) Surpluses/deficits	0.0	0.0	0.0
(+/-) Effect of changes in assumptions	0.0	0.0	0.0
(+/-) Translation adjustment	48.0	48.0	0.0
(+/-) Newly consolidated companies	0.0	0.0	0.0
Non-current assets held for sale and discontinued operations	(343.8)	0.0	0.0
Other	(16.1)	(360.5)	0.6
Technical reserves at the end of the period *	**34,138.3**	**34,138.3**	**0.0**

* *Refer to reconciliation table in Note 10.4.2*

10.4.2 Changes in 2013

(in € millions)	Before reinsurance	Net of reinsurance	Reinsurance
Technical reserves at the beginning of the period	**31,999.0**	**31,993.0**	**5.9**
(+) Entries (new contracts, transfers between contracts, replacements)	4,146.6	4,146.3	0.3
(+/-) Revaluation (fair value adjustments, incorporation of policyholder surplus)	784.3	784.3	0.0
(-) Exits (paid benefits and expenses)	(4,669.5)	(4,668.7)	(0.8)
(+/-) Entries/exits related to portfolio transfers	776.0	776.0	0.0
(-) Outstanding loadings deducted	(121.2)	(121.2)	0.0
(+/-) Surpluses/deficits	0.0	0.0	0.0
(+/-) Effect of changes in assumptions	0.0	0.0	0.0
(+/-) Translation adjustment	(1,287.5)	(1,287.5)	0.0
(+/-) Newly consolidated companies	0.0	0.0	0.0
Other	(142.0)	(141.8)	(0.1)
Technical reserves at the end of the period *	**31,485.8**	**31,480.5**	**5.3**

* *Not including linked liability financial instruments without DPF, accounted for in accordance with IAS 39. The table below reconciles the amounts shown*

(in € millions)	31.12.2014	31.12.2013
Financial liabilities – linked liability financial instruments – balance sheet	**38,506.0**	**36,029.6**
Changes in financial liabilities – linked liabilities other than IAS 39	34,138.3	31,485.8
Changes in financial liabilities – linked liabilities – IAS 39	4,367.7	4,543.8
VARIANCE	**0.0**	**0.0**

10.5 CREDIT RISK ON REINSURED BUSINESS

The purpose of this note is to provide an analysis of credit risk related to outward reinsurance contracts by reinsurer for CNP France and the main subsidiaries in the Group:

a) excess-of-loss contracts have been placed with reinsurers who are rated between A- and AAA

b) for quota-share treaties where the asset is not held by CNP Assurances, the breakdown of ceded insurance liabilities by reinsurer is as follows:

10.5.1 Credit risk on reinsured business at 31 December 2014

	Ceded technical reserves		
(in € millions)	Credit rating	Amount	%
First reinsurer	AA-	3,913.4	35.73%
Second reinsurer	BBB	2,573.7	23.50%
Third reinsurer	AA-	1,298.8	11.86%
Fourth reinsurer	A	668.2	6.10%
Other reinsurers	-	2,497.1	22.81%
TOTAL		**10,951.1**	**100%**

10.5.2 Credit risk on reinsured business at 31 December 2013

	Ceded technical reserves		
(in € millions)	Credit rating	Amount	%
First reinsurer	A	3,759.3	38.38%
Second reinsurer	BBB-	2,465.7	25.17%
Third reinsurer	AA-	1,217.7	12.43%
Fourth reinsurer	A	574.6	5.87%
Other reinsurers	-	1,777.3	18.15%
TOTAL		**9,794.6**	**100%**

Note 11 Subordinated liabilities

11.1 SUBORDINATED LIABILITIES AT 31 DECEMBER 2014

(in € millions)	Issuance date	Interest rate	Amount in currency	Currency	Amount in euros	Due within 1 year	Due in 1 to 5 years	Due in 5 to 10 years	Due in 10 to 15 years	Due beyond 15 years	Undated	Fair value *
Dated subordinated notes					**3,130.0**	**0.0**	**0.0**	**0.0**	**200.0**	**2,335.2**	**594.8**	**3,519.2**
CNP Assurances	April 2011	6.875% until Sept. 2021, then 12-month Libor +440 bps		€	700.0					700.0		857.1
CNP Assurances	April 2011	7.375% until Sept. 2021, then 12-month Libor +448.2 bps	300.0	GBP	385.2					385.2		444.1
CNP Assurances	Sept. 2010	6.00% (Actual/Actual) until 2020, then 3-month Euribor (Actual/360) +447.2 bps		€	750.0					750.0		871.1
CNP Assurances	Nov. 2004	3-month Euribor +0.70% until 2016, then 3-month Euribor +1.6%		€	93.0						93.0	90.1
CNP Assurances	Nov. 2004	4.93% until 2016, then 3-month Euribor +1.6% from 15.11.16		€	90.0						90.0	92.8
CNP Assurances	June 2003	4.7825% until 2013, then 3-month Euribor +2% from 24.06.13		€	200.0				200.0			188.5
CNP Assurances	July 2013	6.875% until July 2019, then reset at the 6-year fixed swap rate +500.0 bps	500.0	USD	411.8						411.8	449.4
CNP Assurances	Jun. 2014	4.25% fixed, revisable every 5 years after the first 11 years – Annual (Actual/365)		€	500.0					500.0		526.1
Undated subordinated notes				**€**	**45.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**45.0**	**42.6**
CNP UniCredit Vita	Oct. 2003	6-month Euribor +1.5%		€	45.0	0.0	0.0	0.0	0.0	0.0	45.0	42.6
TOTAL					**3,175.0**	**0.0**	**0.0**	**0.0**	**200.0**	**2,335.2**	**639.8**	**3,561.9**

* *The fair value of financial liabilities (IAS 39) is disclosed in accordance with IFRS 7. If subordinated debt had been measured at fair value through profit instead of at amortised cost, the impact would have been a negative amount of €212.5 million before tax at 31 December 2014. The fair values of unit-linked liabilities are presented in Note 10.4. The fair values of financial instruments without DPF (Note 10.1) are not presented as the amounts involved are not material. IFRS 7 includes certain exemptions from the requirement to disclose the fair values of financial instruments with DPF. The Group considers that it fulfils the exemption criteria, particularly in light of the work under way in connection with IFRS 4, Phase 2, regarding the fair value of these instruments*

Subordinated liabilities are not subject to financial covenants.

11.2 SUBORDINATED LIABILITIES AT 31 DECEMBER 2013

(in € millions)	Issuance date	Interest rate	Amount in currency	Currency	Amount in euros	Due within 1 year	Due in 1 to 5 years	Due in 5 to 10 years	Due in 10 to 15 years	Due beyond 15 years	Undated	Fair value *
Dated subordinated notes					**2,569.4**	**14.0**	**0.0**	**0.0**	**200.0**	**1,809.8**	**545.6**	**2,748.0**
CNP Assurances	April 2011	6.875% until Sept. 2021, then 12-month Libor +440 bps		€	700.0					700.0		789.7
CNP Assurances	April 2011	7.375% until Sept. 2021, then 12-month Libor +448.2 bps	300.0	GBP	359.8					359.8		397.3
CNP UniCredit Vita	June 2009	6-month Euribor 3.25%		€	14.0	14.0						14.0
CNP Assurances	Sept. 2010	6.00% (Actual/Actual) until 2020, then 3-month Euribor (Actual/360) +447.2 bps		€	750.0					750.0		807.6
CNP Assurances	Nov. 2004	3-month Euribor +0.70% until 2016, then 3-month Euribor +1.6%		€	93.0						93.0	85.4
CNP Assurances	Nov. 2004	4.93% until 2016, then 3-month Euribor +1.6% from 15.11.16		€	90.0						90.0	91.3
CNP Assurances	June 2003	4.7825% until 2013, then 3-month Euribor +2% from 24.06.13		€	200.0				200.0			179.5
CNP Assurances	July 2013	6.875% until July 2019, then reset at the 6-year fixed swap rate +500.0 bps	500.0	USD	362.6						362.6	383.3
Undated subordinated notes				**€**	**45.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**45.0**	**40.8**
CNP UniCredit Vita	Oct. 2003	6-month Euribor +1.5%		€	45.0	0.0	0.0	0.0	0.0	0.0	45.0	40.8
TOTAL					**2,614.4**	**14.0**	**0.0**	**0.0**	**200.0**	**1,809.8**	**590.6**	**2,788.8**

* *The fair value of financial liabilities (IAS 39) is disclosed in accordance with IFRS 7. If subordinated debt had been measured at fair value through profit instead of at amortised cost, the impact would have been €159.4 million at 31 December 2013*

Note 12 Insurance and reinsurance receivables

12.1 INSURANCE AND REINSURANCE RECEIVABLES

This note discloses details of insurance and reinsurance receivables at 31 December 2014 and 2013.

(in € millions)	**31.12.2014**	31.12.2013
Earned premiums not yet written	2,452.0	2,388.4
Other insurance receivables	455.3	323.9
Reinsurance receivables	145.9	60.9
TOTAL	**3,053.2**	**2,773.3**
Of which, doubtful receivables	3.8	3.4

ANALYSIS BY MATURITY

	31.12.2014		
(in € millions)	**Due within 1 year**	**Due in 1 to 5 years**	**Due beyond 5 years**
Earned premiums not yet written	2,452.0	0.0	0.0
Other insurance receivables	426.0	19.8	9.4
Reinsurance receivables	144.8	1.1	0.0
TOTAL	**3,022.8**	**20.9**	**9.4**

	31.12.2013		
(in € millions)	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Earned premiums not yet written	2,388.4	0.0	0.0
Other insurance receivables	321.0	2.9	0.0
Reinsurance receivables	62.0	(1.0)	0.0
TOTAL	**2,771.4**	**1.9**	**0.0**

12.2 OTHER RECEIVABLES

(in € millions)	**31.12.2014**	31.12.2013
Receivables from employees	1.3	1.6
Receivables due from government and social security bodies	803.2	817.6
Sundry receivables	5,928.5	3,826.2
TOTAL	**6,733.0**	**4,645.3**

Note 13 | Deferred taxes

This note presents total deferred tax assets and liabilities by type of temporary difference.

Sources of temporary differences *(in € millions)*	31.12.2014		
	Assets	**Liabilities**	**Net**
Goodwill	15.6	(1.1)	14.5
Value of In-Force business	0.0	(2.7)	(2.7)
Other intangible assets	0.0	0.0	0.0
Investment property	0.0	(83.3)	(83.3)
Financial assets	41.3	(13,771.2)	(13,729.9)
Investments in associates	0.0	0.0	0.0
Reinsurers' share of insurance and financial liabilities	45.2	0.0	45.2
Owner-occupied property and other property and equipment	0.0	(0.9)	(0.9)
Deferred acquisition costs	0.0	0.0	0.0
Other assets	471.6	0.0	471.6
Capitalisation reserve	0.0	0.0	0.0
Subordinated debt	0.0	(8.9)	(8.9)
Provisions	162.9	0.0	162.9
Financing liabilities	0.0	0.0	0.0
Insurance and financial liabilities	0.0	0.0	0.0
Deferred participation asset/reserve	12,034.6	0.0	12,034.6
Other liabilities	0.0	(0.6)	(0.6)
Credit from tax loss carryforwards	0.0	0.0	0.0
Asset-liability netting	(12,490.1)	12,490.1	0.0
NET DEFERRED TAX ASSET OR LIABILITY	**281.1**	**(1,378.5)**	**(1,097.5)**

Sources of temporary differences *(in € millions)*	31.12.2013		
	Assets	Liabilities	Net
Goodwill	18.2	(1.1)	17.1
Value of In-Force business	0.0	(20.9)	(20.9)
Other intangible assets	0.0	(33.1)	(33.1)
Investment property	0.0	(89.0)	(89.0)
Financial assets	54.7	(8,367.3)	(8,312.6)
Investments in associates	0.0	0.0	0.0
Reinsurers' share of insurance and financial liabilities	0.7	0.0	0.7
Owner-occupied property and other property and equipment	0.0	(1.0)	(1.0)
Deferred acquisition costs	0.0	0.0	0.0
Other assets	203.4	0.0	203.4
Capitalisation reserve	0.0	0.0	0.0
Subordinated debt	10.9	0.0	10.9
Provisions	127.6	0.0	127.6
Financing liabilities	0.0	0.0	0.0
Insurance and financial liabilities	0.0	(2.6)	(2.6)
Deferred participation asset/reserve	7,193.7	0.0	7,193.7
Other liabilities	0.0	(0.6)	(0.6)
Credit from tax loss carryforwards	0.0	0.0	0.0
Asset-liability netting	(7,376.9)	7,376.9	0.0
NET DEFERRED TAX ASSET OR LIABILITY	**232.4**	**(1,138.6)**	**(906.2)**

Note 14 Provisions

Provisions cover commercial, employee-related and tax risks resulting in obligations that will most likely give rise to an outflow of resources, the amount of which may be reliably determined.

14.1 PROVISIONS – 2014

(in € millions)	Provisions for claims and litigation	Other	Total
Carrying amount at 1 January 2014	**97.5**	**148.2**	**245.7**
New provisions set up during the period and increases in existing provisions	85.9	27.8	113.7
Amounts utilised during the year	(14.4)	(2.8)	(17.2)
Surplus provisions released during the period	(76.3)	(14.9)	(91.2)
Change due to the passage of time and/or a change in the discount rate	0.0	0.0	0.0
Translation adjustments	0.5	0.1	0.7
Changes in scope of consolidation	0.5	0.0	0.5
Reclassifications	0.0	0.0	0.0
Non-current assets held for sale and discontinued operations	0.0	(2.1)	(2.1)
CARRYING AMOUNT AT 31 DECEMBER 2014	**93.7**	**156.4**	**250.1**

14.2 PROVISIONS – 2013

(in € millions)	Provisions for claims and litigation	Other	Total
Carrying amount at 1 January 2013	**77.1**	**142.1**	**219.3**
New provisions set up during the period and increases in existing provisions	83.6	55.8	139.4
Amounts utilised during the year	0.0	(11.1)	(11.1)
Surplus provisions released during the period	(50.4)	(38.7)	(89.1)
Change due to the passage of time and/or a change in the discount rate	0.0	0.0	0.0
Translation adjustments	(12.9)	(4.2)	(17.1)
Changes in scope of consolidation	0.0	4.2	4.2
Reclassifications	0.0	0.0	0.0
CARRYING AMOUNT AT 31 DECEMBER 2013	**97.5**	**148.2**	**245.7**

Note 15 Liabilities arising from insurance and reinsurance transactions

15.1 LIABILITIES ARISING FROM INSURANCE AND REINSURANCE TRANSACTIONS

This note discloses details of insurance and reinsurance liabilities at 31 December 2014 and at 31 December 2013.

(in € millions)	**31.12.2014**	31.12.2013
Cash deposits received from reinsurers	325.7	300.5
Liabilities arising from insurance transactions	911.7	812.4
Liabilities arising from reinsurance transactions	604.5	478.9
Deferred acquisition costs	305.9	6.6
TOTAL	**2,147.8**	**1,598.4**

ANALYSIS BY MATURITY

	31.12.2014			31.12.2013		
(in € millions)	**Due within 1 year**	**Due in 1 to 5 years**	**Due beyond 5 years**	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Cash deposits received from reinsurers	159.0	166.7	0.0	150.2	150.3	0.0
Liabilities arising from insurance transactions	911.7	0.0	0.0	812.4	0.0	0.0
Liabilities arising from reinsurance transactions	603.9	0.6	0.0	478.9	0.0	0.0
Deferred acquisition costs	5.6	95.7	204.7	6.6	0.0	0.0
TOTAL	**1,680.2**	**263.0**	**204.7**	**1,448.1**	**150.3**	**0.0**

15.2 OTHER LIABILITIES

(in € millions)	**31.12.2014**	31.12.2013
Receivables from employees	376.0	338.5
Accrued payroll charges and other taxes	1,386.1	1,250.2
Sundry payables	5,406.7	5,277.4
TOTAL	**7,168.8**	**6,866.1**

15.3 EMPLOYEE BENEFITS – IAS 19

15.3.1 Main assumptions

Discount rate

At 31 December 2014, the discount rate corresponds to the yield on investment-grade corporate bonds (rated AA) with maturities that match the duration of the benefit obligation in accordance with IAS 19. Until 31 December 2010, defined benefit plan obligations in France were discounted to present value based on the French government bond (OAT) rate. This change did not have a material impact on measurement of obligations.

Plan	Duration (years)	Discount rate	Expected future salary increases	Inflation	Expected return on plan assets
Retirement benefits	9	1.49%	3.0%	Incl. in salary increases	N/A
Jubilees	14	1.09%	3.0%	Incl. in salary increases	N/A
Article 39 of the French Tax Code	9	1.03%	3.0%	Incl. in salary increases	1.03%
Other plans: Italy	24	2.00%	3.0%	1.5%	N/A

Mortality tables

The Group based its calculations on prospective mortality tables by generation, particularly table TGH05-TGF05 for obligations in France.

15.3.2 Recognised benefit obligations

	Post-employment plans	
(in € millions)	**31.12.2014**	31.12.2013
Projected benefit obligation	184.3	153.9
Fair value of plan assets	(0.1)	0.0
Projected benefit obligation net of plan assets	**184.2**	**153.9**
Unrecognised past service cost	0.0	0.0
Liability recognised in the balance sheet – defined benefit plans	**184.2**	**153.9**
Liability recognised in the balance sheet – defined contribution plans	54.3	50.5
Total liability recognised in the balance sheet for pension and other post-employment benefit plans	**238.5**	**204.4**
Other long-term benefit obligations	19.1	19.8
Of which length-of-service and jubilee awards	19.1	19.8
Total liability recognised in the balance sheet for long-term benefit obligations	**257.6**	**224.2**

* *Benefit obligations are mainly carried on the books of the French (€256.3 million) and Italian entities (€0.8 million)*

15.3.3 Analysis of cost of benefit obligations

	Post-employment plans	
(in € millions)	**31.12.2014**	31.12.2013
Current service cost (net of employee contributions)	**9.0**	**7.6**
Interest cost	3.9	3.6
Expected return on plan assets for the period	0.0	0.0
Curtailments and settlements	0.0	0.0
Amortisation of past service cost	0.0	0.0
Post-employment benefit expense – defined benefit plans	**12.9**	**11.2**
Post-employment benefit expense – defined contribution plans	15.0	15.0
TOTAL POST-EMPLOYMENT BENEFIT EXPENSE	**27.9**	**26.1**

15.3.4 Reconciliation of the amounts recorded in the balance sheet for defined benefit plans

	Post-employment plans	
(in € millions)	31.12.2014	31.12.2013
At 1 January [(1)]	**153.9**	**141.3**
Effect of changes in exchange rates [(2)]	0,0	0.0
Post-employment benefit expense	12.9	11.1
Employer's contributions [(3)]	(8.5)	(13.7)
Benefits paid [(4)]	(3.0)	(4.8)
Actuarial gains and losses recognised directly in equity [(5)]	37.2	20.0
Actuarial gains and losses recognised through profit	(8.2)	0.0
Changes in scope of consolidation	0.0	0.0
Non-current liabilities associated with assets held for sale and discontinued operations	0.0	0.0
AT 31 DECEMBER	**184.2**	**153.9**

(1) Net plan assets/(liabilities) carried in the balance sheet at 1 January for defined benefit plans
(2) Pension (charges)/revenue arising from defined benefit plans
(3) Management fees paid on plan assets
(4) Fees paid by the Group (or rebilled by Caisse des Dépôts)
(5) Actuarial gains and losses recognised immediately in equity in line with Group accounting policies

15.3.5 Change in actuarial gains

	Post-employment plans	
(in € millions)	31.12.2014	31.12.2013
Actuarial gains and losses recognised in equity at the beginning of the period	**96.5**	**80.2**
Actuarial gains and losses related to changes in discount rates	23.0	(1.3)
Actuarial gains and losses related to changes in assumptions regarding retirement age	1.3	13.8
Actuarial gains and losses related to changes in technical rates	4.3	1.9
Actuarial gains and losses related to annuity contributions	2.9	0.0
Actuarial gains and losses related to historical loss adjustments	5.6	1.9
Actuarial gains and losses recognised in equity at the end of the period	**133.6**	**96.5**

15.3.6 Sensitivity analysis

In accordance with IAS 19, the Group analyses the sensitivity of its commitments to employees in relation to changes in discount rates, employee turnover rates, rate of salary increase, technical rates and mortality tables. Accrued employee benefit commitments are most sensitive to changes in the salary revaluation rate and the discount rate. A 25 bps change in these two rates, for the French entities, would result in either a 3% increase or decrease in employee benefit commitments.

ANALYSIS OF THE MAIN COMPONENTS OF THE INCOME STATEMENT

Note 16 Revenue

Revenue comprises:

- earned premiums
- loadings on premiums on financial instruments without DPF (IAS 39), reported under "Revenue from other activities".

16.1 EARNED PREMIUMS AND REVENUE FROM OTHER ACTIVITIES

Business segment and contract type *(in € millions)*	31.12.2014	31.12.2013
Insurance contracts	**25,341.1**	**21,803.3**
Life	**22,435.1**	**18,964.2**
Pure premiums	21,191.7	17,729.5
Loadings	1,243.4	1,234.7
Non-life	**2,906.1**	**2,839.0**
Pure premiums	2,176.8	2,108.1
Loadings	729.3	731.0
Financial instruments with DPF	**5,194.5**	**5,615.8**
Pure premiums	5,125.3	5,543.6
Loadings	69.2	72.2
Earned premiums	**30,535.7**	**27,419.1**

Revenue from other activities *(in € millions)*	31.12.2014	31.12.2013
Financial instruments without DPF	**59.9**	**50.3**
Loadings	59.9	50.3
On premiums	53.7	59.0
On outstandings	6.2	(8.8)
Services (IAS 18)	**91.2**	**101.6**
Other activities	**(0.6)**	**1.8**
TOTAL	**150.4**	**153.7**

16.2 RECONCILIATION TO REPORTED REVENUE

(in € millions)	31.12.2014	31.12.2013
Earned premiums	30,535.7	27,419.1
Loadings on premiums on financial instruments without DPF (IAS 39)	53.7	59.0
TOTAL	**30,589.3**	**27,478.1**

16.3 REVENUE BY DISTRIBUTION PARTNER

(in € millions)	31.12.2014	31.12.2013
La Banque Postale	9,489.8	8,621.0
BPCE	9,792.5	7,525.5
Amétis	530.5	524.3
Financial institutions	1,498.0	1,503.6
Companies and local authorities	1,796.7	1,781.3
Mutual insurers	911.4	883.1
International subsidiaries	6,298.6	6,571.3
Other	271.7	68.1
TOTAL REVENUE	**30,589.3**	**27,478.1**

16.4 REVENUE BY BUSINESS SEGMENT

(in € millions)	31.12.2014	31.12.2013
Savings	**21,459.5**	**17,763.2**
Pensions	**2,906.9**	**3,702.7**
Personal Risk	1,944.6	1,863.3
Term Creditor Insurance	3,360.6	3,295.1
Health insurance	570.0	501.1
Property & Casualty	347.8	352.6
Sub-total personal risk and other	**6,222.9**	**6,012.1**
Other business segments	**0.0**	**0.0**
TOTAL REVENUE	**30,589.3**	**27,478.1**

16.5 REVENUE BY COMPANY

(in € millions)	31.12.2014	31.12.2013
CNP Assurances	21,718.1	18,813.7
CNP IAM	2,242.9	2,213.0
Préviposte	151.8	163.7
ITV	15.7	19.0
CNP International	0.0	0.0
MFPrévoyance SA	223.0	232.0
CNP Seguros de Vida	45.0	55.5
Odonto Empresas Convenios Dentarios LTDA	10.2	0.0
Caixa Seguros group	2,818.5	3,018.5
CNP UniCredit Vita	2,692.4	2,303.8
CNP Partners	208.8	186.3
CNP Cyprus Insurance Holdings	142.6	163.1
CNP Europe Life	7.8	20.7
CNP Barclays Vida y Pensiones	312.6	288.8
TOTAL REVENUE	**30,589.3**	**27,478.1**

16.6 REVENUE BY COUNTRY

(in € millions)	Under IFRS 31.12.2014	Under IFRS 31.12.2013	Under French GAAP 31.12.2014	Under French GAAP 31.12.2013
France	24,290.7	20,906.8	24,505.4	21,043.6
Italy	2,922.8	2,548.2	3,031.0	2,810.6
Portugal	90.9	82.8	157.6	162.9
Brazil	2,828.7	3,018.5	3,157.9	3,383.8
Argentina	45.0	55.5	45.0	55.5
Spain	265.3	263.7	265.3	263.7
Cyprus	137.1	154.4	137.7	154.8
Ireland	0.9	0.9	0.9	0.9
Other	7.9	447.2	8.3	447.9
TOTAL REVENUE	**30,589.3**	**27,478.1**	**31,309.1**	**28,323.7**

16.7 DIRECT AND INWARD REINSURANCE PREMIUMS

(in € millions)	31.12.2014	31.12.2013
Insurance premiums	29,771.8	26,594.7
Inward reinsurance premiums	817.5	883.3
TOTAL REVENUE	**30,589.3**	**27,478.1**

Note 17 Claims and benefits expenses

This note shows assets, liabilities, income and expenses generated by insurance contracts.

IFRS 4 and IAS 39 insurance contracts and financial instruments with DPF *(in € millions)*	31.12.2014	31.12.2013
Incurred claims	10,584.1	10,224.5
Endowments due	293.2	1,575.7
Benefits due	1,249.0	1,226.9
Surrenders	14,307.3	14,632.8
Credited interest and policyholder dividends included in paid benefits	(21.4)	(60.9)
Benefit and claim handling expenses	128.7	131.3
Claims and benefits	**26,541.1**	**27,730.4**
Change in technical reserves – insurance contracts	9,528.4	4,793.9
Change in technical reserves – financial instruments with DPF	(7,225.7)	(7,203.3)
Change in other technical reserves	(396.3)	(239.3)
Change in technical reserves	**1,906.4**	**(2,648.7)**
Credited interest	1,446.5	1,478.7
Policyholder dividends	7,948.8	8,815.4
Credited interest and policyholder dividends	**9,395.3**	**10,294.1**
Claims and benefits expenses	**37,842.8**	**35,375.8**

Note 18 Administrative expenses and business acquisition costs

18.1 EXPENSES ANALYSED BY FUNCTION

(in € millions)	31.12.2014	31.12.2013
Commissions	(3,125.7)	(3,090.9)
Expenses analysed by function	(229.7)	(148.4)
Business acquisition costs	**(3,355.4)**	**(3,239.3)**
Contract administration expenses	**(196.6)**	**(195.1)**
Other underwriting income and expenses	(236.1)	(221.9)
Other income and expenses	(228.0)	(202.8)
Employee profit-sharing	(23.7)	(24.6)
Other recurring operating income and expense, net	**(487.9)**	**(449.3)**
TOTAL	**(4,039.9)**	**(3,883.7)**

18.2 EXPENSES ANALYSED BY NATURE

(in € millions)	31.12.2014	31.12.2013
Depreciation and amortisation expense and impairment losses	(31.5)	(28.7)
Employee benefits expense	(422.5)	(430.5)
Taxes other than on income	(128.5)	(114.8)
Other	(332.2)	(326.0)
TOTAL	**(914.6)**	**(899.9)**

As these tables only include line item disclosures required under IAS 1, total expenses analysed by nature do not tie back to total expenses analysed by function.

18.3 ADMINISTRATIVE EXPENSES, NET

(in € millions)	31.12.2014	31.12.2013
Contract administration costs, net		
■ Excluding international subsidiaries and other businesses	585.1	560.7
■ Including international subsidiaries and other businesses	895.6	861.9
Ratio (1)		
$\frac{\text{Contract administration costs}}{\text{Technical reserves}^{(2)}}$		
■ Excluding international subsidiaries and other businesses	0.20%	0.20%
■ Including international subsidiaries and other businesses	0.29%	0.29%

(1) Excluding Amétis set-up expenses
(2) Insurance and financial liabilities, excluding deferred participation

18.4 ANALYSIS OF COMMISSION EXPENSE

(in € millions)	**31.12.2014**	31.12.2013
Caisses d'Epargne	875.1	848.0
La Banque Postale	596.9	552.9
Other	1,653.7	1,690.0
TOTAL	**3,125.7**	**3,090.9**

Note 19 Reinsurance result

(in € millions)	**31.12.2014**	31.12.2013
Ceded premiums	(695.1)	(1,426.5)
Change in ceded technical reserves	948.5	1,428.1
Reinsurance commissions received	268.9	270.6
Investment income	(325.6)	(387.3)
TOTAL	**196.7**	**(115.1)**

Note 20 Investment income

20.1 INVESTMENT INCOME AND EXPENSE

This note discloses the main income, expenses, profits and losses generated by financial assets and liabilities that have been recognised in profit or loss or directly in equity for 2014 and 2013.

(in € millions)		31.12.2014	31.12.2013
	Income from debt securities	126.7	(28.1)
	Interest income	7,012.3	7,469.1
	Income from other financial assets	1,709.9	1,271.7
	Capital gains and losses on disposals	78.3	696.5
	Impairment	628.3	394.2
Available-for-sale financial assets	**Net income from available-for-sale financial assets**	**9,555.4**	**9,803.4**
	Income from debt securities	0.0	(0.9)
	Interest income	62.4	71.5
	Other income	0.0	0.9
	Impairment	1.7	20.9
Held-to-maturity investments	**Net income from held-to-maturity investments**	**64.1**	**92.4**
	Interest income	10.4	14.4
	Other income	0.0	0.0
	Impairment	0.0	(17.1)
Loans and receivables	**Net income from loans and receivables**	**10.4**	**(2.7)**
	Profit (loss) on securities held for trading	4,028.1	4,042.4
	Profit (loss) on derivative instruments held for trading and hedging	(577.5)	(79.5)
	Capital gains and losses on disposals	382.5	276.3
Financial assets at fair value through profit or loss	**Net income (expense) from financial assets at fair value through profit or loss**	**3,833.0**	**4,239.2**
	Rent and other revenue	131.2	97.8
	Fair value adjustments	(36.4)	3.7
	Capital gains and losses on disposals	85.2	(3.0)
Investment property	**Net income from investment property**	**180.0**	**98.6**
Other investment expenses		**(251.4)**	**(200.2)**
Dilution gain		**0.0**	**0.0**
TOTAL INVESTMENT INCOME		**13,391.4**	**14,030.8**
Interest on subordinated debt at amortised cost		(177.8)	(154.9)
Interest on subordinated debt at fair value		0.0	0.0
Total finance costs		**(177.8)**	**(154.9)**
TOTAL INVESTMENT INCOME NET OF FINANCE COSTS		**13,213.7**	**13,875.9**

RECONCILIATION OF INVESTMENT INCOME AND EXPENSES TO THE AMOUNTS REPORTED IN THE INCOME STATEMENT

(in € millions)	31.12.2014	31.12.2013
Investment income before finance costs	14,279.3	14,839.7
Investment and other financial expenses, excluding finance costs	(887.9)	(808.9)
Finance costs	(177.8)	(154.9)
TOTAL	**13,213.7**	**13,875.9**

20.2 FAIR VALUE ADJUSTMENTS TO ASSETS

The following tables show fair value adjustments to assets in 2014 and 2013.

20.2.1 Fair value adjustments to assets – 2014

(in € millions)		Investments held at 31.12.2014	Investments held at 31.12.2013	Movements in 2014
	Fixed-rate bonds	12,224.1	11,117.5	1,106.6
	Variable-rate bonds	18,082.8	18,429.3	(346.5)
	TCNs (money market securities)	115.0	196.8	(81.8)
	Equities	3,867.1	5,056.1	(1,189.0)
	Investment funds	33,094.6	29,234.2	3,860.4
	Shares in non-trading property companies	1,219.6	1,317.8	(98.2)
	Other (including lent securities and repos)	172.0	162.7	9.3
Assets at fair value through profit or loss	**Total**	**68,775.3**	**65,514.4**	**3,260.9**
	Derivative instruments (positive fair value)	5,173.0	5,855.1	(682.1)
	Derivative instruments (negative fair value)	(5,806.4)	(6,114.2)	307.8
Derivative instruments	**Total**	**(633.4)**	**(259.1)**	**(374.3)**
	Fixed-rate bonds	179,008.4	174,226.7	4,781.7
	Variable-rate bonds	31,827.6	27,810.7	4,016.9
	TCNs (money market securities)	3,556.2	6,829.7	(3,273.5)
	Equities	14,110.7	12,703.2	1,407.5
	Investment funds	37,237.8	24,070.8	13,167.0
	Shares in non-trading property companies	4,606.2	4,241.9	364.3
	Non-voting loan stock *	88.9	3,537.6	(3,448.7)
	Other (including lent securities and repos)	14,799.6	12,243.3	2,556.3
Available-for-sale financial assets	**Total**	**285,235.5**	**265,664.0**	**19,571.5**
	Fixed-rate bonds	151.1	207.3	(56.2)
	Variable-rate bonds	414.8	426.0	(11.2)
Held-to-maturity investments	**Total**	**565.9**	**633.3**	**(67.4)**
	Loans and receivables	4,988.9	4,667.5	321.4
Loans and receivables	**Total**	**4,988.9**	**4,667.5**	**321.4**
	Investment property at amortised cost	2,587.5	2,804.3	(216.8)
	Investment property measured by the fair value model	645.0	604.8	40.3
Investment property	**Total**	**3,232.5**	**3,409.0**	**(176.6)**
TOTAL		**362,164.7**	**339,629.2**	**22,535.6**

* *To enhance the internal presentation of the table, available-for-sale securities have been reclassified between non-voting loan stock, equities and investment funds in 2014. Consequently, these three line items are no longer comparable year on year and comparisons should be made on the basis of the AFS sub-total*

20.2.2 Fair value adjustments to assets – 2013

(in € millions)		Investments held at 31.12.2013	Investments held at 31.12.2012	Movements in 2013
Assets at fair value through profit or loss	Fixed-rate bonds	11,117.5	10,388.1	729.4
	Variable-rate bonds	18,429.3	20,055.1	(1,625.8)
	TCNs (money market securities)	196.8	154.1	42.7
	Equities	5,056.1	4,641.6	414.5
	Investment funds	29,234.2	28,793.9	440.3
	Shares in non-trading property companies	1,317.8	1,324.6	(6.8)
	Other (including lent securities and repos)	162.7	110.9	51.9
	Total	**65,514.4**	**65,468.4**	**46.1**
Derivative instruments	Derivative instruments (positive fair value)	5,855.1	4,340.8	1,514.3
	Derivative instruments (negative fair value)	(6,114.2)	(4,622.4)	(1,491.8)
	Total	**(259.1)**	**(281.6)**	**22.5**
Available-for-sale financial assets	Fixed-rate bonds	174,226.7	171,894.8	2,332.0
	Variable-rate bonds	27,810.7	29,559.1	(1,748.3)
	TCNs (money market securities)	6,829.7	9,298.4	(2,468.7)
	Equities	12,703.2	12,179.9	523.3
	Investment funds	24,070.8	20,347.8	3,723.0
	Shares in non-trading property companies	4,241.9	3,486.3	755.6
	Non-voting loan stock	3,537.6	3,393.2	144.4
	Other (including lent securities and repos)	12,243.3	4,440.0	7,803.3
	Total	**265,664.0**	**254,599.5**	**11,064.5**
Held-to-maturity investments	Fixed-rate bonds	207.3	389.4	(182.1)
	Variable-rate bonds	426.0	553.1	(127.0)
	Total	**633.3**	**942.5**	**(309.2)**
Loans and receivables	Loans and receivables	4,667.5	4,975.8	(308.3)
	Total	**4,667.5**	**4,975.8**	**(308.3)**
Investment property	Investment property at amortised cost	2,804.3	2,890.3	(86.0)
	Investment property measured by the fair value model	604.8	624.4	(19.6)
	Total	**3,409.0**	**3,514.7**	**(105.6)**
TOTAL		**339,629.2**	**329,219.2**	**10,410.0**

20.2.3 Reconciliation of fair value adjustments to the amounts reported in the "Investments" note

(in € millions)	**31.12.2014**	31.12.2013
Fair value of investments	362,164.7	339,629.2
Unrealised gains and losses, net	(830.1)	(903.7)
Carrying amount of investments	**361,334.7**	**338,725.5**

20.3 IMPAIRMENT

This note discloses the nature and amount of impairment losses on financial assets recognised in profit or loss, by significant category of financial assets.

(in € millions)	31.12.2014	31.12.2013
Available-for-sale financial assets	**(115.5)**	**(184.5)**
Fixed-rate bonds	0.0	(0.5)
Variable-rate bonds	(40.5)	(54.8)
TCNs (money market securities)	0.0	0.0
Equities	(22.5)	(84.5)
Equity funds	(1.7)	(9.9)
Non-voting loan stock	(8.5)	(1.7)
Other (including mutual fund units)	(42.3)	(33.1)
Held-to-maturity investments	**(0.1)**	**(4.2)**
Loans and receivables	**0.0**	**(17.1)**
Total impairment expense	**(115.5)**	**(205.9)**
Available-for-sale financial assets	**743.8**	**578.8**
Fixed-rate bonds	0.0	1.2
Variable-rate bonds	62.2	105.1
TCNs (money market securities)	0.0	0.0
Equities	592.0	281.0
Equity funds	36.1	84.1
Non-voting loan stock	47.1	49.2
Other (including mutual fund units)	6.4	58.2
Held-to-maturity investments	**1.8**	**25.1**
Loans and receivables	**0.0**	**0.0**
Total impairment reversals	**745.5**	**603.9**
NET CHANGE IN IMPAIRMENT PROVISIONS	**630.0**	**398.0**

Reversals of writedowns on equities as a result of disposals relate to shares in Nokia, Ageas and Mediaset.

Note 21 Income tax expense

The purpose of the table below is to disclose the main components of income tax expense (benefit).

(in € millions)	31.12.2014	31.12.2013
Current tax	(768.6)	(765.5)
Deferred tax	(4.6)	79.4
INCOME TAX EXPENSE	**(773.2)**	**(686.1)**
Profit for the period	1,402.9	1,323.1
Tax rate	35.53%	34.46%
INCOME TAX EXPENSE	**(773.2)**	**(686.1)**

Tax proof	31.12.2014		31.12.2013	
(in € millions)	Rate	Amounts	Rate	Amounts
Profit before tax		2,176.1		1,991.3
Income tax at the standard French tax rate	38.00%	(826.9)	38.00%	(756.7)
Permanent differences	-0.05%	1.1	-1.63%	32.5
Effects of changeover to the equity method	-0.39%	8.4	0.17%	10.9
Capital gains and losses taxed at reduced rate	-0.20%	4.4	0.17%	(3.5)
Effects of differences in foreign tax rates *	-0.13%	2.9	-0.91%	18.4
Tax credits and tax loss carryforwards used	-1.66%	36.2	-1.17%	23.5
Other	-0.04%	0.8	0.55%	(11.0)
TOTAL	**35.53%**	**(773.2)**	**34.46%**	**(686.1)**

* *In late 2011, the French government introduced a 5% income tax surcharge for companies with gross revenue exceeding €250 million. This surcharge was raised to 10.7% for income tax due in 2014 and 2015 for financial years 2013 and 2014, respectively*
The additional contribution of 3.3% raises the theoretical tax rate for 2014 to 38.00%

Deferred taxes on: *(in € millions)*	31.12.2014	31.12.2013
Fair value adjustments to financial assets held for trading	173.5	521.7
Deferred participation asset/reserve	(151.7)	(464.3)
Fair value adjustments to other financial assets	104.7	0.4
Shadow accounting adjustments to items recognised directly in equity	0.0	0.0
Revaluations of owner-occupied property reclassified as investment property	0.0	0.0
Timing differences	0.0	0.0
Other	(121.9)	(137.3)
TOTAL	**4.6**	**(79.4)**

OTHER ANALYSES

Note 22 Financial risks

22.1 CREDIT RISK

The Group's credit risk policies are presented in section 5 of this Registration Document in corporate governance and internal control (section 5.6.2).

Note 9.8 to the consolidated financial statements analyses the Group's bond portfolio by issuer rating.

22.2 CURRENCY RISK

Most portfolios covering insured liabilities are invested in assets denominated in their own functional currency. As a result, portfolio exposure to currency risks is very limited. Less than 1% of the investments of the Group's French companies are denominated in currencies other than the euro.

The Group performs currency stress testing to assess the impact on profit and equity of fluctuations of +10% in the euro/dollar and euro/sterling exchange rates as most of its currency exposure is on monetary assets and liabilities denominated in dollars or sterling. The cumulative estimated impact for the US dollar and the pound sterling represents less than 3.5% and 2%, respectively, of recurring operating profit.

22.3 INTEREST RATE RISK ON FINANCIAL ASSETS

This note provides additional information about the Group's exposure to interest rate risk on financial assets and liabilities, by category.

22.3.1 Caps and floors

The following tables show the nominal amount of caps and floors by strike price and remaining term at 31 December 2014 and 31 December 2013.

22.3.1.1 Caps and floors at 31 December 2014

		Residual life										
(in € millions)		1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	≥10 years	Total
<5%		3,417	3,588	3,087	4,293	3,740	1,365	7,850	5,630	1,594	0	34,564
≥5%	<6%	4,550	3,590	3,509	2,310	880	300	300	0	3,760	0	19,199
≥6%	<7%	0	0	0	0	3	0	0	0	0	0	3
≥7%	<8%	0	0	0	0	0	0	0	0	0	0	0
≥8%	<9%	0	0	0	0	0	0	0	0	0	0	0
≥9%	<10%	0	0	0	0	0	0	0	0	0	0	0
TOTAL		**7,967**	**7,178**	**6,596**	**6,603**	**4,623**	**1,665**	**8,150**	**5,630**	**5,354**	**0**	**53,766**

22.3.1.2 Caps and floors at 31 December 2013

(in € millions)		Residual life 1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	≥10 years	Total
<5%		2,655	3,417	3,588	3,087	4,293	3,740	1,365	1,580	5,630	1,594	30,949
≥5%	<6%	1,455	4,545	3,590	3,509	2,310	880	300	300	0	3,760	20,649
≥6%	<7%	0	0	0	0	0	6	0	0	0	0	6
≥7%	<8%	0	0	0	0	0	0	0	0	0	0	0
≥8%	<9%	0	0	0	0	0	0	0	0	0	0	0
≥9%	<10%	0	0	0	0	0	0	0	0	2	0	2
TOTAL		**4,110**	**7,962**	**7,178**	**6,596**	**6,603**	**4,626**	**1,665**	**1,880**	**5,632**	**5,354**	**51,607**

22.3.2 Effective interest rates

This note shows effective interest rates on fixed-rate bonds and zero coupon bonds at the purchase date and at the end of the reporting period.

Effective interest rates are presented for the Group's main insurance subsidiaries:

- France
- Italy
- Brazil
- Spain.

22.3.2.1 Effective interest rates at purchase

	31.12.2014		31.12.2013	
	Fixed-rate debt securities	**Fixed-rate bonds**	Fixed-rate debt securities	Fixed-rate bonds
France	EUR	3.57%	EUR	3.68%
Italy	EUR	3.22%	EUR	3.31%
Brazil	Real	7.09%	Real	8.45%
Spain	EUR	3.94%	EUR	4.40%

22.3.2.2 Effective interest rates at balance sheet date

	31.12.2014		31.12.2013	
	Fixed-rate debt securities	**Fixed-rate bonds**	Fixed-rate debt securities	Fixed-rate bonds
France	EUR	0.74%	EUR	1.88%
Italy	EUR	3.15%	EUR	3.15%
Brazil	Real	7.06%	Real	8.41%
Spain	EUR	1.47%	EUR	3.10%

22.3.3 Carrying amounts by maturity

22.3.3.1 Carrying amounts by maturity at 31 December 2014

Type of instrument *(in € millions)*	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in 3 to 4 years	Due in 4 to 5 years	Beyond 5 years	Total
Fixed-rate bonds	19,967.9	13,619.1	14,217.2	15,425.4	20,950.0	109,158.3	193,338.0
Zero coupon bonds	3,722.6	525.5	922.2	732.9	2,190.4	11,384.3	19,478.0
Adjustable-rate bonds	20.5	1.6	12.8	3.8	4.9	73.6	117.1
Variable-rate bonds	1,171.5	1,712.8	2,300.8	843.9	2,184.9	2,419.0	10,632.9
Index-linked fixed-rate bonds	345.0	674.7	1,350.9	171.8	678.8	11,034.3	14,255.5
Other bonds	2,001.6	2,548.0	2,374.0	1,938.9	1,640.2	9,509.8	20,012.3
TOTAL	**27,229.0**	**19,081.7**	**21,177.9**	**19,116.7**	**27,649.2**	**143,579.2**	**257,833.8**

22.3.3.2 Carrying amounts by maturity at 31 December 2013

Type of instrument *(in € millions)*	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in 3 to 4 years	Due in 4 to 5 years	Beyond 5 years	Total
Fixed-rate bonds	17,833.2	14,695.2	14,093.5	13,940.1	14,953.9	111,279.4	186,795.4
Zero coupon bonds	7,750.7	248.3	526.8	899.1	724.9	10,454.6	20,604.4
Adjustable-rate bonds	967.6	463.3	460.1	400.0	265.5	1,596.9	4,153.3
Variable-rate bonds	698.6	471.1	262.3	579.5	135.1	464.9	2,611.6
Index-linked fixed-rate bonds	7.6	354.0	702.2	1,374.6	173.8	10,018.8	12,631.0
Other bonds	2,990.1	1,879.2	2,529.9	2,447.3	1,879.5	10,324.3	22,050.3
TOTAL	**30,247.7**	**18,111.1**	**18,574.8**	**19,640.6**	**18,132.7**	**144,139.0**	**248,846.0**

22.3.4 Carrying amounts at maturity – held-to-maturity investments

22.3.4.1 Carrying amount at 31 December 2014

Carrying amount of financial instruments measured at amortised cost *(in € millions)*	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in 3 to 4 years	Due in 4 to 5 years	Beyond 5 years	Total
Held-to-maturity investments	144.6	50.1	160.3	28.9	0.0	180.5	564.4
Loans and receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**144.6**	**50.1**	**160.3**	**28.9**	**0.0**	**180.5**	**564.4**

22.3.4.2 Carrying amount at 31 December 2013

Carrying amount of financial instruments measured at amortised cost *(in € millions)*	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in 3 to 4 years	Due in 4 to 5 years	Beyond 5 years	Total
Held-to-maturity investments	79.5	138.1	50.1	139.9	21.7	173.9	603.1
Loans and receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**79.5**	**138.1**	**50.1**	**139.9**	**21.7**	**173.9**	**603.1**

22.3.5 Average life of securities

The following tables show the average remaining life of securities, weighted by carrying amount, in years.

22.3.5.1 Average remaining life of securities – 31 December 2014

France	Italy	Brazil	Spain
5.9	4.1	1.3	5.9

22.3.5.2 Average remaining life of securities – 31 December 2013

France	Italy	Brazil	Spain
6.0	4.1	1.0	5.3

22.4 SENSITIVITY OF MCEV© TO MARKET RISKS

Sensitivity analyses are performed to efficiently identify and manage earnings and equity volatility. One of the key analyses used by management concerns the sensitivity of Market Consistent Embedded Value (MCEV©) to market and insurance risks.

The Group's embedded value reporting is based on CFO Forum MCEV© Principles (Market Consistent European Embedded Value Principles developed by a group of Finance Directors from Europe's top insurance companies set up in 2002). The Brazilian subsidiary Caixa Seguros has continued to apply the Group's traditional reporting procedure and deterministic models are used by smaller Group entities whose policies do not generally include options or financial guarantees.

CNP Assurances uses valuation techniques for measuring financial options based on market consistent financial assumptions at 31 December 2013.

The calculation of embedded value necessarily relies on numerous assumptions with respect to economic conditions, operating conditions, policyholders' behaviour, taxes and other matters, many of which are beyond the Company's control. Actual future experience may vary from that assumed in the calculation of the embedded value.

MCEV© is the sum of:

- adjusted net asset value (ANAV), which corresponds to the market value of assets attributable to shareholders after deducting intangible assets, subordinated debt and other items included in In-Force covered business
- the value of In-Force business, comprising the present value of future profits (PVFP) net of taxes generated on In-Force business at the measurement date. For France, the reference rate curve is the swap yield curve plus a liquidity premium determined using product typologies in accordance with QIS 5 technical specifications under Solvency II. MCEV© for CNP UniCredit Vita (the Italian subsidiary), CNP Partners (the Spanish subsidiary) and CNP Barclays Vida y Pensiones (subsidiary with activities in Italy, Spain and Portugal) was measured using the relevant government bond yield curves.

The market risk sensitivity of MCEV© is tested to measure the impact of interest rate and equity volatilities. MCEV© principles and the Group's traditional value reporting procedure cover CNP Assurances SA, the Group's main subsidiaries in France, the Brazilian subsidiary Caixa, the Italian subsidiary CNP UniCredit Vita, the Spanish subsidiaries CNP Partners and CNP Barclays Vida y Pensiones, and the Cypriot subsidiary CNP Cyprus Insurance Holdings. Sensitivity tests are conducted using the following scenarios:

- the impact of an immediate positive or negative 100-basis point change in the swap yield curve. This would result in:
  - a revaluation of bond prices
  - a 100-basis point adjustment to the reinvestment rate for all categories of assets and
  - a change in discount rates

  The impact on mathematical reserves for unit-linked portfolios is not measured
- the impact of an immediate 10% fall in equity and property prices. As well as a 10% fall in equity and property prices, this also leads to a drop in mathematical reserves for the proportion of unit-linked portfolios invested in equities.

The results of all sensitivity analyses are net of tax and non-controlling interests and, if applicable, net of policyholder participation.

MARKET RISK SENSITIVITY OF MCEV© TO INTEREST RATE AND EQUITY VOLATILITIES AT 31 DECEMBER 2014

(in € millions)	100 bps increase in interest rates	100 bps decrease in interest rates	10% decrease in equity prices
Impact on MCEV©	432.0	(1,275.0)	(1,100.0)

MARKET RISK SENSITIVITY OF MCEV© TO INTEREST RATE AND EQUITY VOLATILITIES AT 31 DECEMBER 2013

(in € millions)	100 bps increase in interest rates	100 bps decrease in interest rates	10% decrease in equity prices
Impact on MCEV©	(416.0)	(13.0)	(601.0)

Sensitivity to insurance risks is presented in Note 24.

Note 23 Liquidity risk and asset/liability management

23.1 LIQUIDITY RISK

23.1.1 Future cash flows from assets

This note discloses future cash flows from assets (redemptions, interest payments, etc.) by period.

23.1.1.1 Future cash flows from assets at 31 December 2014

Intended holding period *(in € millions)*	Less than 1 year	1 to 5 years	5 to 10 years	Beyond 10 years
Available-for-sale financial assets	24,269	87,676	102,776	22,175
Assets held for trading and assets measured at FV	7,673	11,898	7,915	2,789
Held-to-maturity investments	159	503	210	74
Loans and receivables	0	0	0	0

23.1.1.2 Future cash flows from assets at 31 December 2013

Intended holding period *(in € millions)*	Less than 1 year	1 to 5 years	5 to 10 years	Beyond 10 years
Available-for-sale financial assets	28,946	78,022	113,869	25,958
Assets held for trading and assets measured at FV	6,109	12,332	9,187	2,840
Held-to-maturity investments	93	516	303	72
Loans and receivables	4	0	0	0

23.1.2 Payment projections by maturity

This note discloses estimated future payments on savings, pension and Property & Casualty contracts, including total and partial surrenders.

The total of these projections is higher than the liabilities reported in the balance sheet because the cash flows are capitalised.

23.1.2.1 Payment projections by maturity at 31 December 2014

(in € millions)	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	Beyond 15 years
Insurance and financial liabilities (incl. linked liabilities)	18,097.4	60,612.9	64,288.3	46,856.8	147,867.8

23.1.2.2 Payment projections by maturity at 31 December 2013

(in € millions)	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	Beyond 15 years
Insurance and financial liabilities (incl. linked liabilities)	18,919.5	73,896.4	61,015.1	46,506.2	152,827.2

23.1.3 Contracts with immediate surrender option

(in € millions)	**31.12.2014**	31.12.2013
Contracts with immediate surrender option	263,932.9	256,999.9
Contracts with no immediate surrender option	48,638.2	44,106.0

Contracts with an immediate surrender option represented a total liability of €263.9 billion at 31 December 2014 (€257.0 billion at 31 December 2013). This amount, corresponding to insurance and financial liabilities recognised in the balance sheet, relates to products with a clause allowing for their surrender or transfer by the policyholder.

Term creditor products, group personal risk products, certain annuity products and "Madelin Act" pension products do not include a surrender or transfer option.

The maximum surrender risk indicated above does not take into account the behaviour of policyholders, who tend to significantly extend the effective duration of their contracts, as reflected in Note 23.1.2.

23.2 ASSET/LIABILITY MANAGEMENT

The Group's ALM policy is presented in section 5 of this Registration Document in corporate governance and internal control (section 5.6.2).

23.3 RECONCILIATION OF UNIT-LINKED ASSETS AND LIABILITIES

(in € millions)	**31.12.2014**	31.12.2013
Investment properties held to cover linked liabilities	1,091.2	1,119.5
Financial assets held to cover linked liabilities	37,310.1	34,802.1
Investments in associates held to cover linked liabilities (consolidated mutual funds and non-trading property companies)	0.0	0.0
Other assets held to cover linked liabilities (e.g., non-financial assets held by consolidated non-trading property companies)	0.0	0.0
TOTAL ASSETS HELD TO COVER LINKED LIABILITIES – CARRYING AMOUNT	**38,401.4**	**35,921.6**
Linked liabilities – financial instruments without DPF	7,471.3	8,051.8
Linked liabilities – insurance contracts and financial instruments with DPF (other than guaranteed capital reserves)	31,034.6	27,977.8
TOTAL LINKED LIABILITIES	**38,506.0**	**36,029.6**
Guaranteed capital reserves	2.1	2.3
TOTAL LINKED LIABILITIES	**38,508.1**	**36,031.9**

The asset/liability mismatch on unit-linked contracts mainly relates to provisions for outstanding claims included in linked liabilities but with no dedicated assets for the purpose of this note.

Note 24 Risks related to insurance and financial liabilities

24.1 MANAGEMENT OF RISKS RELATED TO INSURANCE AND FINANCIAL LIABILITIES

CNP Assurances' insurance businesses expose it to a number of risks, particularly those relating to product development, calculating adequate reserves and devising its reinsurance strategy.

The Group has established management information systems designed to ensure that it fulfils its commitments to shareholders.

These management information systems:

- analyse risk-adjusted profitability during the product launch process
- roll down Group objectives to the level of the individual businesses
- analyse the components of profit and value creation and the basis used for underwriting and pricing decisions, as well as determining the appropriate pricing and provisioning strategies
- track risks with a technical component
- optimise reinsurance strategies.

These routine analyses are rounded out by stress tests performed on key economic and technical assumptions to measure their impact on the Group's performance indicators.

Asset and liability projections are produced annually and are used to calculate policyholder dividend rates for the year, as well as to produce budgets and multi-year business plans.

The Group's policies for managing risks related to insurance and financial liabilities are presented in section 5 of this Registration Document on corporate governance and internal control (Note 5.6.1).

24.2 CONTRACT TERMS AND CONDITIONS

24.2.1 Types of insured risk by class of business

The Group offers a full range insurance products both inside and outside France.

The main traditional individual insurance policies written are savings products, term life insurance, endowment policies and deferred annuity contracts with or without contingency insurance. The Group also markets products that combine a traditional savings component and one or several unit-linked components.

Group policies are mainly defined contribution pension plans, points-based pay-as-you-go group pension plans, personal risk policies and term creditor insurance.

In addition, the Group's subsidiaries in Brazil (Caixa Seguros) and in Cyprus and Greece (CNP Cyprus Insurance Holdings) write Property & Casualty and liability insurance. Commitments under Property & Casualty and liability insurance are marginal in relation to those arising from the personal insurance written by the Group.

CNP Assurances may also be exposed to emerging risks – in other words new, continually evolving risks whose impact is very difficult to measure. Risks that are currently unknown or deemed of minor importance could prove to have a material impact on the Group in the future.

Specific processes exist to identify and analyse emerging risks and the Group keeps abreast of relevant scientific publications, market trends, regulations and case law, etc.

The insurer's risks differ depending on the type of policy:

Savings contracts give rise to mainly financial-type risks

Savings contracts fall into two broad categories:

- traditional savings products, where the insurer may commit to pay a minimum guaranteed yield plus a share of the investment yield. The yield guarantee is for a fixed period (see Note 24.4). Most savings contracts include an early surrender option for a contractually fixed amount. The policy surrender rate will depend on stock market performance, the performance of contracts being marketed by the competition, policyholder behaviour (*e.g.*, a need to raise cash), customer confidence, and tax-related matters. A wave of surrenders could materially impact earnings or even solvency in extreme conditions. Traditional savings products are exposed to surrender risk in the event of a sharp increase in interest rates. This would generate unrealised losses, some of which would be recognised directly in equity, thus impacting both the Group's earnings and solvency
- unit-linked products, where the policyholder bears the financial risk and the insurer's commitment is limited to the additional cover provided, consisting generally of a guaranteed death benefit. A bear market combined with higher-than-expected losses could severely hit earnings on savings products.

Pension products give rise to mainly financial and underwriting risks

Risks associated with annuity-based pension portfolios depend on:

- the benefit payment period, which is not known in advance
- the interest rate, corresponding to the return on the capital managed by the insurer.

For these contracts, results are determined by long-term financial management policies and actual mortality rates compared with assumptions. Technical reserves are calculated using regulatory mortality tables based on statistical data on population trends. Earnings or equity are potentially exposed to the risk that actual demographic trends may turn out to be significantly different to those predicted in the mortality tables.

Personal risk policies give rise to mainly underwriting risks

Personal risk contracts comprise various types of primary guarantees covering such risks as death, temporary or permanent disability, long-term care, health and unemployment.

The Group establishes risk selection and reinsurance policies and monitors statistical data concerning the policyholder base and related loss ratios.

Deteriorating loss ratios on temporary disability risks provided under term creditor and personal risk policies – especially under group policies – has led to a major rethink of the pricing strategy for these products.

The increase in the legal retirement age in France has also had an adverse impact as benefits are payable until the policyholder retires.

Asymmetric information available to policyholders and insurers gives rise to a risk of anti-selection although the risk is limited somewhat by the use of certain types of medical questionnaires and the enforcement of a waiting period.

The Group's business may be affected by the occurrence of natural or human catastrophes.

Although CNP Assurances' business model focuses primarily on personal insurance, a wave of global climate-related disasters, acts of terrorism, the spread of pandemics such as the H5N1 or H1N1 viruses, or fallout from global warming, aside from immediate damage that such events would cause, could also significantly impact the Group's earnings and business.

24.2.2 Description of the main policyholder guarantees

Traditional savings contracts give rise to a commitment to pay a capital sum. These contracts generally pay a minimum yield plus policyholder dividends.

Unit-linked savings contracts do not involve any capital guarantee for the insurer, except for contracts that also include death and/or disability cover. For these latter contracts, the insurer's commitment is limited to any positive difference between cumulative gross or net premiums and the value of the units.

Pension contracts – which give rise to a commitment to pay a life annuity – fall into the following categories:

- voluntary individual pension accounts ("Article 82" accounts) giving rise to the payment of a life annuity from retirement. Retirement age is decided by the insured and a reversionary pension may be paid to a named beneficiary. The contract includes an option to convert the annuity into a lump sum
- compulsory individual pension accounts ("Article 83" accounts) giving rise to the payment of a life annuity. The total annuities paid to the insured are based directly on the insured's salary during the contribution period and a reversionary pension may be paid to a named beneficiary
- defined benefit plans ("Article 39" plans) funded by contributions based on total payroll. The contributions are paid into a mutual fund. When each plan participant retires, the total amount of future pension benefits is transferred from the mutual fund to the pension fund. Benefits are paid in the form of annuities
- points-based pay-as-you-go group pension plans ("Article L.441-1" plans) giving rise to the payment of annuities corresponding to the number of points earned during the contribution period multiplied by the value of one point. Annuities are adjusted based on changes in the value of a point
- immediate and deferred annuity contracts, giving rise to the payment of annuities immediately or at the end of a specified period.

Contracts to fund length-of-service awards payable to employees in France on retirement are also qualified as pension contracts. Under these contracts, the insurer's liability for the payment of benefits is limited to the amount held in the related fund.

Personal risk contracts comprise various types of primary guarantees covering such risks as death, temporary or permanent disability, long-term care, health and unemployment. The main types of contracts are as follows:

- term life insurance, renewable term insurance, long-term insurance and whole life insurance contracts, which pay a lump sum in the case of death or permanent disability of the insured. Most of them include an accidental death option whereby the death benefit provided for under the primary guarantee is doubled or tripled
- contracts paying a temporary or life annuity to dependent children or the spouse on the death of the insured
- death/disability contracts providing for the payment of a lump sum in the case of death of the insured or a per diem allowance for temporary disability or a lump sum or annuities for permanent disability. Temporary disability benefits are payable on a monthly basis, in some cases after a waiting period
- term creditor contracts, which cover all or part of an outstanding loan in the case of death of the insured, or monthly repayments – less a specified deductible – during a period of temporary disability or until the insured is recognised as being permanently disabled, or all or part of the monthly repayments in the case of permanent disability, or all or part of the monthly repayments after a waiting period in the case of unemployment. Death cover is compulsory and the loan will not be paid out until evidence of cover is provided

- long-term care insurance contracts, providing for the payment of a fixed annuity covering part of the cost of long-term care. The amount of the annuity depends on the option selected by the insured
- supplementary health insurance contracts, which cover all or part of the healthcare costs incurred by the insured, the insured's spouse and dependent children, that are not reimbursed by the social security authorities.

In addition, the Group's subsidiaries in Brazil (Caixa Seguros) and in Cyprus and Greece (CNP Cyprus Insurance Holdings) write Property & Casualty and liability insurance. The cover provided under these contracts is determined in accordance with local insurance regulations. Commitments under Property & Casualty and liability insurance are marginal in relation to those arising from the personal insurance written by the Group.

24.2.3 Participation clauses

Traditional savings contracts, certain group personal risk contracts and certain pension contracts include participation clauses. Under the terms of these clauses, the parties agree to share – on the basis defined in the contract – part of the income generated by the investment of the funds corresponding to the contract's technical reserves and, in the case of pension and personal risk contracts, part of the underwriting result.

Most contracts contain a discretionary participation feature, whereby the participation allocated to the insured is determined by the insurer as part of its marketing policy subject to compliance with the contract terms and the applicable laws. Participation is determined based on investment income for the year and the insurer has full discretion over the volume of capital gains realised during the period. The insured do not have individual rights to the participation until it is allocated to benefits or mathematical reserves. Participation that has been attributed but not yet allocated is accumulated in the policyholders' surplus reserve.

Participation rates are determined based on the local accounts.

24.3 VALUATION OF INSURANCE LIABILITIES (ASSUMPTIONS AND SENSITIVITIES)

24.3.1 Technical reserve models

Technical reserves are defined as follows:

- mathematical reserves correspond to the difference between the present values of the respective commitments of the insurer and the insured
- policyholder surplus reserves correspond to the participation attributed to the contract beneficiaries that is not payable in bonuses in the year following the one in which the surplus was generated
- administrative expense reserves are intended to cover future contract administration costs that are not otherwise covered
- escalating risks reserves correspond to the difference between the present values of the respective commitments of the insurer and the insured under temporary and permanent disability and long-term care contracts
- unearned premium reserves cover the portion of written and accrued premiums for the period between the reporting date and the next premium payment date or the contract expiry date. They are recorded for all types of contracts
- premium deficiency reserves cover the portion of claims and benefits and the related handling costs for the period between the reporting date and the earliest possible premium adjustment date or the contract expiry date that is not covered by the unearned premium reserve
- outstanding claims reserves cover the estimated principal amounts and internal and external expenses payable to settle all outstanding claims, including total future annuity payments.

24.3.2 Modelling objectives

The approach used to ensure that technical reserves are adequate focuses on:

- managing the risks associated with a fall in interest rates
- adjusting technical reserves following a change in mortality tables
- using experience-based data concerning annuities in payment when observed losses appear unusually low compared with expected mortality rates.

24.3.3 Procedure for determining the main assumptions

The assessment of technical reserves is supported by:

- detailed knowledge of effective dates and the timing of accounting recognition and processing of the various technical and management events, as well as of the exact specifications of period-end processing operations and their scheduling, in order to accurately determine the underwriting and loss years
- the creation of files at each period-end to check the consistency of reserves with technical flows
- recurring audits of management system calculations, based on random tests and detailed repeat calculations
- detailed risk assessments, based on prospective guaranteed yield calculations taking into account commitments in excess of regulatory limits, and on detailed statistical and other

analyses of personal risk contracts, including loss monitoring (by contract/underwriting year/loss year) and tracking of the utilisation of reserves.

24.3.4 Assumptions used to calculate reserves

Technical reserves for non-life insurance do not have to be discounted under French insurance regulations (with the exception of the annuity component).

Mathematical reserves for individual savings products are recognised at the surrender value of the policies in accordance with insurance regulations.

Mathematical reserves for individual and group pension plans (with the exception of "Article L.441" plans) are calculated using the discount rate applicable at the contractual date (*i.e.,* the contractual rate) or the premium payment or settlement date, depending on the type of policy.

Reserves for group personal risk products and term creditor insurance are generally calculated based on current discount rates.

All other assumptions are determined by reference to internal experience-based data.

24.3.5 Use of different assumptions

Certain assumptions use data extrapolated from past experience or prospective data that draw upon:

- economic, demographic, social, legislative, regulatory or financial trends
- policyholder behaviour (surrender rate, renewal/non-renewal rate, etc.)
- factors specific to life insurance such as mortality, morbidity or longevity.

While the assumptions used appear reasonable at the measurement date, actual future experience may be significantly different.

In addition, the allocation keys used to apportion unrealised capital gains or losses between policyholders and shareholders are based on the calculations of the present value of future profits used to determine embedded value. As such, they do not reflect observed historical data.

24.3.6 Assumption correlations

Apart from the use of dynamic surrender rates reflecting the correlation between surrender rates and the level of guaranteed yields for liability adequacy testing purposes, correlations among the various assumptions are not taken into account.

24.3.7 Sensitivity of MCEV© to changes in surrender rates and loss ratios

Uncertainties concerning insurance cash flows mainly relate to the timing of surrenders and the payment of death and other benefits.

At 31 December 2014, a 10% fall in surrender rates would have a positive impact of €232 million on MCEV©. A 5% fall in observed losses would have a positive impact of €173 million on MCEV© in respect of mortality and disability risks, and a negative impact of €117 million in respect of longevity.

24.4 RISK OF GUARANTEED YIELDS ON INSURANCE AND FINANCIAL LIABILITIES

Traditional savings contracts with a guaranteed yield have been classified by level of commitment, as follows (in declining order):

- contracts offering a guaranteed rate of return and a guaranteed profit share when the contract matures
- contracts offering a higher fixed rate of return (generally 75% of the TME rate) over a maximum of eight years
- contracts offering a guaranteed rate of return representing less than 60% of the TME rate at the time of payment.

3

Technical reserves on traditional savings contracts are analysed by guaranteed yield in the following tables.

Guaranteed yield (in € millions)	31.12.2014	
	Technical reserves	%
0% (1)	171,421.9	54.8%
]0%-2%]	21,551.7	6.9%
]2%-3%]	23,541.5	7.5%
]3%-4%]	1,271.7	0.4%
]4%-4.5%]	5,157.6	1.7%
>4.5% (2)	1,865.6	0.6%
Linked liabilities	38,506.0	12.3%
Other (3)	49,254.6	15.8%
TOTAL	**312,570.6**	**100.0%**

(1) Corresponds to technical reserves for life insurance contracts without a guaranteed yield
(2) Technical reserves for contracts with a guaranteed yield of more than 4.5% mainly concern Caixa Seguros in Brazil, where bond rates are above 7% (see Note 22.3)
(3) Comprises all other technical reserves, except for mathematical reserves and liabilities relating to linked liabilities, i.e., non-life technical reserves, policyholder surplus reserves and claims reserves

Guaranteed yield (in € millions)	31.12.2013	
	Technical reserves	%
0% (1)	160,271.9	53.2%
]0%-2%]	21,659.2	7.2%
]2%-3%]	28,806.6	9.6%
]3%-4%]	1,527.8	0.5%
]4%-4.5%]	4,987.1	1.7%
>4.5% (2)	1,415.8	0.5%
Linked liabilities	36,029.6	12.0%
Other (3)	46,408.0	15.4%
TOTAL	**301,105.9**	**100.0%**

(1) Corresponds to technical reserves for life insurance contracts without a guaranteed yield
(2) Technical reserves for contracts with a guaranteed yield of more than 4.5% mainly concern Caixa Seguros in Brazil, where bond rates are above 7% (see Note 22.3)
(3) Comprises all other technical reserves, except for mathematical reserves and liabilities relating to linked liabilities, i.e., non-life technical reserves, policyholder surplus reserves and claims reserves

24.5 CONCENTRATION OF INSURANCE RISK

24.5.1 Use of reinsurance to reduce concentrations of insurance risk

The Group's reinsurance programmes are designed to avoid earnings fluctuations and increase its underwriting capacity.

The objectives of the reinsurance policy defined by the Board of Directors are as follows:

- to implement a reinsurance programme covering direct business and inward reinsurance written for provident institutions and subsidiaries
- to protect underwriting results by entering into non-proportional treaties which are geared to the size of the Group and provide excess-of-loss cover per risk and per occurrence (catastrophe risk)
- to share risks on large-scale new business.

24.5.2 Loss exposure per risk and per occurrence

All portfolios are covered by catastrophe excess-of-loss reinsurance obtained from professional reinsurers:

- individual policies: death and permanent and total disability risks for all portfolios of individual policies (direct business and inward reinsurance written by CNP Assurances for its LBPP, UniCredit Vita and CNP Partners subsidiaries) are reinsured on the market as follows: for each catastrophic loss event – defined as an event involving at least five victims – the Group retains ten times the annual social security ceiling (€38,040 in 2014) and the reinsurers cover 1,000 times this ceiling per event and 2,000 times the ceiling per loss year
- group policies:

Death and disability risks on all group policies (direct business net of risks ceded to co-insurers, and all quota-share reinsurance purchased from CNP Assurances by provident institutions and mutual insurers) are covered through the *Bureau commun des assurances collectives* pool (*Décès-IPA3* policy). The system provides successively for the retention of the two largest claims per insurer, €30 million in co-insurance cover (of which CNP Assurances' share is 28%) and reinsurance cover purchased by the pool from external reinsurers. There are eight levels of reinsurance cover, as follows: level 1: 20 XS €30 million; level 2: 50 XS €50 million; level 3: 100 XS €100 million; level 4: 100 XS €200 million; level 5: 100 XS €300 million; level 6: 100 XS €400 million; level 7: 100 XS €500 million; level 8: 100 XS €600 million with 200% paid reconstitution except for nuclear and NBC terrorism risks. A loss event is defined as involving three or more victims.

Catastrophic risks insured by CNP Assurances for provident institutions and mutual insurers are reinsured on the market. A loss event is defined as involving three or more victims. The Group and provident institutions (acting as a matter of priority on behalf of the two or three largest claimants) retain €1.25 million per loss event and the reinsurers cover €37 million per loss event and €74 million per loss year, except for nuclear, and nuclear, biological and chemical terrorism risks, for which the ceiling is €37 million per loss year.

All group portfolios are also covered after 40 times the ceiling per loss year for high capital payouts in the case of IPA3 death of an insured.

Reinsured portfolios are analysed each year, covering:

- the age pyramid, risk dispersion and concentration of insured populations
- the number, size and cause of paid claims, including a detailed analysis of the largest claims
- underwriting and reinsurance results.

Reinsurance balances are net settled at quarterly, half-yearly or annual intervals depending on the treaty. There are currently no disputed balances.

24.5.3 Counterparty risk on reinsurance balances

The Group regularly checks the solvency of its reinsurance partners. The discriminating criteria applied for the selection of these partners include their credit rating.

Excess-of-loss contracts have been placed with reinsurers who are rated between BBB and AA- (a detailed schedule of reinsurer ratings is presented in Note 10.5).

24.5.4 Insurance-related legal risks

The Group's insurance-related legal risks and its risk management policy are presented in section 5 of this Registration Document on corporate governance and internal control (section 5.6.4).

3.2 Statutory Auditors' report on the consolidated financial statements

For the year ended 31 December 2014

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your General Shareholders' Meeting, we hereby report to you, for the year ended 31 December 2014, on:

- the audit of the accompanying consolidated financial statements of CNP Assurances
- the justification of our assessments
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I - OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at 31 December 2014 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the matter set out in Note 3.2 to the consolidated financial statements regarding the new mandatory accounting standards, which do not have an impact on the consolidated financial statements for the year ended 31 December 2014.

II - JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of Article L.823-9 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we bring to your attention the following matters:

- certain technical assets and liabilities specific to insurance and re-insurance, such as technical reserves and securities portfolios, are estimated based on statistical and actuarial considerations. The methods used to determine these items are discussed in Note 3.14 to the consolidated financial statements. We verified that the assumptions used in the calculation models, particularly in relation to interest rate decreases, were reasonable, and the overall consistency of the assumptions used, in particular in view of the Group's regulatory and economic environment and experience
- financial assets and derivative instruments are recognised and measured in accordance with the methods described in Notes 3.11.2, 3.11.3 and 3.11.4 to the consolidated financial statements. We obtained assurance that the measurement criteria were implemented and that the classification used was consistent with the Group's documentation. We verified that the methods used to calculate impairment of available-for-sale equity instruments were appropriate and properly applied
- goodwill is tested for impairment at each period-end in accordance with the methods described in Notes 3.10.1 and 7.2.1 to the consolidated financial statements. We verified that the measurement approaches used were based on assumptions that were consistent with the forecast data taken from the Group's business plans.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - SPECIFIC VERIFICATION

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Courbevoie, 5 March 2015

The Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT

Éric Dupont

MAZARS

Jean-Claude Pauly

3.3 Company financial statements

3.3.1 Balance sheet at 31 December 2014

3.3.1.1 ASSETS

(in € thousands)	31.12.2014	31.12.2013	Year-on-year change
Intangible assets	**66,114**	**55,576**	**19.0%**
Investments	**263,167,209**	**252,581,470**	**4.2%**
Land and buildings	7,858,784	7,046,931	11.5%
Investments in subsidiaries and affiliates	4,803,210	4,542,820	5.7%
Other investments	250,368,389	240,938,532	3.9%
Cash deposits with ceding insurers	136,826	53,187	157.3%
Assets held to cover linked liabilities	**25,858,989**	**23,682,206**	**9.2%**
Reinsurers' share of technical reserves	**9,408,531**	**9,046,518**	**4.0%**
Provisions for unearned premiums and unsettled claims	0	0	0.0%
Life premium reserves	9,049,763	8,637,644	4.8%
Outstanding life claims reserves	90,696	137,810	-34.2%
Outstanding non-life claims reserves	214,168	221,689	-3.4%
Policyholder surplus reserve and rebates – life	3,287	4,911	-33.1%
Policyholder surplus reserve and rebates – non-life	1,354	1,354	0.0%
Equalisation reserves	5,178	5,112	1.3%
Other life technical reserves	0	0	0.0%
Other non-life technical reserves	44,085	37,998	16.0%
Linked liability technical reserves	0	0	0.0%
Receivables	**5,857,127**	**4,432,152**	**32.2%**
Receivables arising from insurance transactions	**1,523,307**	**1,495,922**	**1.8%**
Earned premiums not yet written	*1,367,121*	*1,400,743*	*-2.4%*
Other insurance receivables	*156,186*	*95,179*	*64.1%*
Reinsurance receivables	**80,572**	**44,778**	**79.9%**
Other receivables	**4,253,248**	**2,891,452**	**47.1%**
Receivables from employees	*764*	*580*	*31.7%*
Receivables due from government and social security bodies	*1,169,387*	*821,581*	*42.3%*
Sundry receivables	*3,083,097*	*2,069,291*	*49.0%*
Other assets	**181,501**	**511,991**	**-64.5%**
Property, plant and equipment	105,347	113,399	-7.1%
Current accounts and cash on hand	69,639	392,305	-82.2%
Treasury shares	6,515	6,287	3.6%
Accrued income and prepaid expenses	**8,780,207**	**8,329,017**	**5.4%**
Prepaid interest and lease payments	3,850,674	3,787,276	1.7%
Deferred acquisition costs	257	274	-6.2%
Other accrued income and prepaid expenses	4,929,276	4,541,467	8.5%
Translation differences	**0**	**0**	**0.0%**
TOTAL ASSETS	**313,319,678**	**298,638,930**	**4.9%**

3.3.1.2 EQUITY AND LIABILITIES

(in € thousands)	31.12.2014	31.12.2013	Year-on-year change
Equity	**9,093,917**	**8,896,500**	**2.2%**
Share capital	686,618	686,618	0.0%
Additional paid-in capital	1,716,846	1,716,846	0.0%
Revaluation reserve	21,564	21,564	0.0%
Other reserves	5,747,218	5,735,370	0.2%
Retained earnings (losses)	207,598	813	25,434.8%
Net profit for the year	714,073	735,289	-2.9%
Subordinated debt	**5,803,514**	**4,679,652**	**24.0%**
Technical reserves	**249,247,712**	**240,888,501**	**3.5%**
Provisions for unearned premiums and unsettled claims	28	29	-3.4%
Life premium reserves	238,914,306	232,173,306	2.9%
Outstanding life claims reserves	3,856,132	3,499,494	10.2%
Outstanding non-life claims reserves	174,865	154,356	13.3%
Policyholder surplus reserve and rebates – life	5,786,149	4,547,833	27.2%
Policyholder surplus reserve and rebates – non-life	738	739	-0.1%
Equalisation reserves	177,128	149,488	18.5%
Other life technical reserves	269,874	295,154	-8.6%
Other non-life technical reserves	68,492	68,102	0.6%
Linked liability technical reserves	**25,858,989**	**23,682,206**	**9.2%**
Provisions for liabilities and charges	**132,024**	**113,825**	**16.0%**
Cash deposits received from reinsurers	**243,929**	**561,161**	**-56.5%**
Other liabilities	**20,716,439**	**17,941,797**	**15.5%**
Liabilities arising from insurance transactions	676,603	619,370	9.2%
Liabilities arising from reinsurance transactions	378,289	335,095	12.9%
Bank borrowings	100,889	84,118	19.9%
Other liabilities:	19,560,658	16,903,214	15.7%
Other borrowings, deposits and guarantees received	*270,085*	*271,068*	*-0.4%*
Employee benefits expense payable	*363,792*	*326,385*	*11.5%*
Accrued payroll and other taxes	*845,723*	*915,650*	*-7.6%*
Sundry payables	*18,081,058*	*15,390,111*	*17.5%*
Deferred income and accrued expenses	**2,223,154**	**1,875,288**	**18.6%**
Translation differences	**0**	**0**	**0.0%**
TOTAL EQUITY AND LIABILITIES	**313,319,678**	**298,638,930**	**4.9%**

3.3.2 Income statement for the year ended 31 December 2014

3.3.2.1 NON-LIFE TECHNICAL ACCOUNT

Non-life technical account (*in € thousands*)	31.12.2014 Gross	31.12.2014 Reinsured	31.12.2014 Net amounts	31.12.2013 Net amounts	31.12.2013 Year-on-year change
Earned premiums	**50,422**	**(23,438)**	**26,984**	**22,444**	**20.2%**
Premiums	50,421	(23,438)	26,983	22,445	20.2%
Change in unearned premiums reserve and unsettled claims	1	0	1	(1)	-200.0%
Allocated investment income	**(298)**	**0**	**(298)**	**6**	**-5,066.7%**
Other underwriting income	**0**	**0**	**0**	**0**	**0.0%**
Paid claims and benefits and change in claims reserves	**(52,412)**	**30,808**	**(21,604)**	**(22,228)**	**-2.8%**
Paid benefits and expenses	(31,621)	38,329	6,708	(42,646)	-115.7%
Change in outstanding claims reserves	(20,791)	(7,521)	(28,312)	20,418	-238.7%
Change in other technical reserves	**238**	**5,554**	**5,792**	**10,521**	**-45.0%**
Policyholder dividends	**(629)**	**533**	**(96)**	**(608)**	**-84.2%**
Acquisition costs and administrative expenses	**(14,666)**	**6,057**	**(8,609)**	**(14,883)**	**-42.2%**
Business acquisition costs	(12,679)	0	(12,679)	(13,185)	-3.8%
Policy administration expenses	(1,987)	0	(1,987)	(1,898)	4.7%
Reinsurance commissions received	0	6,057	6,057	200	2,928.7%
Other underwriting expenses	**0**	**0**	**0**	**(63)**	**-100.0%**
Changes in claims equalisation reserve	**(330)**	**66**	**(264)**	**410**	**-164.4%**
NON-LIFE UNDERWRITING RESULT	**(17,675)**	**19,580**	**1,905**	**(4,401)**	**-143.3%**

3.3.2.2 LIFE TECHNICAL ACCOUNT

Life technical account *(in € thousands)*	31.12.2014 Gross	31.12.2014 Reinsured	31.12.2014 Net amounts	31.12.2013 Net amounts	31.12.2013 Year-on-year change
Premiums	**21,938,333**	**(218,647)**	**21,719,686**	**17,912,892**	**21.3%**
Investment income	**10,715,630**	**0**	**10,715,630**	**11,403,443**	**-6.0%**
Income from financial investments	8,557,443	0	8,557,443	8,606,185	-0.6%
Other investment income	1,169,257	0	1,169,257	1,192,415	-1.9%
Profits on disposal of investments	988,930	0	988,930	1,604,843	-38.4%
Mark-to-market gains on assets held to cover linked liabilities	**2,629,651**	**0**	**2,629,651**	**2,948,236**	**-10.8%**
Other underwriting income	**16,291**	**0**	**16,291**	**16,039**	**1.6%**
Paid claims and benefits and change in claims reserves	**(19,136,427)**	**336,804**	**(18,799,623)**	**(18,689,716)**	**0.6%**
Paid benefits and expenses	(18,780,071)	383,919	(18,396,152)	(18,514,805)	-0.6%
Change in outstanding claims reserves	(356,356)	(47,115)	(403,471)	(174,911)	130.7%
Change in life premium reserves and other technical reserves	**(2,010,192)**	**63,048**	**(1,947,144)**	**1,986,577**	**-198.0%**
Life premium reserves	167,064	250,806	417,870	4,001,638	-89.6%
Linked liability technical reserves	(2,175,226)	0	(2,175,226)	(1,521,121)	43.0%
Other technical reserves	(2,030)	(187,758)	(189,788)	(493,940)	-61.6%
Policyholder dividends	**(8,156,373)**	**327,484**	**(7,828,889)**	**(8,182,592)**	**-4.3%**
Acquisition costs and administrative expenses	**(2,130,736)**	**71,149**	**(2,059,587)**	**(1,983,007)**	**3.9%**
Business acquisition costs	(948,412)	0	(948,412)	(949,327)	-0.1%
Policy administration expenses	(1,182,324)	0	(1,182,324)	(1,148,036)	3.0%
Reinsurance commissions received	0	71,149	71,149	114,356	-37.8%
Investment expenses	**(2,331,184)**	**0**	**(2,331,184)**	**(2,809,342)**	**-17.0%**
Internal and external management fees and interest	(505,830)	0	(505,830)	(473,442)	6.8%
Other investment expenses	(1,053,428)	0	(1,053,428)	(1,523,257)	-30.8%
Losses on disposal of investments	(771,926)	0	(771,926)	(812,643)	-5.0%
Mark-to-market losses on assets held to cover linked liabilities	**(1,043,700)**	**0**	**(1,043,700)**	**(1,519,340)**	**-31.3%**
Other underwriting expenses	**(238,288)**	**0**	**(238,288)**	**(207,942)**	**14.6%**
Investment income transferred to the technical account			**0**	**0**	**0.0%**
LIFE UNDERWRITING RESULT	**253,005**	**579,838**	**832,843**	**875,248**	**-4.8%**

3.3.2.3 NON-TECHNICAL ACCOUNT

Non-technical account (*in € thousands*)	31.12.2014	31.12.2013	Year-on-year change
Non-life underwriting result	**1,905**	**(4,401)**	**-143.3%**
Life underwriting result	**832,843**	**875,248**	**-4.8%**
Investment income	**299,375**	**322,497**	**-7.2%**
Income from financial investments	239,079	243,389	-1.8%
Other investment income	32,667	33,722	-3.1%
Profits on disposal of investments	27,629	45,386	-39.1%
Allocated investment income			**0.0%**
Investment expenses	**(65,129)**	**(79,450)**	**-18.0%**
Internal and external management fees and interest expense	(14,132)	(13,389)	5.5%
Other investment expenses	(29,431)	(43,079)	-31.7%
Losses on disposal of investments	(21,566)	(22,982)	-6.2%
Investment income transferred to the technical account	**298**	**(6)**	**-5,066.7%**
Other income	**7,970**	**57,659**	**-86.2%**
Other expenses	**(13,157)**	**(61,015)**	**-78.4%**
Exceptional items	**(47,598)**	**(24,136)**	**97.2%**
Exceptional income	26,489	31,966	-17.1%
Exceptional expenses	(74,087)	(56,102)	32.1%
Employee profit-sharing	**(17,428)**	**(18,872)**	**-7.7%**
Income tax expense	**(285,006)**	**(332,235)**	**-14.2%**
NET PROFIT FOR THE YEAR	**714,073**	**735,289**	**-2.9%**

3.3.3 Commitments received and given

(*in € thousands*)	31.12.2014	31.12.2013
1. Commitments received	**63,049,198**	**61,319,891**
2. Commitments given	**66,611,359**	**61,252,303**
2a. Sureties, bonds and guarantees provided *	11,835,800	0
2b. Securities and other assets purchased under resale agreements	4,530	3,988
2c. Other commitments related to securities, other assets or revenue	51,409,150	46,854,868
2d. Other commitments given	3,361,879	14,393,447
3. Securities lodged as collateral by reinsurers	**10,075,121**	**8,370,083**

* *Includes guarantees given by CNP Assurances to CNP Caution (€11,006 million) and CNP Europe Life that appeared in "Other commitments given" in 2013*

3.3.4 Proposed appropriation of 2014 profit

Net profit for the year ended 31 December 2014 came in at €714,073,224.49. After the addition of retained earnings of €207,598,129.77, the total amount available for distribution is €921,671,354.26.

Consequently, the Ordinary General Meeting approves the proposal of the Board of Directors:

- to distribute a total dividend of €528,696,227.29 to be shared between all shareholders
- to transfer the balance of €392,975,126.97 to retained earnings.

Each of the 686,618,477 shares making up the share capital at the date of the General Meeting will bear a dividend of €0.77.

The dividend will be paid as from 13 May 2015 and the shares will trade ex-dividend on NYSE Euronext Paris from 11 May 2015.

Private shareholders resident in France for tax purposes will be entitled to 40% tax relief on their dividends pursuant to Article 158–3–2° of the French Tax Code.

The total amount of the dividend distributed will be reduced by the amount corresponding to the number of any treasury shares held by the Company which will be transferred to the retained earnings account in accordance with Article L.225-210 of the French Commercial Code.

DETAILED CONTENTS

3.3.5 Notes to the Company financial statements

CNP Assurances is a French *société anonyme* (public limited company) with a Board of Directors, governed by Articles L.225-17 to L.225-56 of the French Commercial Code *(Code de commerce)*, with capital of €686,618,477. In accordance with "Article 2" of its Articles of Association, the Company's corporate purpose is to:

- write life and endowment insurance
- write bodily injury insurance covering accident and health risks
- hold majority interests in insurance companies.

For this purpose, it can:

- hold stakes in companies whose business activities may assist it in performing the corporate purpose
- and more generally carry out all operations of any kind whatsoever directly or indirectly related to this purpose and liable to facilitate its development or performance.

Note 1 Significant events of the year

1.1 COMPLETION OF TWO SUBORDINATED BOND ISSUES TOTALLING €1 BILLION

On 27 May 2014, CNP Assurances completed a €500-million issue of subordinated bonds with a final maturity date of 5 June 2045 and a first-call date of 5 June 2025. The bonds will pay a 4.25% fixed rate of interest over the first 11 years and the coupon will subsequently be adjusted every five years in line with future interest rates.

A second €500-million issue of perpetual subordinated bonds was completed on 12 November 2014 with a first-call date of 18 November 2024, and callable every five years thereafter. The bonds will pay a 4% fixed rate of interest over the first ten years and the coupon will subsequently be adjusted every five years in line with future interest rates.

The two issues have been structured to be recognized as capital under both Solvency I and II standards and Standard & Poor's rating rules. Proceeds from the issues will be used to refinance bonds maturing in the near future.

1.2 LONG-TERM STRATEGIC PARTNERSHIP WITH BANCO SANTANDER

On 10 July 2014, CNP Assurances entered into an exclusive long-term distribution agreement with Santander Consumer Finance (Banco Santander Group) and also agreed to acquire a 51% stake in Santander Consumer Finance's life and non-life insurance subsidiaries.

The partnership includes a full range of protection insurance products; personal risk products and Payment Protection Insurance (PPI) will be developed as a priority. It covers ten European countries where Santander Consumer Finance enjoys leading market positions: Germany, Poland, Italy, Spain, Austria, Portugal, Norway, Sweden, Denmark and Finland.

The agreement was finalised on 17 December 2014 after the necessary approvals were obtained from the regulatory authorities thus satisfying all of the conditions precedent.

The cost of the transaction amounts to €297 million and this figure may be adjusted upwards or downwards based on underwriting profits over the three benchmark periods of 2015-2017, 2018-2020 and 2021-2023. Any related contingent consideration will be payable in 2018, 2019 and 2024, respectively.

At 31 December 2014, the three entities acquired under this agreement were recognised under Investments in subsidiaries and affiliates for a total amount of €297 million.

1.3 DECISION OF THE SANCTIONS COMMITTEE OF THE FRENCH FINANCIAL SERVICES SUPERVISOR (ACPR) CONCERNING THE PROCESSING OF UNCLAIMED LIFE INSURANCE SETTLEMENTS

On 31 October 2014, the Sanctions Committee of the French financial services supervisor (ACPR) issued a reprimand to CNP Assurances and fined it €40 million as part of ongoing controls of insurers' legal obligation to search for potential beneficiaries of unclaimed policies which have been stepped up since 2007.

While CNP Assurances has noted this decision, it has deployed considerable resources and processes over the past few years to ensure that deceased policyholders and potential beneficiaries of unclaimed policies are identified rapidly to prevent a backlog of unclaimed settlements.

Moreover, it should also be stressed that – as the ACPR itself indicated in its press release of 3 November 2014 – neither the written submissions nor the exchanges that took place at CNP Assurances' hearing before the Committee indicate that any profit was derived as a result of delays in identifying or paying over sums due to potential beneficiaries.

1.4 PRELIMINARY PROTOCOL AGREEMENT WITH BPCE GROUP

On 4 November 2014, CNP Assurances announced the conclusion of a preliminary protocol setting out the proposed terms of the agreement renewing the partnership between CNP Assurances and BPCE Group as from 1 January 2016. On 18 February 2015, the Board of Directors of CNP Assurances approved the final terms of this agreement.

These new agreements were reached in the context of the expiry of the previous agreement between CNP Assurances and BPCE on 31 December 2015 and BPCE's decision to make Natixis Assurances its insurance platform for all savings and pensions policies to be distributed through the Caisses d'Epargne network from 1 January 2016.

The new partnership agreement is planned to come into effect on 1 January 2016 for an initial period of seven years, and would provide for:

- an exclusive partnership in group term creditor insurance between CNP Assurances and Natixis Assurances on the one hand and the BPCE Group networks on the other. The partnership will be based on a co-insurance agreement underwritten 66% by CNP Assurances and 34% by Natixis Assurances
- specific partnerships in protection insurance, with (i) development by CNP Assurances of an offer covering the main employee benefit plans of BPCE Group's business and corporate clients, including a long-term care formula, and (ii) a personal risk insurance partnership focused on long-term care products and renters' insurance
- a gradual reduction of CNP's exposure on savings and retirement business undertaken with Caisses d'Epargne through a progressive rundown of new business in 2016, the retention of future instalments on In-Force business and a mechanism to align the interests of both parties concerning the management of existing contracts. The savings In-Force business undertaken with Caisses d'Epargne will be reinsured by Natixis Assurances through quota-share reinsurance of 10%.

This proposed partnership is in line with CNP Assurances' strategic goal to develop the risk protection business.

For information, the contribution of this agreement to the consolidated financial statements at 31 December 2014 was as follows:

- premium income: €9.8 billion
- commissions paid: €875 million
- technical reserves: €115.9 billion.

1.5 SALE OF STAKE IN CNP BVP TO BARCLAYS BANK

On 22 December 2014, CNP Assurances announced the sale of its 50% stake in Spanish-based CNP Barclays Vida y Pensiones (CNP BVP) to Barclays Bank for a total of €453 million, including a special dividend of €36 million.

The deal, which is subject in particular to approval by the relevant anti-trust authorities and the Spanish insurance supervisor, is scheduled to be completed before the end of the first-half of 2015.

At 31 December 2014, CNP Assurances' stake in CNP BVP is recognised under "Investments in subsidiaries and affiliates" for a total amount of €204.6 million.

Note 2 Subsequent events

None.

Note 3 Change in accounting policies

The French Accounting standards authority (*Autorité des Normes Comptables* – ANC) Regulation 2014-04 of 5 June 2014 sets out new guidelines on how to account for bonds convertible into shares in the books of insurance companies.

Convertible bonds are accounted for under Article R.322-19 1 of the French Insurance Code *(code des assurances)* once they comply with the other criteria stipulated in said Article.

There is an option available in accordance with the consistency principle whereby the aggregate amount of bonds convertible into shares that actuarially bear a negative yield may be accounted for under Article R.332-20 2 of the Code.

CNP Assurances does not wish to avail of this option.

The initial classification of securities at acquisition (Article R.332-19 1 or R.332-20 2 of the Code) directly impacts changes in the capitalisation reserve when the securities are sold or converted, in accordance with Article R.333-1 3 of the French Insurance Code.

This change in accounting policy will not have a material impact on the financial statements of the Company.

Note 4 Accounting policies and principles

CNP Assurances' Company financial statements are prepared in accordance with Articles 8 to 16 of the French Commercial Code and the implementing decree of 29 November 1983 for the law of 3 April 1983.

The measurement and recognition bases used to prepare the Company accounts comply with the decree of 8 June 1994 and the government order of 20 June 1994 to bring the French Insurance Code into line with the EU directive of 19 December 1991 concerning the Company and consolidated financial statements of insurers.

The financial year runs from 1 January through 31 December.

CNP Assurances is the consolidating entity for CNP Assurances Group.

4.1 EQUITY

4.1.1 Share capital

Expenses related to increases in the share capital are recorded in the share premium reserve.

Exceptionally, in 1995, provisions arising from new accounting regulations (decree of 8 June 1994 and the government order of 20 June 1994) relating to other-than temporary impairment of assets at the beginning of the reporting period were recognised in equity at 1 January 1995, in accordance with the recommendation of the French National Accounting Board (*Conseil national de la comptabilité* – CNC). All of these provisions had been reversed at 31 December 2014.

French insurers must set up a capitalisation reserve in their statutory accounts in order to state returns from bonds classified under Article R.332-19 of the Code, independently of any capital gains or losses realised. It is either debited with capital gains realised on the sale of bonds or – in the event that capital losses are generated on this type of asset – credited by a matching amount. Any amounts booked to, or reversed from the capitalisation reserve after 1 January 2010 are taxable or deductible immediately in profit.

4.1.2 Treasury shares

Treasury stock, corresponding mainly to shares acquired to stabilise the CNP Assurances share price, are recorded in "marketable securities" in accordance with opinion No. 98D issued by the CNC's emerging issues task force and CNC regulation No. 2000-02.

4.2 INTANGIBLE ASSETS

For the purpose of measuring intangible assets, which includes the work necessary for integrating business applications and licenses acquired, the Company applies CNC regulation No. 2004-15 of 23 June 2004, concerning the definition, recognition and measurement of assets. This regulation is designed to bring accounting policies into line with IAS 38.

The following amortisation periods, which reflect the best estimate of the asset's useful life, are used by the Company:

- internally developed software: five years
- business applications (licences): five years.

Internally developed software is amortised from the date on which it is placed in service; licences are amortised from their acquisition date.

Finance and support projects are deemed to have a longer useful life than business applications and have been amortised over eight years since 2013.

Assets no longer used by the Company are scrapped.

4.3 INVESTING ACTIVITIES

Investments and related activities are accounted for in accordance with the French Insurance Code.

4.3.1 Measurement

Investments are measured at their historical cost, less acquisition-related costs, with the exception of:

- investments held to cover linked liabilities, which are remeasured at the end of each reporting period based on any changes in the related unrealised gains or losses – the matching liabilities are remeasured on the same basis
- investments subject to legal revaluation requirements.

Investment property

Since 1 January 2005, CNP Assurances has recognised buildings by significant part or component, in accordance with Regulation 2005-09 of 3 November 2005, which made substantial changes to CRC Regulation No. 99-03 of 29 April 1999 concerning the General chart of accounts, and Article 15-1 of Regulation No. 2002-10, concerning the depreciation of assets.

Amortised cost consists of acquisition cost less accumulated depreciation and impairment expense.

Borrowing costs incurred during the construction period are recognised as an expense.

For the purpose of determining depreciation periods, properties are considered as comprising five significant parts with different useful lives:

- land
- shell and roof structure

- facades and roofing
- fixtures
- technical installations.

Maintenance and upkeep costs are capitalised by significant part provided that future economic benefits are expected to flow from the work and that they can be estimated reliably.

Expenses directly attributable to the purchase of a property are included in its cost and depreciated over the useful life of the shell.

Accrued rental income is recognised in profit.

Accumulated depreciation was calculated retrospectively in the balance sheet at 1 January 2005: each building was divided into specific parts and depreciated from the acquisition date through 1 January 2005, using the depreciation periods determined by the Company.

In order to break down the amortised cost of each building at 1 January 2005 by specific part, a simplified approach was used based on the breakdown observed for similar reference buildings (eight categories):

- "Haussmann" style buildings
- intermediate-period and recent buildings
- "old" office buildings
- "intermediate-period and recent" offices
- shopping centres and cinemas
- business premises
- high-rise housing developments
- high-rise office developments.

The split into specific parts was based on the average observed within each of the eight reference building categories.

Fixtures and fittings were allocated to the different specific parts in view of their non-material amounts.

Equity investments

Equities are recognised at their purchase price, less expenses, and dividends are recorded at the payment date, less tax credits, which are netted against income tax expense.

Bonds, loans and other fixed income securities

Bonds and other fixed income securities are recognised at their purchase price less any accrued income which is posted to the income statement at the end of the reporting period.

In accordance with the decree of 28 December 1991, any positive or negative difference between the redemption price of the bonds and their purchase price, net of accrued interest is deferred over the period through to maturity of the bonds concerned for all portfolios. The deferral calculations are performed on a yield-to-maturity basis for fixed rate securities and using a straight-line basis for variable rate securities.

In accordance with ANC Regulation 2013-03 of 13 December 2013, the same basis of calculation is now used for amortisable securities covered by Articles R.332-19 and R.332-20 of the French Insurance Code.

4.3.2 Depreciation of buildings

Depreciation is calculated on a straight-line basis to write off the acquisition or construction cost of each significant part of a property over its estimated useful life.

Due to the difficulty of reliably determining the residual value of property, investment and operating properties are considered as having no residual value.

Depreciation periods are based on the estimated useful lives of the significant parts of each property, with the exception of land which is not depreciated. These periods are as follows:

- shell: 50 years
- facades and roofing: 30 years except for warehouses, factories, shopping centres and cinemas: 20 years
- technical installations: 20 years
- fixtures: 10 years.

4.3.3 Individual provisions for impairment of property and securities

Impairment loss provisions are recognised in accordance with Articles R.332-19 and R.332-20 of the French Insurance Code based on the classification of the assets in question.

Securities classified under Article R.332-19 of the French Insurance Code

CNC regulation No. 2006-07 of 30 June 2006 stipulates that "the insurer must assess whether or not there is a recognised counterparty risk arising from one or a number of events that have occurred since initial recognition, and if the related impairment loss can be estimated reliably".

Securities classified under Article R.332-19 are written down when there is a recognised risk of issuer default. The potential impairment loss arising on the deterioration in issuer risk is estimated by the Company using a multi-criteria approach. In the event of an improvement in the issuer's situation, the impairment loss is reversed in proportion to this improvement.

Assets classified under Article R.332-20 of the French Insurance Code

An impairment loss provision is recognised on property or financial instruments when there is evidence that they are subject to other-than-temporary impairment in accordance with Article R.332-20 of the French Insurance Code.

In 1995, when the new accounting regulations applicable to insurers were applied for the first time, other-than temporary impairment of assets at the beginning of the reporting period was recognised in equity at 1 January 1995 and no impact was recorded in profit or loss.

First-time application of ANC Regulation 2013-03 of 13 December 2013, which amended the basis for calculating provisions for other-than-temporary impairment on amortisable securities covered by Article R.332-20, did not have a material impact on the financial statements of the Company.

Buildings classified under Article R.332-20 of the French Insurance Code

At the end of each reporting period, properties are assessed to determine whether there is any indication that they may be impaired.

One such indicator is a loss of over 20% of the building's value measured against cost. If there is evidence of impairment, CNP Assurances estimates the recoverable amount of the building concerned.

The recoverable amount of a property is the higher of its value in use and its enterprise value, as determined by annual independent valuations of the Group's entire property portfolio. The recoverable amount is prorated between the land and shell components based on the building's carrying amount.

Securities classified under Article R.332-20 of the French Insurance Code

Criteria for assessing whether an asset is subject to other-than-temporary impairment

The criteria used to determine whether an asset is subject to other-than-temporary impairment are adapted according to the nature of the asset and the associated risk:

Shares in companies classified under Article R.332-20 of the French Insurance Code

A range of indicators relating to a decline in the value of the investment, such as losses over a sustained period or forecasts taken from the business plan, are considered objective evidence of other-than-temporary impairment.

Other non-amortisable securities classified under Article R.332-20 of the French Insurance Code

Opinion No. 2002-F issued by the CNC's emerging issues task force on 18 December 2002, states that the criterion for presumption of impairment concerning "material unrealised losses may be defined for French equities in relation to the degree of volatility: 20% of the carrying amount when the markets are relatively stable, rising to 30% when they are volatile".

Within the context of the ongoing financial crisis, on 15 December 2008, the CNC and the French Prudential supervision and resolution authority, (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR), issued a recommendation concerning the financial statements for the year ended 31 December 2008: the CNC and the ACPR considered that the high degree of volatility on the markets warranted raising the threshold for the presumption of other-than-temporary impairment to 30% of unrealised losses on the carrying amount of French equities and – unless there are exceptional circumstances – on European equities as well.

In 2012, in view of the continuing volatility on the markets, CNP Assurances opted to reduce the threshold for the presumption of other-than-temporary impairment to 20% of unrealised losses. In 2014, this threshold continued to apply to securities issued in France or in another country.

The following securities must also be tested for impairment:

- securities for which a provision has already been recognised
- securities for which there is evidence that the Company may not be able to recover all or part of the carrying amount of the investment
- securities that have lost at least 30% of their value over the past six months due to a high degree of volatility
- securities that have (i) lost more than 50% of their carrying amount at the reporting date; or (ii) behaved abnormally since the reporting date; or (iii) been subject to an unfavourable assessment by CNP Assurances.

Amortisable securities classified under Article R.332-20 of the French Insurance Code

Amortisable securities classified under Article R.332-20 that CNP Assurances has the positive intention and ability to hold to maturity are only written down if there is a recognised credit risk.

Amortisable securities classified under Article R.332-20 that CNP Assurances does not have the positive intention or the ability to hold to maturity are assessed for impairment with regard to all of the risks identified in relation to the investment and the intended holding period.

Amount of the provision

The amount of the provision always corresponds to the difference between the carrying amount and the recoverable amount so, if a short-term sale is planned, the recoverable rate is the market rate.

If the Company has the positive intention and ability to hold onto the investments, by pointing to the stability of its commitments and its asset rotation policy, the recoverable amount will take account of the intended holding period.

The recoverable amount of shares in non-consolidated companies takes account of the specific features of the companies in question, particularly the earnings outlook and forecasts taken from the business plan. It is based on the value in use of the securities using a multi-criteria approach and a long-term perspective.

The recoverable value of other equities and mutual fund units is based on their fair value using a multi-criteria approach, capitalised at the risk-free rate plus a conservatively estimated risk premium (capitalisation rate corresponding to the TME rate + 500 bps) over the probable holding period for the corresponding assets.

The amortisable securities were written down in accordance with the methods described in Note 4.3.3.

4.3.4 General provision for impairment of property, shares and other securities

The Company has set up a liquidity risk reserve.

In accordance with Decree no. 2013-717 of 2 August 2013 amending certain rules applicable to investor insurance companies, and Article R.331-5-1 of the French Insurance Code, this reserve is used to record any overall decline in the aggregate carrying amount of (i) amortisable assets classified under Article R.332-20 that CNP Assurances does not have the positive intention or the ability to hold to maturity and; (ii) non-amortisable assets classified under Article R.332-20.

In the accounts for the year ended 31 December 2008, the Company opted to defer the liquidity risk reserve as authorised under Article R.331-5-4 of the French Insurance Code, provided all of the necessary conditions have been met (solvency capital, maturities of liabilities).

Article R.331-26 of the French Insurance Code stipulates that the following assumptions should be used to measure liability maturities: year-by-year projections of benefit payments (total and partial surrenders and endowment) over a 50-year period. Benefit maturities may vary for a number of different reasons, notably due to surrender options held by policyholders. Moreover, the effect of discounting has not been taken into account and the calculation period has been limited to eight years in order to obtain a whole number.

Based on the foregoing, the liquidity risk reserve is deferred over an eight-year period. The deferred expense is credited to non-technical income in account "753 – deferred increase in the liquidity risk reserve", with a corresponding debit to account "379 – deferred increase in the liquidity risk reserve". A related disclosure is included in Note 5.10 to the Company financial statements.

In accordance with Article R.322-6 of the French Insurance Code, the expense deferred pursuant to Article R.331-5-4 is deducted from distributable profit as defined in Article L.232-11 and in Article L.232-12, paragraph 2, of the French Commercial Code.

Realisable value

Realisable value is defined as follows for the purposes of calculating the liquidity risks reserve:

- the realisable value of listed shares and securities is the average price calculated over the 30 days preceding the reporting date, or the most recent available listed price
- the realisable value of shares in money market funds and mutual funds is calculated at the average redemption price published over the 30 days preceding the reporting date, or the most recent available price
- the realisable value of property and shares in unlisted property companies is determined on the basis of five-year valuations performed by a qualified expert recognised by the ACP. In the period between two five-year valuations, fair value is estimated at each year-end and the amounts obtained are certified by a qualified expert.

The recoverable amount of a property is the higher of its value in use and its net market price, as determined by annual independent valuations of the Group's entire property portfolio.

The realisable value of unlisted securities is determined as the fair value corresponding to the price that would be obtained in an arm's length transaction and based on their value in use for the Company.

In accordance with Article R.331-5-4 of the French Insurance Code, the liquidity risk reserve is calculated based on average prices for the month of December.

The basis used to calculate the liquidity risk reserve includes unrealised losses on forward financial instruments as provided for under Articles R.332-45 to R.332-47 of the French Insurance Code, with the underlyings referred to under Article R.332-20. These unrealised losses are included for the portion that exceeds the value of the securities or the cash put up as collateral. Unrealised gains are only included if they are guaranteed under the conditions provided for in Article R.332-56, *i.e.*, there is a framework agreement between issuer and holder whereby unrealised gains and losses are secured by collateral.

Unsecured forward financial instruments are excluded from the calculation of unrealised gains and losses not covered by existing provisions.

4.3.5 Disposals and exchanges

Gains and losses on disposals of investments are calculated using the FIFO method and based on a single regulation-compliant portfolio.

They are recognised in profit or loss on the actual date of sale.

Gains or losses recognised within the scope of a public exchange offer are calculated based on the best estimate of the share price which may correspond to:

- the offerer's average share price over the period between the date on which the offer was made and the date on which it expires or
- the stock market price (closing price) on the date the results of the share offer were published by the competent regulatory body.

4.3.6 Allocation of financial income

Net investment management income (excluding adjustments to assets held in unit-linked contracts) is split between: income generated by the investment of the funds corresponding to the contract's technical reserves (including the capitalisation reserve) which are recorded as "technical business", and those generated out of equity (excluding the capitalisation reserve), classified in "non-technical business".

4.3.7 Translation of foreign currency transactions

Since 31 December 2008, CNP Assurances has applied CRC Regulation No. 2007-07 of 14 December 2007 relating to the translation of foreign currency transactions governed by the French Insurance Code.

Foreign currency transactions are defined in Article A.342-3 of the French Insurance Code. They are recognised in their trading or settlement currency in each accounting currency (where a number of different accounting currencies are used).

CRC Regulation No. 2007-07 defines foreign currency transactions and stipulates that changes in foreign exchange rates are accounted for by classifying these transactions into two categories:

- transactions involving assets and liabilities that generate a "structural" position. For insurers, these mainly consist of strategic investments in non-consolidated companies traded in foreign currency, advances in foreign currency made to branches and financing of said investments and advances in foreign currencies. These items are unlikely to be realised and their measurement should not be affected by fluctuations in exchange rates
- other transactions denominated in foreign currency that generate an "operational" position. These operating transactions represent the short- or medium-term foreign exchange exposure borne by the entity in its day-to-day business that is affected by fluctuations in exchange rates.

Separate accounts are also used to record both structural and operational exchange rate positions for each currency both on- and off-balance sheet.

In the Company balance sheet, accounts denominated in foreign currency are translated into euros at the spot rate on the reporting date or the most recent available spot rate.

Translation differences on structural positions, measured based on the difference between the trading rate (historical rate) and the closing rate are recognised both on- and off-balance sheet.

Translation differences on operational positions are recorded in account 665 "Foreign exchange losses" or account 765 "Foreign exchange gains".

In accordance with CRC Regulation No. 2007-07 of 14 December 2007, the Company recognised unrealised foreign exchange differences on operational positions at 31 December 2014 in profit or loss.

4.3.8 Forward financial instruments

CNP Assurances uses financial instruments traded over the counter or on organised markets to hedge its financial risk exposure.

Since 1 January 2003, the Company has applied CRC Regulation No. 2002-09 relating to forward financial instruments.

Hedges have been set up to manage exposure to:

- interest rate risk on the bond portfolio and on insurance policies with guaranteed minimum yields
- equity risk
- foreign currency risk.

Interest rate risk

Interest rate hedges comprise:

- floors which increase in value as interest rates fall, and caps which gain in value as interest rates rise
- put options on bonds whose value is tied to a decline in bond prices.

Equity risk

CNP Assurances has contracted options that partially hedge against the risk of a decline in the value of its equities portfolio.

In light of the volumes and the resulting financial impact, the Company's partial hedging of its equities portfolio is based around a dynamic hedging strategy designed to optimise gains from market opportunities as well as the overall cost of the hedging strategy.

Hedging of currency risk

CNP Assurances set up hedges to protect against the risk of fluctuations in:

- the Brazilian real exchange rate when it acquired Caixa Seguros
- the pound sterling exchange rate when it issued sterling-denominated subordinated debt in 2011
- the US dollar exchange rate when it issued perpetual subordinated notes in this currency in 2013.

Accounting treatment

All forward financial instruments held at the reporting date are disclosed in the summary schedule of investments included in the notes to the Company financial statements. Each forward financial instrument is shown in relation to the investment that it hedges.

In the absence of any transfer of full and unrestricted ownership, securities pledged or received as collateral are measured at their realisable value in the schedule of commitments given or received.

Neither the time value of money nor the intrinsic value of the initial premium are broken out.

Investment or divestment strategy

The portion of the premium corresponding to intrinsic value is carried in an adjustment account until the hedge is unwound. By way of an exception, the premium for caps or floors is deferred over the life of the hedge.

The portion of the premium corresponding to the time value of money is deferred over the life of the hedge.

The elimination of debit or credit balances on margin accounts, other periodic flows and balancing adjustments are kept in the adjustment account over the life of the hedge.

When the hedge is unwound, the balance on the adjustment account, or the gain or loss on the forward financial instrument is included in the purchase price of the investment or the proceeds on disposal.

Yield strategy

All income and expense relating to forward financial instruments, whether they have been received or settled, realised or unrealised, are deferred to profit or loss over the planned life of the hedge based on the expected yield of the instrument.

However, a straight-line basis is used in the deferral calculation as this does not result in any significant change vis-à-vis the calculations performed on the basis of the effective yield of the instrument.

Income and expense related to return strategies are calculated over the life of the forward financial instrument and any residual flows are included when the hedge is unwound.

4.4 PROPERTY, PLANT AND EQUIPMENT

Property and equipment consists mainly of office and computer equipment and miscellaneous installations.

It is recognised at cost and depreciated over its estimated useful life. Office systems equipment is depreciated over three years and fixtures, fittings and technical installations over ten years.

4.5 LIFE INSURANCE AND SAVINGS CONTRACTS

4.5.1 Premiums

Premiums on contracts in force during the period are recognised in revenue after adjustment for the estimated earned portion of premiums not yet written.

4.5.2 Technical and mathematical reserves

Reserves for contracts including whole life cover include the portion of premiums written but not earned during the reporting period.

Mathematical reserves for traditional savings contracts correspond to the difference between the present value of the respective commitments of the Group and the policyholder.

Insurance liabilities are discounted at a rate that is equal to the highest contractual rate, using regulatory mortality tables or internal experience-based tables if these are more conservative. CNP Assurances also has a regulatory option to defer any changes in mortality tables as these are not systematically allocated to policies. The discount rate applied to annuities takes into account the effects of a fall in interest rates when the contractual rate is considered too high compared with the expected yield from reinvested premiums.

Mathematical reserves are zillmerised provided that this does not give rise to a negative amount for a given policy. Zillmerisation consists of deducting the present value of acquisition expenses included in premiums from mathematical reserves. The loadings on premiums for zillmerisation corresponds to the contractual policy terms.

Acquisition costs incurred when a contract is written are recognised as an asset for the amount of the zillmerisation variance (the difference between the mathematical reserves carried in the balance sheet in accordance with Article L.331-1 of the French Insurance Code and the amount of the same reserves if these acquisition costs had not been included in the insurer's obligations).

A matching provision for deferred acquisition costs has been recognised in liabilities in accordance with Article R.331-3-7 of the French Insurance Code.

A provision for future expenses is set up for future contract administration costs not covered by the loading on premiums or by the fees levied on financial products.

The provision for future expenses is set up in accordance with (i) Article A.331-1 of the French Insurance Code, amended by the government order of 29 December 1998; and (ii) the provisions of the amended Finance Act of 30 December 1998 relating to the conditions of tax deductibility.

When policyholders are entitled to participate in surplus underwriting profits and investment income in addition to the guaranteed minimum yield, any surplus not paid during the period is accumulated in the policyholder surplus reserve.

An unexpired risks reserve is set up to cover claims and benefits outstanding at the reporting date.

Provisions for claims handling expenses correspond to costs that will have to be borne by the insurer or the delegatee when claims are being paid out. In 2014, the estimate of delegated claims settlement costs was refined for all Term Creditor Insurance and Group Personal Risk products and a provision of €0.4 million was set aside for claims settlement costs on Group Personal Risk products at 31 December 2014.

If the actual return on plan assets at the reporting date, reduced by one-fifth, is less than the quotient of the total amount of guaranteed interest by the average amount of the mathematical reserves set aside, an amount must be recognised in the financial contingency reserve in accordance with Article A.331-2 of the French Insurance Code.

An equalisation reserve is set up to cover fluctuations in loss ratios on group policies that provide whole life cover.

Mathematical reserves for unit-linked contracts are determined by reference to the assets backing the linked liabilities. Gains and losses arising from the remeasurement of these assets at fair value are recognised in profit or loss, to offset the impact of changes in the related technical reserves.

4.6 DISABILITY, ACCIDENT AND HEALTH INSURANCE

Premiums are recognised net of taxes and estimated cancelled premiums. Earned premiums for the period are adjusted for:

- estimated earned premiums not yet written at the period-end

- the change in the unearned premium reserve (corresponding to the portion of premiums written during the period that relates to the next period).

An escalating risks reserve is recorded to cover timing differences between the coverage of risks and their financing in the form of insurance premiums.

An equalisation reserve is set up to cover fluctuations in loss ratios on group policies that provide bodily injury cover.

Claims are recognised in the period in which they are incurred. The amount recorded covers both reported claims and estimated claims incurred but not reported (IBNR).

Claims reserves are based on the estimated cost of settling the claims, net of any forecast recoveries.

A reserve is recorded for claims handling expenses based on a calculated percentage of actual expenses.

4.7 REINSURANCE

4.7.1 Outward reinsurance

Premiums, claims and technical reserves are stated before reinsurance. Ceded amounts are recognised under the "Reinsurance result" line item of the income statement.

4.7.2 Inward reinsurance

Inward reinsurance is recognised based on information received from reinsurers or else an estimate of unbilled accounts.

4.8 EMPLOYEE BENEFIT OBLIGATIONS

Employee benefit obligations are recognised in full.

4.8.1 Length-of-service awards payable to employees on retirement and jubilees

Obligations for the payment of length-of-service awards and jubilees are measured by the projected unit credit method and recognised as a liability.

4.8.2 Discount rate

The discount rate corresponds to the interest rate for investment-grade corporate bonds traded in an active market with maturities that match the duration of the benefit obligation.

4.8.3 Accounting treatment

Actuarial gains and losses on long-term benefit obligations are recognised directly in profit or loss.

Actuarial losses recognised in current profit for defined-benefit plans comprise two elements:

- current service cost and past service cost
- interest cost less the expected return on plan assets.

4.9 ACQUISITION COSTS AND ADMINISTRATION EXPENSES

Underwriting expenses are presented by function:

- claim and benefit handling expenses include the costs of the departments responsible for paying claims, endowments and periodic benefits and processing surrenders
- acquisition costs include all selling, distribution and administrative costs incurred for the acquisition of new contracts
- contract administration expenses include all the costs of managing In-Force business
- investment management costs include all internal and external costs of managing asset portfolios and financial expenses
- other underwriting costs correspond to overhead expenses that cannot be allocated rationally to the other functions.

Non-underwriting costs correspond to costs related to businesses that have no technical link to the insurance business.

They are allocated as follows:

- operating expenses are initially recognised by nature and profit centre and are then reallocated by function
- costs are allocated to the different functions on a profit centre basis.

Costs are analysed by function:

- either directly based on the nature of the activity (new business acquisition costs, claims management, etc.) or
- indirectly using statistical cost allocation keys or actual business data.

4.10 *PLAN ÉPARGNE RETRAITE POPULAIRE* (PERP) AND *PLAN ÉPARGNE RETRAITE ENTREPRISE* (PERE)

The PERP and PERE pension plans sold by CNP Assurances are accounted for in accordance with CNC opinion No. 2004-16 of 27 October 2004. A special segregated portfolio has been set up for these operations to safeguard the policyholder's special entitlement to use plan assets to settle claims. A subsidiary set of accounts is kept for each PERP and PERE plan.

The separate PERP and PERE plan accounts are presented to the Supervisory Board.

Transactions between the plan portfolios and the Company's asset portfolio are recognised as a purchase/sale in each portfolio and the gain or loss on disposal is recognised using the FIFO method.

In the plan accounts:

- the underwriting and financial profit generated by the plan over the reporting period is recognised in the policyholder surplus reserve
- if there is an overall decline in value of the non-amortisable assets in the special segregated portfolio, a provision must be recognised in the liquidity risk reserve
- the capitalisation reserve is calculated for the segregated PERP portfolio and reclassified to other life technical reserves for PERP and PERE plans.

Other assets and liabilities are measured using the accounting principles applied by the Company and described earlier.

When a provision is set aside in the liquidity risk reserve in the subsidiary accounts of a PERP or a PERE plan, the expense deferred pursuant to Article R.331-5-4 of the French Insurance Code is recognised in the Company accounts and has no impact on the subsidiary plan accounts.

4.11 ADDITIONAL SPECIAL TECHNICAL RESERVES FOR THE FRENCH CIVIL SERVANT PENSION PLAN *(RÉGIME L.441-1 PRÉFON RETRAITE)*

CNP Assurances markets a number of points-based pay-as-you-go group pension plans ("Article L.441-1" plans). Pursuant to Article R.441-21 of the French Insurance Code, the insurer must calculate the theoretical mathematical reserves required to meet annuity payments based on the number of points earned at the reporting date. If the balance on the special technical reserves account (*i.e.,* the balance of policyholder payments and accrued benefits in the segregated portfolio) is less than the theoretical mathematical reserves, the insurer must transfer the shortfall to special technical reserves. If the balance on the special technical reserves account returns to an amount greater than the theoretical mathematical reserves, the additional special technical reserve previously recognised is reversed.

When plan assets backing liabilities exceed the conventional minimum, the assets may be reallocated to the insurer's asset portfolio.

4.12 TAXATION

4.12.1 Group relief

CNP Assurances and its main French subsidiaries have elected to file a consolidated tax return under French group relief rules. The companies in the tax group are CNP Assurances, CNP IAM, Préviposte, Investissement Trésor Vie (ITV), CNP International, CNP Caution, Carrés Bleus SA, Prévimut, CICOGE SA (a property investment company), Âge d'Or Expansion, SAS THEEMIM, AEP 3, AEP 4, Assur-immeuble, Pyramides 2, Assur-helene, Ecureuil Vie Investment, 270 Investment, US Real Estate EVJ and US Real Estate 270.

4.12.2 Tax credit to aid competitiveness and promote employment (*Crédit impôt compétitivité emploi* – CICE)

The CICE tax credit scheme is designed to boost the competitiveness of French businesses.

It is calculated in proportion to a company's gross payroll costs in a given fiscal year, excluding salaries higher than 2.5 times the national minimum wage. For 2014, the tax credit amounted to 6% of gross payroll.

In accordance with the guidelines issued by the French Accounting standards authority (*Autorité des Normes Comptables* – ANC) on 28 February 2014, the CICE tax credit has been recorded in a special sub-account of "Employee benefits expense" and deducted from taxable income.

In 2014, the CICE tax credit was worth €1.6 million to CNP Assurances and the Company used it to boost its competitiveness through investment, training and prospecting for new markets.

4.12.3 Deferred taxation

No provision for deferred taxation is recognised in the CNP Assurances Company accounts.

4.13 CONSOLIDATION

CNP Assurances, the parent company, is fully consolidated by CNP Assurances Group.

Note 5 Balance sheet items

5.1 CHANGES IN INTANGIBLE ASSETS, BUILDINGS, AND INTERESTS IN SUBSIDIARIES AND AFFILIATES

Gross *(in € thousands)*	Gross at 01.01.2014	Acquisitions	Disposals	Transfers	Gross at 31.12.2014
Intangible assets	**269,401**	**24,276**	**35,383**		**258,294**
Software	269,401	24,276	35,383		258,294
Land and buildings	**7,439,575**	**1,369,233**	**760,608**	**165,645**	**8,213,846**
Forests	61,950	159	24		62,085
Developed property	497,956	2,806	236,591	4,396	268,566
Shares in unlisted property companies	6,845,379	1,357,559	519,522	165,645	7,849,061
Property investments in progress	34,290	8,710	4,470	(4,396)	34,134
Investments in subsidiaries and affiliates	**5,019,402**	**564,201**	**127,430**	**(185,268)**	**5,270,906**
Investments in subsidiaries	3,907,942	481,975	69,514	(49,216)	4,271,187
Investments in affiliates	1,111,460	82,226	57,916	(136,052)	999,719
TOTAL	**12,728,378**	**1,957,711**	**923,421**	**(19,623)**	**13,743,046**

Depreciation, amortisation and impairment provisions *(in € thousands)*	Gross at 01.01.2014	Increases	Decreases	Transfers	Gross at 31.12.2014
Amortisation of software	213,825	13,063	34,707		192,180
Depreciation of buildings	197,082	7,646	56,970		147,759
Provisions for impairment of buildings	23,328	174	21,881		1,621
Provisions for impairment of shares in property companies	172,234	36,282	2,834		205,682
Provisions for impairment of investments in subsidiaries	435,306	13	8,333	80	427,066
Provisions for impairment of other investments	41,276	2,496	3,142		40,630
TOTAL	**1,083,051**	**59,674**	**127,866**	**80**	**1,014,938**

Carrying amount (gross amount less depreciation, amortisation and provisions) *(in € thousands)*	Gross at 01.01.2014	Increases	Decreases	Transfers	Gross at 31.12.2014
Intangible assets	**55,576**	**11,214**	**676**		**66,114**
Software	55,576	11,214	676		66,114
Land and buildings	**7,046,931**	**1,325,131**	**678,923**	**165,645**	**7,858,784**
Forests	61,950	159	24		62,085
Developed property	277,546	(5,015)	157,741	4,396	119,186
Shares in unlisted property companies	6,673,145	1,321,277	516,688	165,645	7,643,379
Property investments in progress	34,290	8,710	4,470	(4,396)	34,134
Investments in subsidiaries and affiliates	**4,542,820**	**561,692**	**115,955**	**(185,348)**	**4,803,210**
Investments in subsidiaries	3,472,636	481,962	61,181	(49,296)	3,844,121
Investments in affiliates	1,070,184	79,730	54,774	(136,052)	959,089
TOTAL	**11,645,327**	**1,898,037**	**795,554**	**(19,703)**	**12,728,108**

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5.2 INVESTMENTS

5.2.1 Summary of investments

At 31.12.2014
(in € thousands)

	Gross amount	Carrying amount	Realisable value
I- Investments (detail of captions 3 & 4 in the balance sheet)			
1) Property investments and property in progress	**8,185,615**	**7,830,551**	**9,742,398**
■ Forward financial instruments: investment or divestment strategy	0	0	0
■ Forward financial instruments: yield strategy	0	0	0
2) Equities and other variable income securities, other than mutual fund units	**23,188,818**	**20,514,643**	**25,819,582**
■ Forward financial instruments: investment or divestment strategy	0	0	0
■ Forward financial instruments: yield strategy	13,664	13,664	13,664
3) Mutual fund units (other than those in 4)	**16,582,122**	**16,478,870**	**19,237,536**
■ Forward financial instruments: investment or divestment strategy	0	0	0
■ Forward financial instruments: yield strategy	0	0	0
4) Units of mutual funds invested exclusively in fixed-income securities	**24,796,557**	**24,796,557**	**25,062,095**
■ Forward financial instruments: investment or divestment strategy	0	0	0
■ Forward financial instruments: yield strategy	0	0	0
5) Bonds and other fixed income securities	**190,145,748**	**192,361,425**	**219,645,084**
■ Forward financial instruments: investment or divestment strategy	1,138,909	594,942	(587,353)
■ Forward financial instruments: yield strategy	0	0	0
6) Mortgage loans	**69**	**69**	**69**
■ Forward financial instruments: investment or divestment strategy	0	0	0
■ Forward financial instruments: yield strategy	0	0	0
7) Other loans	**313,900**	**313,900**	**289,238**
■ Forward financial instruments: investment or divestment strategy	0	0	0
■ Forward financial instruments: yield strategy	0	0	0
8) Deposits with ceding insurers	**0**	**0**	**0**
9) Cash deposits (other than those in 8) and guarantees and other investments	**2,066,010**	**2,066,010**	**2,066,010**
10) Assets backing unit-linked contracts	**25,858,989**	**25,858,989**	**25,858,989**
■ Property investments			
■ Variable income securities other than mutual fund units			
■ Mutual funds invested exclusively in fixed-income securities			
■ Other mutual funds			
■ Bonds and other fixed income securities			
■ Forward financial instruments: investment or divestment strategy	0	0	0
■ Forward financial instruments: yield strategy	0	0	0
11) Other forward financial instruments	**0**	**0**	**0**
■ Forward financial instruments: investment or divestment strategy	0	0	0
■ Forward financial instruments: yield strategy	0	0	0
■ Forward financial instruments: other	0	0	0

At 31.12.2014 *(in € thousands)*	Gross amount	Carrying amount	Realisable value
12) Total – lines 1 to 11	**292,290,399**	**290,829,619**	**327,147,311**
a) of which:			
■ investments measured in accordance with Article R.332-19	184,796,911	186,613,294	212,488,407
■ investments measured in accordance with Article R.332-20	81,634,500	78,357,337	88,799,916
■ investments measured in accordance with Article R.332-5	25,858,989	25,858,989	25,858,989
b) of which:			
■ securities representing technical provisions other than those listed below	266,748,790	265,472,155	298,014,025
■ securities pledged to cover commitments to providential insurance companies or covering managed investment funds	0	0	0
■ securities deposited with assignors (including securities deposited with assignors whose company has provided jointly liable surety)	3,517,064	3,517,064	3,517,064
■ securities allocated to special technical provisions for other transactions in France	7,752,282	7,968,970	9,714,932
■ other allocations or unallocated	14,272,263	13,871,431	15,901,289
c) of which:			
■ investments and forward financial instruments within the OECD	290,538,234	289,109,246	324,588,921
■ investments and forward financial instruments outside the OECD	1,752,165	1,720,373	2,558,390
II- Assets representing technical provisions (other than investments and reinsurers' share of technical reserves)			
■ Accrued interest not yet payable	3,263,508	3,263,508	3,263,508
■ Bank accounts and checking accounts	(31,250)	(31,250)	(31,250)
■ Other	1,874,361	1,874,361	1,874,361
Total assets representing technical provisions	**5,106,618**	**5,106,618**	**5,106,618**
TOTAL	**297,397,018**	**295,936,237**	**332,253,929**

5.2.2 Investments in government bonds

Issuer government *(in € millions)*	Gross exposure – carrying amount [1]	Net exposure [2]
France	65,191	3,078
Italy	5,272	249
Belgium	7,797	265
Spain	3,293	181
Austria	4,617	135
Brazil	2	1
Portugal	409	9
Netherlands	80	2
Ireland	550	10
Germany	2,424	146
Greece	4	0
Finland	31	2
Poland	300	18
Luxembourg	3	0
Denmark	45	3
Slovenia	238	12
Canada	513	42
Japan	44	1
Slovakia	45	1
Mexico	87	10
Israel	31	0
United Arab Emirates	70	2
Supra	5,768	411
TOTAL	**96,816**	**4,581**

(1) Carrying amount, including accrued coupon

(2) The calculation of net exposure has been standardised at Group level and reflects both the current market environment and policies concerning deferred participation: calculating net exposure from gross exposure takes account of the impacts of deferred taxes and deferred participation based on shadow accounting principles under IFRS

5.3 RECEIVABLES AND PAYABLES BY MATURITY

Receivables *(in € thousands)*	Gross amount	1 year or less	Between 1 and 5 years	Over 5 years
Insurance receivables	**1,523,307**	**1,508,147**	**15,160**	
Earned premiums not yet written	1,367,121	1,367,121		
Other insurance receivables	156,186	141,026	15,160	
Reinsurance receivables	**80,572**	**80,572**		
Other receivables	**4,253,248**	**4,253,248**		
Receivables from employees	764	764		
Receivables due from government and social security bodies	1,169,387	1,169,387		
Sundry receivables	3,083,097	3,083,097		
Called and unpaid capital				
TOTAL	**5,857,127**	**5,841,967**	**15,160**	

Payables *(in € thousands)*	Gross amount	1 year or less	Between 1 and 5 years	Over 5 years
Cash deposits received from reinsurers	**243,929**	**243,929**		
Other liabilities	**20,716,439**	**20,676,553**	**39,886**	
Liabilities arising from insurance transactions	676,603	676,603		
Liabilities arising from reinsurance transactions	378,289	378,289		
Bank borrowings	100,889	100,889		
Other liabilities:	19,560,658	19,520,772	39,886	
Negotiable debt securities issued by the Company				
Other borrowings, deposits and guarantees received	270,085	230,199	39,886	
Employee benefits expense payable	363,792	363,792		
Accrued payroll and other taxes	845,723	845,723		
Sundry payables	18,081,058	18,081,058		
TOTAL	**20,960,368**	**20,920,482**	**39,886**	

5.4 SUBSIDIARIES AND AFFILIATES

5.4.1 Investments in subsidiaries and affiliates

(in € thousands)	Total at 31.12.2014				Affiliates				Subsidiaries			
	Equities	Other	Impairment	Carrying amount	Equities	Other	Impairment	Carrying amount	Equities	Other	Impairment	Carrying amount
Insurance companies												
ASSURISTANCE	13,427	-	-	13,427				-	13,427	-	-	13,427
AVENIR SANTÉ	1,099	401	-	1,500				-	1,099	401	-	1,500
CAIXA SEGUROS HOLDING	434,906	-	-	434,906				-	434,906	-	-	434,906
CNP ASSURANCES BRASIL HOLDING	8,128	-	-	8,128				-	8,128	-	-	8,128
CNP ASSURANCES COMPANIA DE SEG	17,136	7	-	17,143				-	17,136	7	-	17,143
CNP BARCLAYS VIDA Y PENSIONES	204,651	-	-	204,651				-	204,651	-	-	204,651
CNP CAUTION	40,638	-	24,997	15,641				-	40,638	-	24,997	15,641
CNP CYPRUS INSURANCE HOLDINGS	145,915	-	17,200	128,715				-	145,915	-	17,200	128,715
CNP EUROPE LIFE LIMITED	62,240	-	-	62,240				-	62,240	-	-	62,240
CNP IAM	245,596	-	-	245,596				-	245,596	-	-	245,596
CNP INTERNATIONAL	23,325	-	-	23,325				-	23,325	-	-	23,325
CNP UNICREDIT VITA S.P.A.	726,775	-	370,475	356,300				-	726,775	-	370,475	356,300
CNP VIDA DE SEGUROS Y REASEGUR	78,526	-	-	78,526				-	78,526	-	-	78,526
I.T.V	22,410	-	-	22,410				-	22,410	-	-	22,410
LA BANQUE POSTALE PRÉVOYANCE	94,061	-	-	94,061				-	94,061	-	-	94,061
MFPRÉVOYANCE	67,853	-	-	67,853				-	67,853	-	-	67,853
PRÉVIPOSTE	125,770	-	-	125,770				-	125,770	-	-	125,770
PREVISOL AFJP	7,460	-	7,460	-	7,460		7,460	-	-	-	-	-
SANTANDER INSURANCE HOLDING	297,140	-	-	297,140				-	297,140	-	-	297,140
SINO-FRENCH LIFE INSURANCE CO.	12,250	-	2,950	9,300				-	12,250	-	2,950	9,300
Sub-total	**2,629,307**	**407**	**423,081**	**2,206,633**	**7,460**	**-**	**7,460**	**-**	**2,621,847**	**407**	**415,621**	**2,206,633**
Other companies												
270 INVESTMENTS	125,573	114,050	-	239,623				-	125,573	114,050	-	239,623
3i GROWTH CAPITAL F	33,582	-	-	33,582				-	33,582	-	-	33,582
ÂGE D'OR EXPANSION	2,447	2,200	2,452	2,195				-	2,447	2,200	2,452	2,195
ALPINVEST FEEDER (EURO) V C.V.	48,757	-	-	48,757				-	48,757	-	-	48,757
AXA INFRASTRUCTURE PARTNERS	52,069	-	-	52,069	52,069			52,069	-	-	-	-
BRIDGEPOINT EUROPE IV G	14,236	-	-	14,236				-	14,236	-	-	14,236
CANTIS	0	62	-	62	0	62		62	-	-	-	-
CARRÉS BLEUS	2,363	700	1,233	1,829				-	2,363	700	1,233	1,829
CBPE CAPITAL VIII SPECIAL INVE	18,917	-	299	18,617				-	18,917	-	299	18,617
CLEANTECH EUROPE II SPECIAL IN	17,653	-	-	17,653				-	17,653	-	-	17,653
CNP FORMATION	19	-	-	19				-	19	-	-	19

(in € thousands)	Total at 31.12.2014				Affiliates				Subsidiaries			
	Equities	**Other**	**Impair-ment**	**Carrying amount**	Equities	Other	Impair-ment	Carrying amount	Equities	Other	Impair-ment	Carrying amount
CNP TECHNOLOGIES DE L'INFORMAT	910	4,000	-	4,910				-	910	4,000	-	4,910
DIF INFRASTRUCTURE II	32,704	-	-	32,704				-	32,704	-	-	32,704
DIF INFRASTRUCTURE III	-	-	-	-				-	-	-	-	-
DOMUS CO-INVEST	25,500	-	-	25,500				-	25,500	-	-	25,500
ECUREUIL VIE DÉVELOPPEMENT	19	1,000	-	1,019				-	19	1,000	-	1,019
ECUREUIL VIE INVESTMENT	328,338	-	-	328,338				-	328,338	-	-	328,338
EQUASANTÉ	1,351	-	709	642	1,351		709	642	-	-	-	-
ESDF IV LLC	10,875	-	2,435	8,441				-	10,875	-	2,435	8,441
FILASSISTANCE SERVICES	228	-	42	186				-	228	-	42	186
FSN CAPITAL IV (B) L.P.	22,924	-	-	22,924				-	22,924	-	-	22,924
GESPRE EUROPE	3,000	-	1,108	1,892	3,000		1,108	1,892	-	-	-	-
HOLDING D'INFRASTRUCTURES GAZI	336,980	-	-	336,980				-	336,980	-	-	336,980
INFRA VIA	20,201	-	-	20,201	20,201		-	20,201	-	-	-	-
INFRA-INVEST	3,718	814	44	4,488				-	3,718	814	44	4,488
INFRASTRUCTURE PARTNERS (MS)	40,874	-	-	40,874				-	40,874	-	-	40,874
INFRAVIA	-	-	-	-				-	-	-	-	-
MEIF III SCOTLAND LP	52,245	-	-	52,245	52,245		-	52,245	-	-	-	-
MERIDIAM INFRASTRUCTURE	96,083	-	-	96,083	96,083		-	96,083	-	-	-	-
MONTAGU IV (SCOTS FEEDER)	26,250	-	-	26,250				-	26,250	-	-	26,250
OCM EUROPEAN PRINCIPAL OPPORTU	4,992	-	-	4,992				-	4,992	-	-	4,992
PREVIMUT	352,477	-	4,873	347,603				-	352,477	-	4,873	347,603
SOGESTOP K	156	-	67	88				-	156	-	67	88
SOGESTOP L	18,626	-	-	18,626				-	18,626	-	-	18,626
US REAL ESTATE 270 SA	137	28,360	-	28,497				-	137	28,360	-	28,497
US REAL ESTATE EVJ SAS	198	28,359	-	28,557				-	198	28,359	-	28,557
Other companies *	**767,250**	**-**	**31,353**	**735,897**	**767,250**	**-**	**31,353**	**735,897**	**-**	**-**	**-**	**-**
Sub-total	**2,461,646**	**179,545**	**44,615**	**2,596,576**	**992,197**	**62**	**33,170**	**959,089**	**1,469,449**	**179,483**	**11,445**	**1,637,488**
Total by nature	5,090,953	179,953	467,696	4,803,210	999,657	62	40,630	959,089	4,091,296	179,891	427,066	3,844,121
TOTAL		**5,270,906**	**467,696**	**4,803,210**		**999,719**	**40,630**	**959,089**		**4,271,187**	**427,066**	**3,844,121**

* *Corresponds to venture-capital investment funds in which CNP owns less than 50% of the capital*
Property companies that are more than 10%-owned are included in Land and buildings

5.4.2 Financial income and expenses of subsidiaries and affiliates

(in € thousands)	Subsidiaries	Affiliates	**31.12.2014**	31.12.2013
Financial expenses	58,760	2,274	61,035	19,642
Financial income	329,935	38,426	368,361	255,953

5.4.3 Receivables and payables of subsidiaries and affiliates

(in € thousands)	Subsidiaries	Affiliates	**31.12.2014**	31.12.2013
Receivables	**71,453**	**-**	**71,453**	**163,714**
Other receivables	71,453	-	71,453	163,714
Receivables due from government and social security bodies	*14,400*	-	*14,400*	*14,400*
Sundry receivables	*57,053*	-	*57,053*	*149,314*
Other payables	**265,054**	**351,409**	**616,463**	**737,871**
Other payables	*265,054*	*351,409*	*616,463*	*737,871*
Sundry payables	*265,054*	*351,409*	*616,463*	*737,871*

5.4.4 Subsidiaries and affiliates (Articles L.233-1 and L.233-2 of the French Commercial Code)

Subsidiaries and affiliates *(in € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Gross value of investment	Carrying amount of investment (of which KNL)	Interest	Loans and recei-vables	Revenue	Profit or loss	Divi-dends	Sector
A - Investments with a carrying amount in excess of 1% of CNP Assurances' share capital													
I - Subsidiaries (over 50% owned)													
270 INVESTMENTS [5]	4 place Raoul Dautry – 75015 Paris – France	EUR	32,129	71,028	167,902	125,573	125,573	100%	114,050	0	3,280	2,570	Asset management
3i GROWTH CAPITAL F	16 Palace Street – SW1E 5JD London – UK	EUR	NC	NC	NC	33,582	16,282	76.92%		NC	NC		Asset management
A9B PARIS [1]	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France	EUR	10,000	90	98,962	66,969	63,300	100%		0	(4,583)		Property company
AEP 247 [1]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	165,852	(3,739)	175,092	161,102	161,102	100%		7,828	6,024	4,792	Property company
AEW IMCOM 1	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	104,448	104,346	131,006	102,119	102,119	100%	23,389	6,999	5,543	5,410	Property company
AEW IMCOM 6	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	325,442	325,137	521,119	258,699	258,699	83.33%	154,165	32,308	23,270	16,296	Property company
ALPINVEST FEEDER (EURO) V C.V.	Jachthavenweg 118, 1081 KJ Amsterdam	EUR	NC	NC	NC	48,757	8,191	99.98%		NC	NC		Asset management
ASSURBAIL PATRIMOINE [1]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	183,233	43,530	407,868	160,974	160,974	78.26%	62,496	21,016	42,891	17,926	Property company
ASSURECUREUIL PIERRE [1]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	74,248	74,344	158,993	122,673	122,673	85.83%		8,881	6,370	6,437	Property company
ASSURECUREUIL PIERRE 3 [1]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	199,624	173,131	840,790	252,165	252,165	77.98%	229,259	7,850	95,008	34,451	Property company
ASSURECUREUIL PIERRE 4 [1]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	101,740	72,807	235,784	168,599	168,599	100%	48,782	0	9,845	13,267	Property company
ASSURECUREUIL PIERRE 5 [1]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	6,361	1,808	10,256	11,224	11,224	100%		1,478	1,140	904	Property company
ASSURIMMEUBLE [1]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	294,400	289,499	595,627	673,773	673,773	99.99%		213	9,021	22,852	Property company
ASSURISTANCE [5]	4 place Raoul Dautry – 75015 Paris – France	EUR	20,344	(139)	25,286	13,427	13,427	66%		0	2,162	1,020	Insurance
AXE France [1]	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France	EUR	5,001	56,555	158,689	43,085	43,085	50%	43,018	11,559	3,034	900	Property company
BAUDRY PONTHIEU [1]	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France	EUR	4,100	32,683	100,561	40,959	40,959	99.9%	60,870	5,416	612		Property company
BRIDGEPOINT EUROPE IV G	30 Warwick Street – London W1B 5AL – UK	EUR	NC	NC	NC	14,236	12,304	81.67%		NC	NC		Asset management

Subsidiaries and affiliates *(in € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Gross value of investment	Carrying amount of investment (of which KNL)	Interest	Loans and receivables	Revenue	Profit or loss	Dividends	Sector
CAIXA SEGUROS HOLDING	SCN QUADRA 01 LOTE A Ed.N°1 – 15°,16° e 17° Andares Brasilia – Brazil	EUR	724,517	(103,006)	1,054,494	434,906	434,906	50.75%		0	443,921	167,075	Insurance
CANOPEE (1)	1 rue de Gramont – 75002 Paris – France	EUR	47,210	0	105,567	47,200	47,200	99.98%	55,107	8,611	2,036	1,959	Property company
CBPE CAPITAL VIII SPECIAL INVE	2 George Yard – EC3V 9DH London – UK	GBP	NC	NC	NC	18,917	10,820	100%		NC	NC		Asset management
CICOGE (1)	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	37,320	58,406	95,287	199,820	199,820	100%		9,320	3,272	2,687	Property company
CIMO (1)	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	213,022	169,548	410,030	576,601	576,601	93.03%		21,010	12,368	20,478	Property company
CLEANTECH EUROPE II SPECIAL IN	140 Brompton Road – SW3 1HY London – UK	EUR	NC	NC	NC	17,653	11,976	100%		NC	NC		Asset management
CNP ASSURANCES BRASIL HOLDING	Setor Comercial Norte, Quadra 01, Bloco A, n°77, Sala 1702, parte Edificio n°1, CEP 70710 – 900 Brasilia – Brazil	EUR	7,514	13,579	25,150	8,128	8,128	100%		0	3,719	1,152	Insurance
CNP ASSURANCES COMPANIA DE SEG	M.T. de Alvear 1541 (C1060AAC) – 1001 Buenos Aires – Argentina	EUR	7,538	6,592	52,665	17,136	17,136	76.47%	7	44,984	5,657	5,253	Insurance
CNP BARCLAYS VIDA Y PENSIONES	El Plantio. Calle Ochandiano n°16. Planta 1. 28023 Madrid – Spain	EUR	25,657	123,087	1,198,072	204,651	204,651	50%		80,995	16,166	13,863	Insurance
CNP CAUTION (5)	4 place Raoul Dautry – 75015 Paris – France	EUR	24,997	25	120,741	40,638	15,641	100%	0	16,320	460		Insurance
CNP CYPRUS INSURANCE HOLDINGS	CNP Cyprus Insurance Holdings (Cyprus) 64 Arch. Makarios III ave. & 1 Karpenisiou Str, 1077 Nicosia – Cyprus	EUR	90	134,797	159,394	145,915	128,715	50.1%		0	18,625		Insurance
CNP EUROPE LIFE LIMITED	Embassy House, Herbert Park Lane, Ballsbridge Dublin 4 – Ireland	EUR	52,523	22,720	1,181,153	62,240	62,240	100%		7,928	(696)		Insurance
CNP IAM (5)	4 place Raoul Dautry – 75015 Paris – France	EUR	30,500	794,020	8,318,594	245,596	245,596	100%	0	1,758,566	(41,509)		Insurance
CNP INTERNATIONAL (5)	4 place Raoul Dautry – 75015 Paris – France	EUR	22,875	2,895	425,104	23,325	23,325	100%	0	80,020	8,506	8,490	Insurance
CNP Partners	Spain	EUR	46,643	68,988	1,183,664	78,526	78,526	94.47%		206,073	2,913		Insurance

Subsidiaries and affiliates *(in € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Gross value of investment	Carrying amount of investment (of which KNL)	Interest	Loans and recei-vables	Revenue	Profit or loss	Divi-dends	Sector
CNP UNICREDIT VITA S.p.A.	Piazza Durante 11 – 20131 Milan – Italy	EUR	381,700	434,805	12,955,524	726,775	356,300	57.5%		2,692,381	45,342	11,396	Insurance
COEUR MEDITÉRRANÉE (5)	173 boulevard Haussmann – 75008 Paris – France	EUR	41,502	1,834	62,083	28,619	28,619	92.4%	12,933		3,214	2,138	Property company
COMMERCIAL REAL ESTATE LOANS (5)	21 boulevard Grande Duchesse Charlotte – L-1331 Luxembourg	EUR	287,115	2,028	289,143	204,372	200,000	66.67%		6,996	7,825	2,422	Property company
COTTAGES DU BOIS AUX DAIMS (1)	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France	EUR	1,131	9,810	28,663	11,301	11,301	100%	13,700	0	(360)		Property company
DIF INFRASTRUCTURE II	WTC Schiphol Airport Tower D, 10th Floor. Schiphol Boulevard 269. 1118 BH Schiphol. The Netherlands	EUR	NC	NC	NC	32,704	32,704	53.33%		NC	NC	6,396	Infra-structure
DOMUS CO-INVEST	232 rue de Rivoli – 75054 Paris Cedex 01 – France	EUR	NC	NC	NC	25,500	25,130	100%		NC	NC		Asset management
ECUREUIL VIE INVESTMENT (5)	4 place Raoul Dautry – 75015 Paris – France	EUR	10,935	318,504	360,656	328,338	328,338	100%	0	0	28,668	27,994	Asset management
EQUINOX (1)	1 rue de Gramont – 75002 Paris – France	EUR	41,404	0	95,349	41,400	41,400	99.98%	49,587	8,812	3,913	2,719	Property company
ESDF IV LLC	P.O. Box 255 – Trafalgar Court – Les Banques – GY1 3QL – St Peter Port – Guernsey	EUR	NC	NC	NC	10,875	7,441	100%		NC	NC		Asset management
FARMAN (5)	4 rue Auber – 75009 Paris – France	EUR	25,000	131,681	240,947	80,872	80,872	50%	34,414	15,936	7,139	1,038	Property company
FARMORIC (5)	Cœur Défense – Tour B – La Défense 4 100, Esplanade du Général de Gaulle – 92400 Courbevoie – France	EUR	96,497	3,817	126,565	176,604	176,604	100%	26,231	0	3,815	3,817	Property company
FONCIÈRE ELBP	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	9,614	86,806	482,967	96,131	96,131	100%	355,641	13,903	20,868		Property company
FSN CAPITAL IV (B) L.P.	Akersgaten 20 NO-0158 Oslo – Norway	SEK	NC	NC	NC	22,924	6,006	100%		NC	NC		Asset management
GCK (5)	4 rue Auber – 75009 Paris – France	EUR	10,529	4,075	21,268	100,994	100,994	80%	0	8,953	3,915	5,101	Property company
GREEN RUEIL (1)	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France	EUR	8,700	75,867	198,236	22,801	22,801	50%	11,526	390	(1,853)		Property company

Subsidiaries and affiliates *(in € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Gross value of investment	Carrying amount of investment (of which KNL)	Interest	Loans and recei-vables	Revenue	Profit or loss	Divi-dends	Sector
HOLDING D'INFRASTRUCTURES GAZIERES (2)	4 place Raoul Dautry – 75015 Paris – France	EUR	526,370	130,757	700,884	336,980	336,980	51.21%	0	0	42,585	37,472	Infra-structure
HOLDIPIERRE (5)	173 boulevard Haussmann – 75008 Paris – France	EUR	60,040	3,689	66,010	70,809	70,809	100.01%	300	2,662	2,565	3,436	Property company
I.T.V (5)	4 place Raoul Dautry – 75015 Paris – France	EUR	22,418	24,474	633,113	22,410	22,410	100%	0	18,996	1,974		Insurance
ILOT 13 (5)	50/56 rue de la Procession – 75015 Paris – France	EUR	45,000	0	100,873	22,500	22,500	50%	24,589	8,754	1,692	846	Property company
ILOT A5B (5)	4 place Raoul Dautry – 75015 Paris – France	EUR	7,644	1,328	9,050	8,871	8,871	100%	0	0	(24)		Property company
IMMAUCOM (5)	4 rue Auber – 75009 Paris – France	EUR	172,867	0	173,934	132,776	132,776	80%	0	0	6,979	781	Property company
INFRASTRUCTURE PARTNERS (MORGA) (5)	6 place de la République Dominicaine, 75017 Paris – France	EUR	44,858	0	46,380	40,874	32,549	64.94%		2,106	1,445		Infra-structure
ISSY VIVALDI	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	3,310	29,716	76,251	33,010	33,010	100%	39,852	4,649	983	2,085	Property company
JASMIN (1)	1 rue de Gramont – 75002 Paris – France	EUR	19,010	0	46,914	19,000	19,000	99.95%	25,070	3,237	1,510	1,405	Property company
JESCO (5)	41 rue Louise Michel, 92594 Levallois Perret Cedex – France	EUR	40,801	8,652	96,520	28,051	28,051	55%	24,005	6,106	(1,998)		Property company
LA BANQUE POSTALE PREVOYANCE (5)	10 place de Catalogne –75014 Paris – France	EUR	5,202	151,508	1,645,495	94,061	94,061	50%	0	462,181	36,230	11,900	Insurance
LBP ACTIFS IMMO (5)	43/47 avenue de la Grande Armée – 75116 Paris – France	EUR	429,211	(6,094)	478,830	384,250	384,250	100%	30,520	25,259	12,777	10,224	Property company
LESLY	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	NC	NC	NC	39,851	39,851	100%	193	NC	NC		Property company
LIBERTE (1)	4 rue Auber – 75009 Paris – France	EUR	25,350	76,655	241,524	51,003	51,003	50%	66,509	18,947	11,485	4,663	Property company
LUX GARE	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France	EUR	NC	NC	NC	9,331	9,331	100%	18,685	NC	NC		Property company
MALTHAZAR (1)	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	6,135	52,992	116,325	52,988	52,988	50%	25,108	10,327	4,141	1,902	Property company
MFPREVOYANCE (5)	62 rue Jeanne d'Arc – 75640 Paris Cedex 13 – France	EUR	81,774	60,503	1,340,617	67,853	67,853	51%		293,700	1,611	-	Insurance
MONTAGU IV (SCOTS FEEDER)	2 More London Riverside – SE1 2AP – London – UK	EUR	NC	NC	NC	26,250	15,036	100%		NC	NC		Asset management

Subsidiaries and affiliates *(in € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Gross value of investment	Carrying amount of investment (of which KNL)	Interest	Loans and receivables	Revenue	Profit or loss	Dividends	Sector
MTP INVEST [5]	173 boulevard Haussmann – 75008 Paris – France	EUR	0	285,494	483,890	305,111	305,111	100%	188,305	16,728	12,791	8,825	Property company
OREA [5]	41 rue Louise Michel, 92594 Levallois Perret Cedex – France	EUR	95,140	531	105,777	86,829	86,829	100%	2,300	7,960	5,180	4,827	Property company
PARIS 08	4 rue Auber – 75009 Paris – France	EUR	NC	NC	NC	42,091	42,091	100%	160	NC	NC		Property company
PAYS-BAS RETAIL 2013 BV [5]	Naritaweg 165, Telestone 8 – 1043 BV Amsterdam – The Netherlands	EUR	0	17,500	50,499	17,500	17,500	100%	32,500	0	165		Property company
PIAL 34 [1]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	15,001	124,720	232,873	141,001	141,001	100%	91,655	0	(1,403)		Property company
PREVIMUT [5]	4 place Raoul Dautry – 75015 Paris – France	EUR	440,001	(69,878)	371,441	352,477	347,603	90%	0	0	52		Asset management
PREVIPOSTE [5]	4 place Raoul Dautry – 75015 Paris – France	EUR	125,813	213,950	7,565,453	125,770	125,770	100%	0	163,709	21,729	21,945	Insurance
RESIDENTIAL	4 rue Auber – 75009 Paris – France	EUR	NC	NC	NC	33,801	33,801	100%	205	NC	NC		Property company
RUE DU BAC [1]	4 rue Auber – 75009 Paris – France	EUR	25,240	147,143	249,251	86,192	86,192	50.01%	34,996	11,706	8,812	2,490	Property company
RUEIL NEWTON [1]	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France	EUR	2,115	19,027	56,800	10,508	10,508	50%	15,101	5,615	3,049	1,269	Property company
SANTANDER INSURANCE SERVICES IRELAND LIMITED	Block 8 Harcourt Centre – Charlotte Way – Dublin 2 – Ireland	EUR	100	51	3,334	2,400	2,400	51%		N/A	N/A		Insurance
SANTANDER INSURANCE EUROPE LIMITED	Block 8 Harcourt Centre – Charlotte Way – Dublin 2 – Ireland	EUR	53,000	2,306	527,650	105,790	105,790	51%		N/A	N/A		Insurance
SANTANDER INSURANCE LIFE LIMITED	Block 8 Harcourt Centre – Charlotte Way – Dublin 2 – Ireland	EUR	98,000	818,565	1,120,965	188,950	188,950	51%		N/A	N/A		Insurance
SAPHIRIMMO	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	2,300	20,842	53,829	22,991	22,991	100%	28,810	3,298	885	1,541	Property company
SCI DE LA CNP [5]	4 place Raoul Dautry – 75015 Paris – France	EUR	59,711	37,237	105,808	137,341	137,341	100%	5,000	6,767	3,242	3,253	Property company
SECRETS ET BOÉTIE [1]	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France	EUR	3,901	33,086	83,576	39,001	39,001	100%	48,796	0	(3,700)		Property company
SINO-FRENCH LIFE INSURANCE CO.	12F, Hua Bin International Plaza, 8 Yong An Dond Li Jian Guao Men Av – Chao Yang District, Beijing, PR. China	EUR	26,618			12,250	9,300	50%					Insurance
SOGESTOP L [5]	62 rue Jeanne d'Arc – 75640 Paris Cedex 13 – France	EUR	22,897	19,134	42,729	18,626	18,626	50%	0	0	650	300	Insurance

Subsidiaries and affiliates *(in € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Gross value of investment	Carrying amount of investment (of which KNL)	Interest	Loans and recei-vables	Revenue	Profit or loss	Divi-dends	Sector
SUNLIGHT [5]	173 boulevard Haussmann – 75008 Paris – France	EUR	83,569	(4,495)	84,820	38,269	38,269	50.62%	0	5,813	5,707	2,183	Property company
TERRE NEUVE 4 IMMO [1]	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France	EUR	6,601	59,468	163,668	66,001	66,001	100%	95,361	9,857	1,045	1,188	Property company
THEEMIM [1]	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France	EUR	26,636	61,113	92,192	84,646	84,646	100%	0	0	3,807	2,397	Property company
II - Affiliates (10% to 50% owned)													
17 CAPITAL FUND 3	32 Grosvenor Gardens SW1 W0DH – London – UK	EUR	NC	NC	NC	50,000	0	10%		NC	NC		Asset management
5/7 RUE SCRIBE [1]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	479	32,507	82,810	7,302	7,302	15%	6,805	4,087	1,369	271	Property company
ALTERCAP LUX II	LBO France – 148 rue de l'Université – 75007 Paris – France	EUR	NC	NC	NC	9,028	8,028	15.26%		NC	NC		Asset management
ALVEN CAPITAL IV	1 place André Malraux – 75001 Paris – France	EUR	NC	NC	NC	12,000	2,760	10.26%		NC	NC		Asset management
AUGUST EQUITY PARTNERS III A	10 Slingsby Place – St Martin's Courtyard – Covent Garden WC2E 9AB London – UK	GBP	NC	NC	NC	25,642	9,717	10%		NC	NC		Asset management
AXA DBIO	40 rue du Colisée – 75008 Paris – France	EUR	NC	NC	NC	20,000	9,774	23.8%		NC	NC		Asset management
AXA INFRASTRUCTURE PARTNERS [5]	20 place Vendôme – 75001 Paris – France	EUR	455,314	(72,687)	453,861	52,069	32,857	12.9%		16,950	(6,939)		Infra-structure
AXA S-COINVEST	20 place Vendôme – 75001 Paris – France	EUR	NC	NC	NC	10,300	10,050	15.38%		NC	NC		Asset management
CABESTAN CAPITAL	47 rue du Faubourg Saint-Honoré – 75008 Paris – France	EUR	NC	NC	NC	10,000	5,500	12.5%		NC	NC		Asset management
CDC CAPITAL III	148 rue de l'Université – 75007 Paris – France	EUR	NC	NC	NC	44,410	31,296	34.68%		NC	NC		Asset management
CDC CAPITAL III B	148 rue de l'Université – 75007 Paris – France	EUR	NC	NC	NC	55,482	40,586	44.23%		NC	NC		Asset management
CERTIVIA SICAV	173 boulevard Haussmann – 75008 Paris – France	EUR	NA	NA	NA	20,000	200	16.67%		NA	NA		Property company
CHINA EQUITY LINKS	TX Private Equity 9 avenue de l'Opéra – 75001 Paris – France	EUR	NC	NC	NC	7,008	4,007	15.83%		NC	NC		Asset management

Subsidiaries and affiliates *(in € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Gross value of investment	Carrying amount of investment (of which KNL)	Interest	Loans and recei-vables	Revenue	Profit or loss	Divi-dends	Sector
CLEARSIGHT TURNAROUND FUND I	Carinthia House, 9/12 The Grange GY1 4BF – St Peter Port, Guernsey – UK	EUR	NC	NC	NC	11,409	7,925	16.32%		NC	NC		Asset management
CLEARSIGHT TURNAROUND FUND II	Carinthia House, 9/12 The Grange GY1 4BF – St Peter Port, Guernsey – UK	EUR	NC	NC	NC	24,536	14,292	15.62%		NC	NC		Asset management
CLEARSIGHT TURNAROUND FUND III	Churerstrasse 23 CH-8808 Pfäffikon – Switzerland	EUR	NC	NC	NC	25,000	1,875	11.02%		NC	NC		Asset management
CREDICOOP AFAVyDC	Adolfo Alsina N°633 Piso 3 Ciudad Autónoma de Buenos Aires Argentina	EUR	3,416			7,460	0	29.84%					Insurance
D&P PME IV	152 avenue de Malakoff – 75116 Paris – France	EUR	NC	NC	NC	21,924	15,203	28.71%		NC	NC		Asset management
DBAG FUND VI FEEDER GMBH & CO	Handelsregister B 90813 - Amtsgericht Frankfurt a. M. – Germany	EUR	NC	NC	NC	16,000	3,132	26.56%		NC	NC		Asset management
DEFENSE CB3 [5]	117 quai du Président Roosevelt – 92130 Issy Les Moulineaux – France	EUR	38	13,176	132,787	23,087	23,087	25%	4,651	15,374	3,141	785	Property company
EMZ 7-I	11 rue Scribe – 75009 Paris – France	EUR	NC	NC	NC	60,000	14,520	27.32%		NC	NC		Asset management
EPF IV	152 avenue des Champs-Élysées – 75008 Paris – France	EUR	NC	NC	NC	10,000	3,218	10.2%		NC	NC		Asset management
EPL [5]	167 quai de la bataille Stalingrad – 92867 Issy les Moulineaux cedex – France	EUR	63,809	(797)	60,891	38,238	29,355	38.2%	29,147	0	(2,216)		Property company
EUROFFICE [4]	1/3 rue des Italiens – 75009 Paris – France	EUR	83,402	(24,661)	216,127	24,119	9,837	19.09%	31,286	0	(15,292)		Property company
FONCIÈRE ADYTON 1 [5]	41 rue Louise Michel – 92594 Levallois Perret Cedex – France	EUR	360	25,449	99,336	12,776	12,776	33.33%	10,605	7,076	492	964	Property company
FONCIÈRE CNP [5]	4 rue Auber – 75009 Paris – France	EUR	2,250	17,579	75,587	15,203	15,203	47.92%	16,500	7,825	20,371	-	Property company
FONCIÈRE ECUREUIL II [3]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	45,188	(5,359)	72,124	13,729	9,518	21.77%	7,017	0	(53)		Property company
FONDINVEST VII	33 rue de La Baume – 75008 Paris – France	EUR	NC	NC	NC	20,088	13,828	40.85%		NC	NC		Asset management
FONDINVEST VIII	33 rue de La Baume – 75008 Paris – France	EUR	NC	NC	NC	22,093	21,030	14.96%		NC	NC		Asset management

Subsidiaries and affiliates *(in € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Gross value of investment	Carrying amount of investment (of which KNL)	Interest	Loans and recei-vables	Revenue	Profit or loss	Divi-dends	Sector
HEXAGONE III-1	148 rue de l'Université – 75007 Paris – France	EUR	NC	NC	NC	15,000	14,423	11.08%		NC	NC		Asset management
INDUSTRIE & FINANCE INVESTISSE	4 Avenue Marceau – 75008 Paris – France	EUR	NC	NC	NC	12,000	750	10%		NC	NC		Asset management
INFRA VIA [5]	20/22 rue Vernier 75017 Paris – France	EUR	159,196	212	184,632	20,201	19,100	11.84%		17,793	14,793		Infra-structure
INVISION V FEEDER	Grafenaustrasse 7 – 6300 Zug – Switzerland	EUR	NC	NC	NC	18,000	3,346	23.38%		NC	NC		Asset management
IPH CO-INVEST	232 rue de Rivoli – 75054 Paris cedex 01 – France	EUR	NC	NC	NC	20,042	20,042	22.7%		NC	NC		Asset management
IXO 3	34 rue de Metz – 31000 Toulouse – France	EUR	NC	NC	NC	13,000	3,289	10%		NC	NC		Asset management
LATOUR CAPITAL I	31 boulevard de la Tour Maubourg – 75007 Paris – France	EUR	NC	NC	NC	15,000	9,075	16.58%		NC	NC		Asset management
LOGISTIS [5]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	378,098	(33,506)	404,155	114,417	114,417	25.43%	0	40,754	36,562	7,136	Property company
LOGISTIS LUX [5]	5 allée Scheffer – L2520 Luxembourg – Luxembourg	EUR	22,191	14,238	105,801	12,933	12,604	24.05%	19,073	0	2,108	481	Property company
LONGCHAMP FCPR	5 rue de La Baume – 75008 Paris – France	EUR	NC	NC	NC	12,250	8,000	23.47%		NC	NC		Asset management
MASSERAN FRANCE SELECTION 1	5/7 rue de Monttessuy – 75007 Paris – France	EUR	NC	NC	NC	11,622	10,014	16.66%		NC	NC		Asset management
MEIF III SCOTLAND LP	Carinthia House – 9/12 The Grange – St Peter Port Guernsey GY 4BF – UK	EUR	NA	NA	NA	52,245	52,245	36.46%		NA	NA		Infra-structure
MERIDIAM INFRASTRUCTURE [5]	5 allée Scheffer – L2520 Luxembourg – Luxembourg	EUR	487,367	184,076	684,798	96,083	96,083	17.2%	0	42,560	12,910	1,997	Infra-structure
NEXT ESTATE INCOME FUND [5]	1 rue Joseph Hackin – L1746 Luxembourg – Luxembourg	EUR	1,822	55,960	178,704	10,872	10,872	24.36%	22,691	0	222		Property company
NIBC GROWTH CAPITAL FUND II	Carnegieplein 4 – 2517 KJ La Hague – The Netherlands	EUR	NC	NC	NC	20,146	10,251	10.64%		NC	NC		Asset management
OFELIA [1]	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	12,609	23,486	35,996	11,916	11,916	33.33%	45,731	0	(104)	689	Property company
OFFICE CB 21 [5]	10 avenue Kleber – 75016 Paris – France	EUR	293,479	15,696	313,366	82,553	82,553	25%	0	0	12,390	2,057	Property company
ONZE PRIVATE EQUITY	Schuetzenstrasse 6 – P.O. Box 8808 Pfaeffikon – Switzerland	EUR	NC	NC	NC	13,219	9,083	21.61%		NC	NC		Asset management

Subsidiaries and affiliates *(in € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Gross value of investment	Carrying amount of investment (of which KNL)	Interest	Loans and recei-vables	Revenue	Profit or loss	Divi-dends	Sector
OPC 1 (5)	43/47 avenue de la Grande Armée – 75116 Paris – France	EUR	73,994	(1,428)	109,797	13,990	13,990	19.56%		6,064	3,890	688	Property company
OPC 2 (5)	43/47 avenue de la Grande Armée – 75116 Paris – France	EUR	77,343	31	109,534	27,505	27,505	42.14%		7,918	5,780	2,438	Property company
ORKOS III	34 boulevard Haussman 75009 Paris – France	EUR	NC	NC	NC	7,942	2,854	10%		NC	NC		Asset management
PARTECH INTERNATIONAL VI	12 rue de Penthièvre – 75008 Paris – France	EUR	NC	NC	NC	9,697	3,947	10%		NC	NC		Asset management
PARTECH VENTURES V	49 avenue Hoche – 75008 Paris – France	EUR	NC	NC	NC	8,166	8,166	13.92%		NC	NC		Asset management
PBW II REAL ESTATE FUND (3)	5 allée Scheffer – L2520 Luxembourg – Luxembourg	EUR	31	164,289	270,737	51,946	25,080	14.57%	0	9,360	5,556	12,969	Property company
PLACEMENT CILOGER 3 (5)	43/47 avenue de la Grande Armée – 75116 Paris – France	EUR	108,302	7,878	219,991	49,050	49,050	36.24%	0	16,919	7,313	2,668	Property company
PLANTAGENET CAPITAL EUROPE	39 avenue Pierre 1^{er} de Serbie – 75008 Paris – France	EUR	NC	NC	NC	7,788	0	47.73%		NC	NC		Asset management
PYRAMIDES 1 (1)	8/12 rue des Pirogues de Bercy – 75012 Paris – France	EUR	19,603	4,490	105,849	9,706	9,706	45%	15,564	0	30,952	1,567	Property company
REIM EUROCORE 1 (5)	10 Boulevard Royal Luxembourg B118,089 – Luxembourg	EUR	10,224	(30,648)	61,399	16,471	16,471	32.22%	(3,563)	294	(1,355)		Property company
SCIENCE ET INNOVATION 2001	63 avenue des Champs Elysées – 75008 PARIS – France	EUR	NC	NC	NC	11,939	6,638	11.05%		NC	NC		Asset management
SG AM AI PRIVATE VALUE A	2 place de la Coupole – 92078 Paris – La Défense – France	EUR	NC	NC	NC	13,003	10,945	19.61%		NC	NC		Asset management
SIERRA FUND (3)	2^{nd} floor – Regency Court Glategny Esplanade St Peter Port. Guernsey GY1 3NQ – UK	EUR	405,908	0	522,506	60,134	60,134	11.56%		NA	115,589		Property company
SILVERSTONE (5)	173 boulevard Haussmann – 75008 Paris – France	EUR	129,114	(3,973)	145,805	20,000	20,000	17.69%		6,306	20,625	863	Property company
SOCIETE DU CENTRE COMMERCIAL D (5)	7 place du Chancelier-Adenauer – 75016 Paris – France	EUR	3,048	1	374,334	27,567	27,567	22%	36,145	76,454	51,630	13,779	Property company
SOFINNOVA CAPITAL VII	16/18 rue du 4 Septembre – 75002 Paris – France	EUR	NC	NC	NC	25,000	11,250	10.42%		NC	NC		Asset management
UNICAPITAL INVESTMENTS V – GLO	12 avenue Matignon – 75008 Paris – France	EUR	NC	NC	NC	17,093	16,293	21.47%		NC	NC		Asset management

Subsidiaries and affiliates *(in € thousands)*	Headquarters	Currency	Share capital	Reserves and retained earnings	Total assets	Gross value of investment	Carrying amount of investment (of which KNL)	Interest	Loans and receivables	Revenue	Profit or loss	Dividends	Sector
B - Investments with a carrying amount of less than 1% of CNP Assurances' share capital													
French subsidiaries			–	–	–	18,578	14,784	–	221,076	–	–	1,998	
Foreign subsidiaries			–	–	–	8,709	8,195	–	284,243	–	–	0	
French affiliates			–	–	–	80,900	55,882	–	12,492	–	–	1,032	
Foreign affiliates			–	–	–	9,268	6,897	–	34,796	–	–	566	
C - Aggregate information (A+B)													
French subsidiaries			–	–	–	7,270,928	7,224,900	–	2,281,766	–	–	330,179	–
Foreign subsidiaries			–	–	–	2,444,146	1,943,497	–	316,750	–	–	207,557	–
French affiliates			–	–	–	1,166,201	877,306	–	215,943	–	–	34,936	–
Foreign affiliates			–	–	–	521,366	340,007	–	72,998	–	–	16,013	–

(1) Provisional data at 31 December 2014
(2) Data at 15 October 2014
(3) Data at 30 September 2014
(4) Data at 30 June 2014
(5) Data at 31 December 2013
(6) Data at 31 December 2012

5.4.5 Entities for which CNP Assurances has joint and several unlimited liability

Company	Legal form	Headquarters
5/7 RUE SCRIBE	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
A9B PARIS	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
AIC LA DAME BLANCHE	Non-trading property company	139/147 Rue Paul Vaillant Couturier – 92240 Malakoff – France
ASSURECUREUIL PIERRE	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
ASSURECUREUIL PIERRE 3	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
ASSURECUREUIL PIERRE 4	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
ASSURECUREUIL PIERRE 5	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
ASSURIMMEUBLE	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
BAUDRY PONTHIEU	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
BROUSSAIS COLLANGE	Non-trading property company	173 boulevard Haussmann – 75008 Paris – France
CANOPÉE	Non-trading property company	13 rue Monsigny – 75002 Paris – France
CANTIS	Intercompany partnership	16/18 place du Général Catroux – 75017 Paris – France
CAPTIVA CAPITAL PARTNERS II	Partnership limited by shares	41 avenue de la Liberté – L 1931 Luxembourg – Luxembourg
CAPTIVA CAPITAL PARTNERS III	Partnership limited by shares	41 avenue de la Liberté – L 1931 Luxembourg – Luxembourg
COTTAGES DU BOIS AUX DAIMS	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
CIMO	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
CITY HALL	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
CNP IMMOBILIER	Non-trading property company	4 place Raoul Dautry – 75015 Paris – France
CNP TECHNOLOGIES DE L'INFORMATION	Intercompany partnership	4 place Raoul Dautry – 75015 Paris – France
CRYSTAL DÉFENSE	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
DALLE 3	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
DISTRIPOLE PORTE DE France	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
EdR REAL ESTATE	Partnership limited by shares	20 boulevard Emmanuel Servais – L 2535 Luxembourg – Luxembourg
ÉOLE RAMBOUILLET	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
EQUINOX	Non-trading property company	13 rue Monsigny – 75002 Paris – France
FARMAN	Non-trading property company	4 rue Auber – 75009 Paris – France
FLI	Non-trading property company	100/104, avenue de France – 75013 Paris – France
FONCIÈRE ADYTON 1	Non-trading property company	41 rue Louise Michel – 92594 Levallois Perret Cedex – France
FONCIÈRE CNP	Non-trading property company	4 rue Auber – 75009 Paris – France
FONCIÈRE ELBP	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
GF DE LA GRANDE HAYE	Co-operative	102 rue de Réaumur – 75002 Paris – France
GROUPEMENT PROPRIÉTÉS CDC CNP	Co-operative	45 avenue Victor Hugo – 93530 Aubervilliers – France
GREEN RUEIL	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
ÎLOT 13	Non-trading property company	50/56 rue de la Procession – 75015 Paris – France
ÎLOT A5B	Non-trading property company	4 place Raoul Dautry – 75015 Paris – France
ISSY DESMOULINS	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
ISSY VIVALDI	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
JASMIN	Non-trading property company	13 rue Monsigny – 75002 Paris – France
JESCO	Non-trading property company	4 rue Auber – 75009 Paris – France

Company	Legal form	Headquarters
KLEMURS	Partnership limited by shares	21 avenue Kléber – 75116 Paris – France
LESLY	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
LIBERTÉ	Non-trading property company	4 rue Auber – 75009 Paris – France
MAESTRIMMO	Non-trading property company	173 boulevard Haussmann – 75008 Paris – France
MONTAGNE DE LA FAGE	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
MTP ERLON	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
NATURE ÉQUIPEMENTS 1	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
NATURIM	Non-trading property company	41 rue Louise Michel – 92594 Levallois Perret – France
NEXT ESTATE INCOME FUND	Partnership limited by shares	1 rue Joseph Hackin – L1746 Luxembourg – Luxembourg
PARVIS BELVÉDÈRE	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
PARIS 08	Non-trading property company	4 rue Auber – 75009 Paris – France
PASSAGE DU FAIDHERBE	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
PÉGASE	Non-trading property company	7 place du Chancelier Adenauer – 75016 Paris – France
REIM EUROCORE 1	Partnership limited by shares	10 boulevard Royal – L 2449 Luxembourg – Luxembourg
RESIDENTIAL	Non-trading property company	4 rue Auber – 75009 Paris – France
RUE DU BAC	Non-trading property company	4 rue Auber – 75009 Paris – France
RUEIL NEWTON	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
SAPHIRIMMO	Non-trading property company	8/12 rue des Pirogues de Bercy – 75012 Paris – France
S-CDC	Intercompany partnership	84 rue de Lille – 75007 Paris – France
SCI DE LA CNP	Non-trading property company	4 place Raoul Dautry – 75015 Paris – France
SECRETS ET BOÉTIE	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
SICAC	Non-trading property company	4 place Raoul Dautry – 75015 Paris – France
SOCIÉTÉ DU CENTRE COMMERCIAL DE LA DÉFENSE	Non-trading property company	7 place du Chancelier Adenauer – 75016 Paris – France
STAM REI	Partnership limited by shares	400 route d'Esch – L 1471 Luxembourg – Luxembourg
TERRE NEUVE 4 IMMO	Non-trading property company	8 rue de l'Hôtel de Ville – 92200 Neuilly-sur-Seine – France
VENDÔME EUROPE	Non-trading property company	Cœur Défense Tour B – La Défense 4 100 Esplanade du Général de Gaulle – 92932 Paris La Défense Cedex – France
147 AVENUE VICTOR HUGO	Non-trading property company	4 rue Auber – 75009 Paris – France
WEINBERG REAL ESTATE PARTNERS	Partnership limited by shares	46A avenue J.F. Kennedy – L-1855 Luxembourg – Luxembourg
WHITEHALL 2008	Partnership limited by shares	9/11 Grande-Rue – L 1661 Luxembourg – Luxembourg

5.5 OWNERSHIP STRUCTURE

5.5.1 Composition of share capital

Number of shares	31.12.2014	31.12.2013
Number of ordinary shares outstanding	686,618,477	686,618,477
Number of treasury shares	(454,823)	(460,673)
Number of ordinary shares giving entitlement to a dividend	686,163,654	686,157,804

5.5.2 Treasury shares

Movements over the reporting period:

Movements	Number of shares
Acquisitions	7,221,525
Disposals	7,227,375

Number of shares and value at closing:

Movements	31.12.2014	31.12.2013
Number of shares	454,823	460,673
Carrying amount of treasury shares in euros	6,515,485	6,286,601

5.6 RESERVES, EQUITY, REVALUATION RESERVE

(in € thousands)	Nature of reserve	31.12.2013	Appropriation of 2013 profit	2014 profit	Change over the period	31.12.2014
Share capital	Statutory	686,618				686,618
Share premium reserve	Statutory	1,716,846				1,716,846
Forest revaluation reserve	Tax-regulated	21,564			-	21,564
Special reserve for long-term capital gains	Tax-regulated	1,396,309			-	1,396,309
Capitalisation reserve	Tax-regulated	1,733,993			10,347	1,744,340
Guarantee fund reserve	Tax-regulated	57,895	1,595			59,490
Optional reserves	Other	2,284,859	(1,595)			2,283,263
Contingency reserve	Other	338,850				338,850
Impact on property-based equity	Other	(75,034)				(75,034)
Provisions for other-than-temporary impairment	Tax-regulated	(1,502)			1,502	
Retained earnings (losses)		813	206,785			207,598
Net profit for the year		735,289	(735,289)	714,073		714,073
TOTAL		**8,896,500**	**(528,504)**	**714,073**	**11,849**	**9,093,917**

5.7 OTHER DISCLOSURES CONCERNING THE BALANCE SHEET

5.7.1 Accruals and prepayments

Accrual/prepayment accounts *(in € thousands)*	31.12.2014		31.12.2013	
	Assets	Liabilities	Assets	Liabilities
Accrued interest not yet payable	3,850,674		3,787,276	
Deferred acquisition costs	257		275	
Deferred expenses				
Prepaid expenses	987,651		916,765	
Accrued income	53,747		60,999	
Amortisation by the effective interest method (income)	3,887,878		3,563,702	
Unearned income		694,460		442,472
Amortisation by the effective interest method (expense)		1,508,545		1,400,275
Unearned interest income		20,149		32,541
TOTAL	**8,780,207**	**2,223,154**	**8,329,017**	**1,875,288**

5.7.2 Accrued receivables and payables

Balance sheet *(in € thousands)*	Accrued income		Accrued expenses	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Other receivables	**316,784**	**230,760**	**238,513**	**278,196**
▪ Employee benefits expense payable			501	345
▪ Sundry receivables	316,784	230,760	238,012	277,851
Accrued income and prepaid expenses	**3,904,421**	**3,844,032**		
▪ Prepaid interest and lease payments	3,850,674	3,787,276		
▪ Deferred acquisition costs				
▪ Other accrued income and prepaid expenses	53,747	56,756		
Other payables			**1,627,941**	**1,564,985**
▪ Employee benefits expense payable			352,468	316,174
▪ Sundry payables			1,275,473	1,248,811
TOTAL	**4,221,205**	**4,074,792**	**1,866,454**	**1,843,181**

Balance sheet *(in € thousands)*	Unearned income		Prepaid expenses	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Accrued income and prepaid expenses			**4,875,786**	**4,484,985**
▪ Deferred acquisition costs			257	274
▪ Amortisation by the effective interest method			3,887,878	3,563,702
▪ Other accrued income and prepaid expenses			987,651	921,009
Deferred income and accrued expenses	**2,223,154**	**1,875,288**		
▪ Unearned income	694,460	1,613,434		
▪ Amortisation by the effective interest method	1,508,545	229,313		
▪ Unearned interest income	20,149	32,541		
TOTAL	**2,223,154**	**1,875,288**	**4,875,786**	**4,484,985**

5.7.3 Breakdown of provisions for liabilities and charges

Nature of provision *(in € thousands)*	Purpose	31.12.2014	31.12.2013
Revaluation provision	Revaluation of the property portfolio	2,483	2,505
Hurricane-related provision	Provision for the costs of replanting/restoring forests		
Foreign exchange provision	Provision for foreign exchange losses		
Other provisions	Provision for litigation and miscellaneous risks	129,541	111,320
TOTAL		**132,024**	**113,825**

5.7.4 Assets denominated in foreign currency

Balance sheet	Currency	Foreign currency units *(in thousands)*	Equivalent value *(in € thousands)*
Other investments		**11,999,157**	**1,930,961**
	US dollar	995,541	819,983
	Danish krona	27,316	3,669
	Swedish krona	169,723	18,069
	Swiss franc	1,940	1,614
	Australian dollar	23,418	15,792
	Pound sterling	781,219	1,002,978
	Japanese yen	10,000,000	68,856

5.8 BREAKDOWN OF THE CHANGE IN LIFE PREMIUM RESERVES BEFORE REINSURANCE

(in € thousands)	31.12.2014	31.12.2013
In profit or loss		
1. Change in life premium reserves	(165,560)	(3,212,120)
2. Profit-sharing and participation in underwriting surplus included directly	5,670,409	7,296,702
Underwriting surplus included	1,337,154	1,457,432
Profit-sharing included	4,333,255	5,839,270
3. Use of policyholder surplus reserve	1,236,151	403,941
4. Portfolio transfers		
TOTAL	**6,741,000**	**4,488,523**
In the balance sheet		
Change in mathematical reserves		
1. Life premium reserves – end of period	238,914,306	232,173,306
2. Life premium reserves – start of period	(232,173,306)	(227,684,783)
TOTAL	**6,741,000**	**4,488,523**

5.9 BREAKDOWN OF MATHEMATICAL RESERVES FOR PERP PLANS

(in € thousands)	**31.12.2014**	31.12.2013
Traditional savings insurance commitments – mathematical reserves for annuity payments	857,214	771,065
Traditional savings insurance commitments	133,192	124,681
Special mathematical reserves for annuity-linked commitments	278,306	239,582
TOTAL	**1,268,712**	**1,135,328**

5.10 LIQUIDITY RISK RESERVE

(in € thousands)	**31.12.2014**	31.12.2013
Total unrealised losses – Article R.331-5-1 of the French Insurance Code	8,889,677	8,021,785
Gross amount of liquidity risk reserve for other technical reserves	0	0
Amount of liquidity risk reserve	0	0
Actual net profit, excluding impact of transfers to liquidity risk reserve	714,073	735,289

Note 6 Income statement

6.1 BREAKDOWN OF INVESTMENT INCOME AND EXPENSES

(in € thousands)	31.12.2014 Income and expenses from investments in subsidiaries	Other financial income and expense	Total	31.12.2013
Investment income				
Income from investments in subsidiaries and affiliates	316,858	11,754	328,612	241,447
Income from property investments	28	381,575	381,603	383,248
Income from other investments		7,532,137	7,532,137	7,661,047
Other financial income (commissions, fees)	40,001	514,169	554,170	563,832
Income from financial investments	**356,887**	**8,439,635**	**8,796,522**	**8,849,574**
Other investment income	**11,474**	**1,190,450**	**1,201,924**	**1,226,137**
Profits on disposal of investments		**1,016,559**	**1,016,559**	**1,650,229**
Total investment income	**368,361**	**10,646,644**	**11,015,005**	**11,725,940**
Investment expenses				
Financial expenses (commissions, fees, interest, overdraft charges, etc.)	**5,213**	**514,749**	**519,962**	**486,831**
Other investment expenses	**2,508**	**1,080,351**	**1,082,859**	**1,566,336**
Losses on disposal of investments	**53,313**	**740,179**	**793,492**	**835,625**
Total investment expenses	**61,035**	**2,335,278**	**2,396,313**	**2,888,792**
NET INCOME FROM INVESTMENTS	**307,326**	**8,311,366**	**8,618,692**	**8,837,148**

6.2 BREAKDOWN OF INCOME AND EXPENSES FROM TECHNICAL OPERATIONS

LIFE

Categories 1 – 19 *(in € thousands)*	Endowment policies with single premiums (or additional payments)	Individual term life insurance policies (including open group policies)	Other individual term life insurance policies with single premiums (or additional payments) (including open group policies)	Other individual term policies with regular premiums (including open group policies)	Group whole life cover policies
Earned premiums	163,062	100,113	15,921,025	145,090	1,729,222
Claims and benefits	16,704	37,703	16,300,348	236,413	597,811
Change in life premium reserves and other technical reserves	143,397	(1,101)	(1,725,351)	(87,359)	7,345
Mark-to-market adjustments for gains on assets held to cover linked liabilities					
Underwriting profit (loss)	**2,961**	**63,511**	**1,346,028**	**(3,964)**	**1,124,066**
Business acquisition costs	(1,361)	14,071	179,883	10,375	668,139
Other contract administration costs, net	5,437	15,421	1,040,504	8,159	175,806
Acquisition and contract administration costs	**4,076**	**29,492**	**1,220,387**	**18,534**	**843,945**
Net income from investments	16,516	492	7,636,474	53,568	37,720
Profit sharing and participation in underwriting surplus	11,336	2,686	7,184,226	57,188	6,048
Balance	**5,180**	**(2,194)**	**452,248**	**(3,620)**	**31,672**
Ceded premiums		(73,267)	19,351	(338)	171,446
Reinsurers' share of claims and benefits		(15,661)	(3,442)		67,236
Reinsurers' share of change in life premium reserves and other technical reserves		(57,938)		(343)	30,564
Reinsurers' share of profit sharing					1,186
Reinsurance commissions received					70,092
Reinsurance balance		**(332)**	**(22,793)**	**(5)**	**(2,368)**
UNDERWRITING RESULT	**4,065**	**31,493**	**555,096**	**(26,123)**	**309,425**
Off-account items					
Policy surrenders	6,076		9,640,602	109,996	589
Gross underwriting surplus	106	1,599	1,207,338	43,886	2,876
Technical reserves – end of period	684,530	95,852	222,850,661	1,699,417	1,923,308
Technical reserves – start of period	540,492	92,976	216,172,879	1,627,296	1,831,970

* *Including PERP plans in accordance with Article L.441*

Group life policies	Unit-linked life or endowment policies with single premiums (or additional payments)	Unit-linked life or endowment policies with regular premiums	Group policies governed by Article L.441-1 of the French Insurance Code	PERP	Inward reinsurance (life)	TOTAL
198,792	2,720,627	81,248	586,474	129,803	162,877	21,938,333
294,645	1,079,485	52,172	425,030	23,543	72,575	19,136,429
(58,239)	2,988,216	35,452	605,444	97,193	5,196	2,010,193
	1,521,400	56,964		7,587		1,585,951
(37,614)	**174,326**	**50,588**	**(444,000)**	**16,654**	**85,106**	**2,377,662**
(3,654)	57,526	197	23,205	(167)	198	948,412
9,986	130,464	1,495	(171)	13,723	3,498	1,404,322
6,332	**187,990**	**1,692**	**23,034**	**13,556**	**3,696**	**2,352,734**
163,983	141,254	29,043	264,695	43,343	(2,641)	8,384,447
158,093	82,320	10,814	577,266	46,442	19,953	8,156,372
5,890	**58,934**	**18,229**	**(312,571)**	**(3,099)**	**(22,594)**	**228,075**
(211,164)	55,127		264,189		(6,698)	218,646
52,974	140		241,876		(6,319)	336,804
(267,343)	52,265		306,299		(454)	63,050
5,062			321,236			327,484
1,455	(399)					71,148
3,312	**(3,121)**		**605,222**		**(75)**	**579,840**
(34,744)	**42,149**	**67,125**	**(174,383)**	**(1)**	**58,741**	**832,843**
33,165	660,549	23,858		20,925		10,495,760
61,813	68	8,445			10,853	1,336,984
4,770,111	24,983,835	925,870	15,265,440	1,302,450	355,044	274,856,518
4,626,885	22,879,136	885,034	14,188,208	1,158,749	337,503	264,341,128

NON-LIFE

Categories 20-39 *(in € thousands)*	Individual bodily insurance policies	Group bodily insurance policies	Inward reinsurance	Total
Earned premiums	**6,290**	**22,774**	**21,357**	**50,421**
1a. Earned premiums	6,291	22,772	21,357	50,420
1b. Change in earned premiums reserve and unsettled claims	1	(2)		(1)
Claims and benefits	**(4,452)**	**37,444**	**19,511**	**52,503**
2a. Paid benefits and expenses	2,052	16,823	12,745	31,620
2b. Change in reserves for outstanding claims and miscellaneous expenses	(6,504)	20,621	6,766	20,883
Underwriting profit (loss)	**10,742**	**(14,670)**	**1,846**	**(2,082)**
Business acquisition costs	724	11,347	608	12,679
Other contract administration costs, net	1,719	(302)	570	1,987
Acquisition and contract administration costs	**2,443**	**11,045**	**1,178**	**14,666**
Investment income	3,564	(1,112)	(2,750)	(298)
Policyholder dividends		629		629
Balance	**3,564**	**(1,741)**	**(2,750)**	**(927)**
Reinsurers' share in earned premiums		19,491	3,947	23,438
Reinsurers' share in paid claims		38,329		38,329
Reinsurers' share of reserves for outstanding claims		(5,377)	3,476	(1,901)
Reinsurers' share of profit sharing		533		533
Reinsurance commissions received		5,820	237	6,057
Reinsurance balance		**19,814**	**(234)**	**19,580**
UNDERWRITING RESULT	**11,863**	**(7,642)**	**(2,316)**	**1,905**
Off-account items				
Provisions for unearned premiums and unsettled claims (closing balance)	22			22
Provisions for unearned premiums and unsettled claims (opening balance)	21			21
Unexpired risks reserve (closing balance)	679	167,268	19,567	187,514
Unexpired risks reserve (opening balance)	675	153,248	152	154,075
Other technical reserves (closing balance)	22,508	52,018	(11,903)	62,623
Other technical reserves (opening balance)	29,016	44,788	739	74,543

6.3 EMPLOYEE BENEFITS EXPENSE

Employee benefits expense can be broken down as follows:

(in € thousands)	**31.12.2014**	31.12.2013	Year-on-year change
Salaries	170,994	178,553	-4.2%
Social security charges	110,943	104,482	6.2%
Other	5,657	5,875	-3.7%
TOTAL	**287,594**	**288,911**	**-0.5%**

6.4 COMMISSIONS

The amount of commission arising from insurance transactions recognised during the period was €1,931,721 thousand and includes all types of commissions paid to CNP Assurances' partners that distribute its products.

6.5 BREAKDOWN OF EXCEPTIONAL, NON-TECHNICAL OPERATIONS

Income statement *(in € thousands)*	31.12.2014	31.12.2013
Breakdown of other (non-technical) income	**7,970**	**57,659**
Interest received on sundry loans	2	4
Other income	412	503
Reversal of non-technical provision from Capitalisation reserve	7,556	57,152
Breakdown of other (non-technical) expenses	**13,157**	**61,015**
Additional non-technical provision in Capitalisation reserve	1,214	53,260
Other expenses	11,943	7,755
Breakdown of exceptional income	**26,489**	**31,966**
Prior-period income	25,893	391
Exceptional income	517	1,262
Reversal of provisions	79	30,313
Disposal of business premises		
Breakdown of exceptional expenses	**74,087**	**56,102**
Prior-period losses	2,831	825
Exceptional expenses for the period *	47,173	306
Impairment expense	5,804	8,985
Additions to provisions	18,279	45,986

* *Including a €40 million fine handed down by the ACPR as part of ongoing controls of insurers' legal obligation to process unclaimed life insurance settlements*

6.6 INCOME TAX EXPENSE

Breakdown of income tax expense *(in € thousands)*	31.12.2014	31.12.2013	Year-on-year change
Tax expense on recurring operations	285,006	332,235	
Tax (credit) expense on non-recurring operations	0	0	
Income tax	**285,006**	**332,235**	**-14.2%**

6.7 POLICYHOLDER PARTICIPATION IN UNDERWRITING AND FINANCIAL PROFIT

Description *(in € thousands)*	31.12.2014	31.12.2013	31.12.2012	31.12.2011	31.12.2010
A. Policyholder dividends	**8,157,002**	**8,582,471**	**8,094,578**	**7,320,095**	**8,812,656**
A1. Policy-based participation (including underwriting surplus)	6,918,687	7,743,761	7,516,356	7,357,847	8,154,832
A2. Change in the policyholder surplus reserve	1,238,315	838,710	578,222	(37,752)	657,824
B. Policyholder participation in policies governed by Article A.132.2 [1]					
B1. Average mathematical reserves [1]	230,820,659	224,669,386	220,325,197	214,364,250	204,077,943
B2. Minimum dividends payable to policyholders [3]	4,901,854	5,024,096	4,609,769	4,184,024	4,976,167
B3. Actual policyholder dividends [2]	6,067,746	6,260,975	5,923,946	5,613,395	6,924,295
B3a. Policy-based participation (including underwriting surplus)	4,830,193	5,425,611	5,359,900	5,656,802	6,265,514
B3b. Change in the policyholder surplus reserve	1,237,553	835,364	564,046	(43,408)	658,781

(1) *Half of the sum of the opening and closing mathematical reserve balances, corresponding to categories covered by Article A.331.3*

(2) *Actual participation (expense for the period, including underwriting surplus), corresponding to categories covered by Article A.331.3*

(3) *Minimum dividends for 2014 take account of changes in ceded insurance liabilities, particularly the reversal of provisions covering the termination of the reinsurance treaty with CNP International*

6.8 WORKFORCE

The workforce can be broken down by category at 31 December 2014 as follows:

Status *(headcount)*	31.12.2014	31.12.2013	Year-on-year change
Management-grade	1,722	1,728	-0.3%
Non-management-grade	1,186	1,270	-6.6%
TOTAL	**2,908**	**2,998**	**-3.0%**

Headcount figures exclude employees from the CNP TI (intercompany partnership).

6.9 MANAGEMENT REMUNERATION

The following disclosures present the cumulative remuneration (by remuneration category) of the members of the Board of Directors of CNP Assurances, including the Chairman of the Board of Directors, Jean-Paul Faugère, and the Chief Executive Officer, Frédéric Lavenir.

In 2014

- Short-term benefits: the short-term benefits (salaries, bonuses, directors' fees and benefits in kind) paid to the members of the Board of Directors of CNP Assurances, including the Chairman of the Board of Directors and the Chief Executive Officer in 2014, amounted to €1,303,350
- Long-term benefits: the cumulative amounts provided for, or recognised in respect of pension or other retirement benefits for the Chief Executive Officer and the Chairman of the Board of Directors total €0
- Termination benefits: no termination benefits were paid to the Chief Executive Officer or to the Chairman or members of the Board of Directors
- Share-based payments: no share-based payments were made by the Company in 2014. No stock options or performance shares were granted to any CNP Assurances senior executives or members of the Board.

In 2013

- Short-term benefits: the short-term benefits (salaries, bonuses, directors' fees and benefits in kind) paid to the members of the Board of Directors of CNP Assurances, including the Chairman of the Board of Directors and the Chief Executive Officer in 2013, amounted to €1,185,949
- Long-term benefits: the cumulative amounts provided for, or recognised in respect of pension or other retirement benefits for the Chief Executive Officer and the Chairman of the Board of Directors total €0
- Termination benefits: no termination benefits were paid to the Chief Executive Officer or to the Chairman or members of the Board of Directors
- Share-based payments: no share-based payments were made by the Company in 2013. No stock options or performance shares were granted to any CNP Assurances senior executives or members of the Board.

6.10 FIVE-YEAR FINANCIAL SUMMARY

Capital at 31 December *(in € thousands)*	**31.12.2014**	31.12.2013	31.12.2012	31.12.2011	31.12.2010
Share capital *(in € thousands)*	686,618	686,618	643,500	594,151	594,151
Number of ordinary shares outstanding (2)	686,618,477	686,618,477	643,500,175	594,151,292	594,151,292
Results of operations *(in € thousands)*					
Premium income excluding tax	21,988,755	18,985,447	19,042,303	21,345,143	23,948,663
Earnings before tax, depreciation, amortisation and provisions (EBITDA)	1,035,412	1,062,203	739,281	589,153	282,402
Income tax expense	285,006	332,235	94,740	98,045	46,156
Net profit	714,073	735,289	554,702	473,121	212,772
Per share data *(in €)* (2)					
Earnings before tax, depreciation, amortisation and provisions (EBITDA)	1.51	1.55	1.15	0.99	0.48
Net profit	1.04	1.07	0.86	0.80	0.36
Dividends per share (1)	0.77	0.77	0.77	0.77	0.77
Employee benefits expense payable					
Average number of employees	2,908	2,998	3,118	3,077	3,068
Total payroll and benefits *(in € thousands)*	287,594	288,911	307,929	253,039	257,834

(1) Recommended 2014 dividend to be paid in 2015
On 6 July 2010, the CNP Assurances Group carried out a four-for-one share split and the par value of one share fell from €4 to €1
(2) The number of shares outstanding for the period and prior periods has been adjusted to reflect the 4-for-1 stock split on 5 July 2010

6.11 PREMIUM INCOME BY GEOGRAPHICAL SEGMENT

Gross amount Premium income by geographical segment *(in € thousands)*	31.12.2014	31.12.2013	%
France	21,918,062	18,479,063	18.6%
International operations	70,693	506,384	-86.0%
Italian branch	*70,284*	*85,359*	*-17.7%*
Spanish branch	*754*	*868*	*-13.1%*
Cofidis European Union	*0*	*53*	*-100.0%*
Danish branch	*(345)*	*420,104*	*-100.1%*
TOTAL	**21,988,755**	**18,985,447**	**15.82%**

6.12 FEES PAID TO THE AUDITORS IN 2014

Fees paid to the Auditors in 2014
(in € thousands)

Audit	Mazars	%	PricewaterhouseCoopers	%
Audit of the financial statements of the Company and the Group	**819**	**72%**	**826**	**67%**
CNP Assurances	819		826	
Other audit and special engagements *	**324**	**28%**	**410**	**33%**
TOTAL	**1,143**	**100%**	**1,236**	**100%**

* *"Other audit and special engagements" cover services relating to the issue of subordinated notes and subordinated debt*

Note 7 Off-balance sheet commitments

Strategy Categories by forward financial instrument *(in € thousands)*	Amounts at 31.12. 2014 Commitments received	Commitments given	Residual term 1 year or less	1 to 5 years	Over 5 years
Return strategy					
Forward financial instruments – Equities					
Purchases of call – put options	(236,286)		(39,711)	(130,116)	(66,459)
Sales of call – put options					
Forward financial instruments – Interest rates					
Purchases of caps	52,971,000		7,569,000	24,353,000	21,049,000
Sales of caps		42,171,800	5,649,000	14,523,000	21,999,800
Swaps					
Receive swap positions	9,001,010		371,119	2,264,168	6,365,723
Pay swap positions		9,163,093	369,368	2,285,695	6,508,030
TOTAL RECEIVED	**61,735,724**		**7,900,408**	**26,487,052**	**27,348,264**
TOTAL GIVEN		**51,334,893**	**6,018,368**	**16,808,695**	**28,507,830**
FORWARD FINANCIAL INSTRUMENTS IN PROGRESS	**10,400,831**		**1,882,040**	**9,678,357**	**(1,159,566)**

Note 8 Disclosures related to subordinated liabilities

REDEEMABLE SUBORDINATED NOTES

Issuance date	Legal form	ISIN code	Currency	Total issue *(in issue currency in millions)*	Total issue *(in € millions)*	Interest rate	Maturity
07.04.2011	Subordinated note Fixed/ variable rate	FR0011034065	GBP	300	385	7.375% until Sept. 2021, then 12-month Libor +448.2 bps	30.09.2041
07.04.2011	Subordinated note Fixed/ variable rate	FR0011033851	EUR	700	700	6.875% until Sept. 2021, then 12-month Libor +440 bps	30.09.2041
24.06.2003	Subordinated note Fixed/ variable rate	Caisse Nationale des Caisses d'Epargne et de Prévoyance	EUR	200	200	4.7825% until 24.06.2013, then Euribor +200 bps	23.06.2023
15.11.2004	Subordinated note Fixed/ variable rate	Caisse Nationale des Caisses d'Epargne et de Prévoyance	EUR	90	90	4.93% until 15.11.2016, then Euribor +160 bps	Undated
15.11.2004	Subordinated note Fixed/ variable rate	Caisse Nationale des Caisses d'Epargne et de Prévoyance	EUR	93	93	3-month Euribor + 70 bps until 15.11.2016, then 3-month Euribor +160 bps	Undated
14.09.2010	Subordinated note Fixed/ variable rate	FR0010941484	EUR	750	750	6% until Sept. 2020, then 3-month Euribor +447.2 bps	14.09.2040
05.06.2014	Subordinated note Fixed/ variable rate	FR0011949403	EUR	500	500	4.25% until June 2025, then reset at the 5-year fixed swap rate +360 bps	05.06.2045
TOTAL REDEEMABLE SUBORDINATED NOTES				**2,633**	**2,718**		

SUBORDINATED LOANS

Issuance date	Legal form	ISIN code	Currency	Total issue *(in issue currency in millions)*	Total issue *(in € millions)*	Interest rate	Maturity
21.06.2004	Subordinated loan Variable rate	FR0010093328	EUR	250	250	Tec 10 +10 bps, capped at 9%	Perpetual
24.09.2004	Subordinated loan Variable rate	FR0010093328	EUR	50	50	Tec 10 +10 bps, capped at 9%	Perpetual
11.03.2005	Subordinated loan Variable rate	FR0010167296	EUR	23.75	23.75	6.25% until 2009, then 4 times (10-year EURCMS–2-year EURCMS), 9% cap and 2.75% floor	Perpetual
11.03.2005	Subordinated loan Variable rate	FR0010167247	EUR	225	225	6.5% until March 2008, then 3% +22.5% times10-year EURCMS	Perpetual
27.06.2005	Subordinated loan Variable rate	FR0010203026	EUR	75	75	7% until June 2010, then 10-year CMS +30 bps.	Perpetual
16.05.2006	Subordinated loan Variable rate	FR0010318386	EUR	160	160	5.25% until 16.05.2036, then 3-month Euribor+185 bps (including 100 bps step-up at the call date)	Perpetual
22.12.2006	Subordinated loan Fixed rate	FR0010409789	EUR	870	870	4.75% until 22 Dec. 2016, then 3-month Euribor +184 bps	Perpetual
20.12.2006	Subordinated loan Variable rate	FR0010406082	EUR	108	108	3-month Euribor +95 bps until 20 Dec. 2026, then 3-month Euribor +195 bps	Perpetual
18.10.2012	Subordinated loan Fixed rate	FR0011345552	USD	500	412	7.5% until Oct. 2018, then reset at the 6-year fixed swap rate +648.1 bps	Perpetual
18.07.2013	Subordinated loan Fixed rate	FR0011538461	USD	500	412	6.875% until July 2019, then reset at the 6-year fixed swap rate + 500 bps	Perpetual
18.11.2014	Subordinated loan Fixed rate	FR0012317758	EUR	500	500	4% until Nov. 2024 then reset at the 5-year fixed swap rate +410 bps	Perpetual
TOTAL SUBORDINATED LOANS				**3,262**	**3,086**		
TOTAL SUBORDINATED LIABILITIES				**5,895**	**5,804**		

3.4 Statutory Auditors' report on the financial statements

For the year ended 31 December 2014

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your General Shareholders' Meeting, we hereby report to you, for the year ended 31 December 2014, on:

- the audit of the accompanying financial statements of CNP Assurances
- the justification of our assessments
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at 31 December 2014 and of the results of its operations for the year then ended in accordance with French accounting principles.

Without qualifying our opinion, we draw your attention to the change in accounting policy resulting from the application of Regulation 2014-04 of 5 June 2014 of the French accounting standards authority (*Autorité des Normes Comptables* – ANC) which sets out new guidelines on how to account for bonds convertible into shares in the books of insurance companies, as presented in Note 3 to the financial statements.

II - JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of Article L.823-9 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we bring to your attention the following matters:

- certain technical items specific to insurance and reinsurance, on both the assets and liabilities sides of the balance sheet, such as technical reserves, are estimated based on statistical and actuarial considerations. The methods used to determine these items are discussed in Notes 4.5, 4.6 and 4.7 to the financial statements

  We verified that the methods and assumptions used were reasonable, in particular in view of the Company's regulatory environment and experience

- the provisions for impairment of the securities portfolio are measured in accordance with the methods set forth in Note 4.3 to the financial statements. In particular, we verified the methods used to identify the Group's exposure and to measure and calculate impairment of financial instruments
  - we verified that the measurement of these provisions, in relation to the assets falling within the scope of Article R.332-20 of the French Insurance Code, was consistent with the Company's intention to hold these securities and examined, as necessary, the data, assumptions applied and documentation prepared by CNP Assurances within this framework
  - we reviewed the Company's own analyses on the potential risks regarding assets falling within the scope of Article R.322-19 of the French Insurance Code
  - we examined the information provided by management concerning the business activities, the anticipated future prospects, and the criteria and assumptions applied to determine the values in use of the various investment securities and the resulting provisions.

We obtained assurance that the information relating to financial instruments provided in the notes to the financial statements was appropriate.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - SPECIFIC VERIFICATIONS AND INFORMATION

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of Article L.225-102-1 of the French Commercial Code relating to remuneration and benefits received by corporate officers and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling it or controlled by it. Based on this work, we attest to the accuracy and fair presentation of this information.

Neuilly-sur-Seine and Courbevoie, 5 March 2015

The Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT	**MAZARS**
Éric Dupont	Jean-Claude Pauly

4

CORPORATE SOCIAL RESPONSIBILITY

Labour environmental and social information presented in the management report

4.1 Corporate social responsibility at CNP Assurances

4.1.1 The story of our CSR commitment

2003/ THE FUNDAMENTAL FIRST STEP, PLEDGING TO UPHOLD THE GLOBAL COMPACT

WE SUPPORT

CNP Assurances has always upheld human rights and citizens' rights, in line with the Universal Declaration of human rights, and more specifically has always complied with the labour standards of the International Labour Organization and the national labour laws in each host country.

In pledging to uphold the Global Compact in 2003, we reaffirmed our commitment to respecting these fundamental principles, and also to combating corruption and protecting the environment. CNP Argentina, Caixa Seguradora Holding and CNP UniCredit Vita have also pledged to uphold the Global Compact.

2009/ HELPING TO PROMOTE THE ADOPTION OF THESE PRINCIPLES THROUGHOUT THE INSURANCE SECTOR

We played an active role in launching the *Association Française de l'Assurance*'s sustainable development charter in 2009 and have pledged to pursue its core aims of reducing social vulnerability, combating climate change, supporting economic development and promoting socially responsible investment.

2011/ DEEPENING OUR COMMITMENT TO ACTING AS A RESPONSIBLE INSURER

In 2011, we pledged to uphold the United Nations' Principles for Responsible Investment (PRI), ushering in a new phase in our commitment as a responsible investor.

COORDINATED DEPLOYMENT IN SUBSIDIARIES AND SHARED PROGRAMMES WITH PARTNERS

Consistent with the Group's business model, our main subsidiaries have one or several local partners, generally banks that distribute their products. These subsidiaries develop CSR policies in line with Group principles. There is regular dialogue between CNP Assurances and its subsidiaries and they share the same performance indicators.

4.1.2 Components of the CSR policy

CNP Assurances' CSR approach is organised around four strong commitments that inspire all our actions.

For protection for all:

- efforts to fight financial exclusion
- designing socially responsible products and services
- policyholder satisfaction.

For a sustainable economy:

- responsible investment
- supporting key challenges for the future: SMEs and the energy and environmental transition
- responsible purchasing.

For an attractive enterprise:

- developing skills in line with the Group's strategy
- providing a working environment that fosters well-being and performance
- rolling out a strong policy on gender equality in the workplace.

For a caring society:

- reducing our environmental footprint
- managing our carbon footprint
- managing our local impact.

4.1.2.1 STAKEHOLDER DIALOGUE

We maintain regular dialogue with the main stakeholders and conduct periodic stakeholder satisfaction surveys.

Thus, in addition to institutional labour relations and monitoring the employee satisfaction survey, a diagnostic review of psychosocial risks in 2013 made it possible to better understand how employees perceive their work environment. Furthermore, as part of the efforts to reorganise CNP Assurances' departments, we conducted an employee survey in two phases. The results of the survey were discussed by the Occupational Health, Safety and Working Conditions Committee. CNP CIH conducted an employee survey at its subsidiaries CNP Cyprialife and CNP Asfalistiki.

Regular client satisfaction surveys are conducted among policyholders and our distribution partners in France and worldwide. These surveys enhance the Company's client service organisation. In addition, CNP Assurances and its main subsidiaries perform qualitative and quantitative studies to anticipate new needs arising from emerging social and demographic trends (see section 4.2.3 "Policyholder satisfaction").

CNP Assurances also engages in constructive dialogue with companies in which it is a shareholder whenever a problem is revealed in the course of the quarterly SRI screening process *via* our asset managers or directly during the lead-up to General Meetings. We actively contribute to the work of the French Insurance Federation (*Fédération française des sociétés d'assurance* - FFSA) in the area of corporate social responsibility. We are also a member of ORSE, a French CSR think-tank, and its Finance Club, which brings together companies and stakeholders (NGOs and unions). In 2014, CNP Assurances joined the Institutional Circle of Novethic, the French Expert of RI. The international subsidiaries also participate in local professional bodies. Caixa Seguradora Holding carries out an annual CSR assessment in conjunction with Ethos, a research institute.

4.1.2.2 CREATING SHARED VALUE AND SOCIAL VALUE-ADDED

Being a responsible insurer means acting as an informed financial intermediary between policyholders and an economy exposed to risks. CNP Assurances protects policyholders by minimising their exposure to risks related to day-to-day life. Its excellent risk assessment skills and long-term investment strategy allows CNP Assurances to fulfil its commitments. Beyond these commitments that constitute the insurance offer, CNP Assurances innovates by offering real social value-added.

4.1.3 CSR in action

This report presents, with concrete figures, the Group's entire CSR action plan including the priorities for each part of the policy and additional initiatives put in place. Questions related to governance and CSR risk are covered in Chapter 5 "Corporate governance and internal control".

This report covers all the consolidated entities of the CNP Assurances Group. It was drafted in accordance with the provisions of Articles R.225-104 to R.225-105-2 of the French Commercial Code (*Code de commerce*), and the concordance table makes it possible to find the regulatory information. One of our Statutory Auditors performed an analysis to verify the presence and fair presentation of information that falls under the scope of Article 225 of the French Commercial Code. Key data was subject to a fair presentation review which includes tests of details on corresponding quantitative indicators; the other data was reviewed for overall consistency as indicated in the concordance table at the end of the section.

The CSR indicators are broken down by entity and published in our 2014 CSR Report. Caixa Seguradora Holding puts out a sustainability report that is available online at www.cuidardofuturo.com.br.

4.1.3.1 THE CSR MANAGEMENT BODIES

CNP Assurances has a Sustainable Development department, which reports directly to the Chief Executive Officer and relies on support departments. It also reports to the Board of Directors and the Chairman on its activities and its objectives.

The Green Group is responsible for CSR issues in Italy. Since 2013 sustainable development indicators have been included in the Management Committee's quarterly report.

In 2013 Caixa Seguradora Holding put in place, in addition to its Sustainable Development Committee, the Caixa Seguros Institute which strengthens its social, environmental and cultural programmes.

At the end of 2014, CNP Argentina's CSR initiatives were included in the implementation of strategic objectives.

4.1.3.2 MEASURING CSR PERFORMANCE

Progress in meeting CNP Assurances' objectives as of end-2014

- Make CSR an integral part of its strategy: launching initiatives to support the new ambition to "create value for all CNP Assurances' stakeholders as a responsible insurer and investor". For example:
  - drafting a Shared Responsible Investor Charter outlining the principles and the responsibilities of the stakeholders directly and indirectly concerned
  - creating a brochure on "CNP Assurances' Commitment to CSR" available to the business units to be shared with distribution partners and/or policyholders
- rate suppliers from a CSR perspective: 37% of the amount of purchases
- continue to reduce CO_2 emissions per full-time equivalent employee generated by internal operations: reduction of 2.6% compared with 2013

2014 CSR rating for CNP Assurances shares

The quality of CNP Assurances' corporate social responsibility policy has been recognised by SRI rating agencies. We obtained particularly high scores for our performance in the areas of Human Resources management and community outreach.

Ratings summary (unsolicited)

Rating agency	CSR rating	Comments	Methodology
Sustainalytics	83/100 (August 2014)	Fifth out of 94 – insurance sector worldwide	http://www.sustainalytics.com/sustainalytics-global-platform
Oekom	Prime C+ - March 2013		http://www.oekom-research.com/index_fr.php?content=corporate-rating
Vigéo	54/100 2014 rating	Seventh out of 37 – insurance sector	www.vigeo.com
CDP	89 B	Eighth out of 12	

CNP Assurances' inclusion in SRI indices

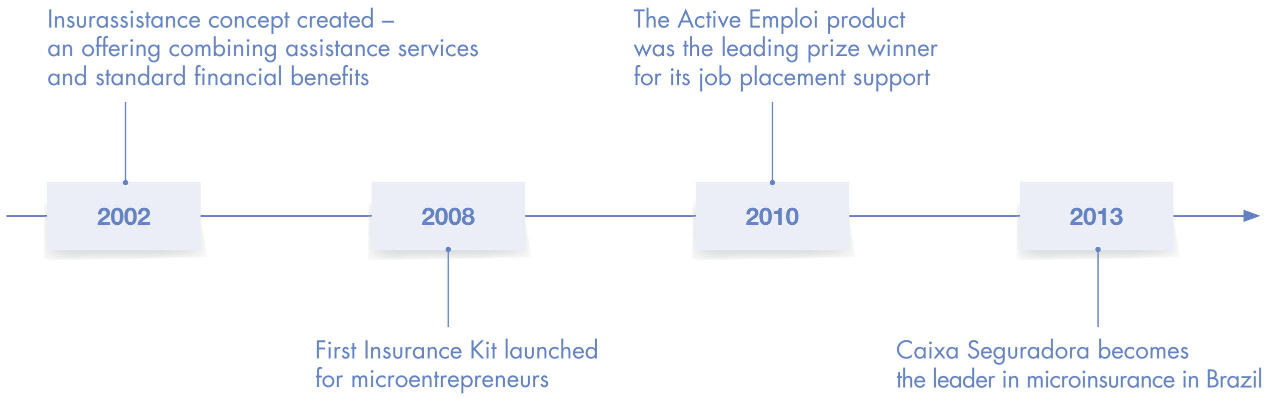
CNP Assurances' shares are included in several European SRI indices. In particular, its presence in the Ethibel Sustainability Index Excellence Europe, the NYSE Euronext Vigeo – Eurozone 120 index and the MSCI Global Sustainability Indexes has been confirmed.

4.2 For protection for all

CNP Assurances wants to offer all policyholders guarantees that match their daily life, needs and budget as closely as possible. This is an ambitious goal because the Group encounters hugely diverse situations in its different markets.

Adapting to different situations is our way of contributing to combating financial exclusion. In certain cases, that means going beyond financial compensation by offering policyholders innovative services to help them overcome the difficulties they encounter.

- Priority No. 1: Promoting access to insurance
- Priority No. 2: Designing socially-responsible products and services
- Priority No. 3: Policyholder satisfaction



4.2.1 Priority No. 1: Promoting access to insurance

4.2.1.1 PRODUCTS FOR ALL

In France, an offer aligned with the needs of people with low incomes

In agreement with our distribution partners, we offer products with deliberately low minimum premiums or investment amounts (€30 for life insurance), despite the extra administrative costs. The €30 tranche represented more than one-third of new money on these contracts in 2014.

La Banque Postale Prévoyance has offered long-term dependent care insurance with affordable premiums since the beginning of 2015. This cover, combined with public assistance, helps vulnerable policyholders stay in their homes.

CNP Assurances is a founding member of the *Entrepreneurs de la Cité* foundation, which aims to help micro-entrepreneurs obtain insurance, and is one of the co-insurers for the foundation's "Basic Insurance Kit", offering death/disability and health cover. Some 102 new Basic Insurance Kit contracts were sold in 2014.

In Brazil, a successful and innovative microinsurance product

In Brazil, Caixa Seguradora Holding is the first company to have introduced a microinsurance product in the market. Launched in 2011, the Amparo product covered over 190,000 policies at 31 December 2014. The product includes accidental death benefit, cover for the cost of the funeral, along with comprehensive support services, a cash allowance, food aid for three months, and the opportunity to participate in a random draw to receive an additional monthly allowance.

4.2.1.2 RISK SELECTION ADAPTED TO EACH POLICYHOLDER'S HEALTH PROFILE

CNP Assurances draws on its exceptionally deep understanding of risks, acquired over its many years' experience in personal insurance, to regularly update and refine its risk selection policy. A key aim of this policy, which takes into account the state of health of each insured, is to ensure that the acceptance rate for disability and incapacity cover is as high as possible. In 2014, for the second year running, the specific disability cover provided for in the Aeras aggravated risk convention was made widely available. In addition, since 2012, the conditions of eligibility for the premium cap applicable to low income borrowers have been relaxed.

CNP Assurances' term creditor insurance rejection rate has remained at less than 0.2% for the past six years.

4.2.2 Priority No. 2: Designing socially-responsible products and services

CNP Assurances is continuing to update its offer to adapt to the latest changes in society, by enhancing existing offers and developing targeted prevention services.

4.2.2.1 AN OFFER ALIGNED WITH THE NEEDS OF PEOPLE

Anticipating policyholder needs

In addition to studies carried out with the distribution partners, the Group's entities perform research to anticipate new needs arising from emerging social and demographic trends. In 2014, for CNP Assurances this research focused on anticipating policyholders needs for term creditor insurance, life insurance and products covering different generations, as well as distribution methods and gaining a better understanding of life insurance needs in Italy.

Every year La Banque Postale Prévoyance works with TNS Sofres to conduct a "long-term care survey" to understand the needs of people who are starting to require long-term care.

Innovative guarantees are available covering the problems of loss of autonomy, job loss and aging. In France for example, we offer an unemployment insurance product with a reduced premium or advisory services to help the insured find a new job. Protection Active Emploi provides financial support for 6 or 24 months, plus personalised assistance, such as career reviews, training and logistical support. CNP Assurances is looking into a new offer to meet the evolving healthcare needs of employees in SMEs and micro-enterprises.

The Effinance term creditor insurance contract for home-buyers co-insured with La Banque Postale Prévoyance received an award in 2013 "for the product's wide accessibility as well as its useful guarantees and small number of exclusions, all at a reasonable price".

In early 2015, La Banque Postale Prévoyance launched a new, comprehensive offer for long-term care to provide support when people lose autonomy. In addition to lump-sum payments and monthly benefits, the product offers assistance cover for example with a home visit service from a mail carrier or another person authorised by Filassistance International (a subsidiary of CNP Assurances).

4.2.2.2 PROMOTING GOOD HEALTH

Making life-long support for insureds its mission, in 2003 CNP Assurances pioneered the integration of targeted assistance and prevention services in life insurance/savings and long-term care insurance contracts, in particular through its Filassistance International subsidiary. This positioning in local personal assistance services and daily care and living assistance was reinforced in 2014, notably by introducing a retirement assistance product and a "care for caregivers" offering that is specifically adapted to group plans.

4.2.2.3 SERVICE QUALITY AIDS

The workstations used by distribution partners of the Group's entities enhance the quality and efficiency of policyholder services, while incorporating the duty to provide advice. New common and convergent quality initiatives were developed in 2013 with CNP Assurances' partners to improve the quality of service for insurance advisors and policyholders.

The deployment of new technologies has made life easier for policyholders. For example, a website for reporting term creditor insurance claims set up in 2012 allows policyholders to submit scanned claim documents electronically, including by text message, and to track the claim's status. A 100% online enrolment system with electronic signature was also launched at the end of 2013 for the term creditor policies of Boursorama Banque property loans. CNP Assurances also offers its term creditor insurance distribution partners the option of allowing policyholders to fill out their health questionnaire at home.

Caixa Seguradora Holding has responded to customer calls for an extension of its online services to include insurance underwriting, with specialists available *via* a forum to assist customers during the purchase process.

CNP UniCredit Vita has enhanced its website for direct access to insurance accounts, with downloadable information and claim forms.

A business continuity plan has been set up to prepare for the risk of downtime following an incident. Tests are performed each year, using different scenarios, to ensure that in different departments, normal business operations could be quickly and efficiently restored.

4.2.3 Priority No. 3: Policyholder satisfaction

4.2.3.1 DOUBLING UP SATISFACTION MONITORING

Surveys are carried out periodically by Group entities among both policyholders and distribution partners, to obtain a comprehensive vision of customer satisfaction.

In 2014, four satisfaction surveys were conducted by CNP Assurances on individual policy administration processes. Whether they are carried out as part of a quality certification process, pursuant to a service level agreement or for other purposes, these surveys help to improve customer responsiveness and to provide feedback to our distribution partners. The satisfaction rate of callers who purchased their policies from La Banque Postale and Amétis was 88% in 2014. A satisfaction survey is carried out with CNP Assurances' partners during each customer communication campaign.

All of the international subsidiaries also conducted customer satisfaction surveys; however, for CNP BVP these surveys are carried out by the distribution partner. The surveys are conducted annually in Cyprus and up to monthly in Brazil. CNP Partners has been meeting distribution partners each month for the last few years to find out how they view the quality of services. The customer satisfaction score in 2014 was 4.2 out of 5. For the second year running, Caixa Seguradora Holding, was chosen as the best insurance company by the website ReclameAQUI which gives out awards every year to companies for customer relations.

4.2.3.2 FOLLOWING UP POLICYHOLDER REQUESTS

CNP Assurances regularly reviews a sample of letters sent to customers to respond to requests for information or complaints in order to assess the quality of these letters. The results are presented in reports and are given to the departments that issued the letters to help them constantly improve the quality of their service.

CNP Assurances received AFAQ 9001 certification at the end of 2014. The client service organisation was a key part of certification – seeking to optimise response times and quality in the most important areas. Quality indicators have been set out and shared with the business units.

Mediation service

CNP Assurances has set up a mediation service, whose contact details are systematically specified in policy terms and conditions. This easy-to-use, free dispute resolution process improves relations with policyholders and frequently helps to avoid litigation. In 2014, 1,540 mediation procedures were initiated or reopened, an increase of nearly 12% compared with 2013, and 131% since the mediation was put in place in 1993.

Processing complaints more quickly

In 2013, CNP Assurances committed to replying within two months of a complaint being filed. The process has been extensively reorganised with input from the distribution partners to ensure faster response. Tools have been put in place to fine-tune the follow-up on and the analysis of claims and find ways to improve the quality of service.

Unclaimed settlements at CNP Assurances

The French Act of 17 December 2007 introduced a requirement for life insurers to pro-actively identify any unreported claims, and to trace and pay the beneficiaries. The Act also gave insurers the legal and practical means of finding out when policyholders have died.

We have gradually increased our internal resources given the complex nature of these operations. The number of people working on unclaimed settlements has increased five-fold, and a team of 60 people is now dedicated to processing files prior to 2007.

CNP Assurances has noted the decision to sanction by the Prudential supervision and resolution authority (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR), which it deems harsh given the efforts made by the teams on a daily basis and the resources implemented since 2008.

It should be noted that CNP Assurances does not profit from unclaimed benefits: income from the benefits invested is not company income; rather it is added to the amounts due to all policyholders as is the case for all life insurance policies.

In 2014, CNP Assurances was able to find over 24,000 beneficiaries, representing over €60 million.

4.2.4 Other initiatives

4.2.4.1 PROTECTING POLICYHOLDERS

Protecting policyholders' personal data

Personal insurance is based on knowledge of sensitive personal data. The Group takes great care to respect confidentiality rules. Customers' medical and personal information is protected by procedures that comply with local regulations in each host country. The French subsidiaries MFPrévoyance and La Banque Postale Prévoyance, which are particularly concerned by medical confidentiality, organise special training on a regular basis with the help of advising physicians.

In addition, policyholders must give their consent to using their email address for communications *via* email from CNP Assurances. A dedicated computer system is used to manage customer authorisations.

CNP Assurances has a Data Protection Officer for all Group companies. The Data Protection Officer leads an in-house network and circulates procedures, notably through a dedicated Intranet site. Controls are performed to ensure that the procedures are applied and the data protection officer prepares an Annual Report.

Privacy by design is used to protect personal data for CNP Assurances' products and services. The Data Protection Officer is always consulted before any applications that include personal data are rolled out: verifying compliance of data processing, new contracts for service delegation or IT subcontracting, and of legal notices of websites, etc.

Product and services compliance

All of the Group's entities verify that contractual documents are compliant at every stage of the development of new products. Dedicated teams ensure that insurance products are compliant and that changes within the legal framework are taken into account.

In order to maintain yearly progress, the Group's entities conduct campaigns to obtain certification in new areas while ensuring that previous certifications are renewed. The main business processes of CNP Assurances and of several subsidiaries now have ISO 9001 certification.

Audits are carried out on a regular basis to assess Caixa Seguradora Holding's quality management system.

Measures in support of policyholder health

The CNP Assurances Group's core business does not have a direct effect on customers' health. Nevertheless, the Company's subsidiary, Filassistance, has developed a series of preventive measures to assist individuals in everyday health and safety issues, in the form of appraisals on "preventing loss of independence" and "prevention of memory loss", as well as ergonomic support, information services and psychological support.

Additionally, CNP Assurances deploys workplace programmes to promote the health and well-being of local government employees. CNP CIH also promotes preventive medical screening.

4.2.4.2 ENCOURAGING POLICYHOLDER COMMITMENT TO SUSTAINABLE DEVELOPMENT

SRI offering

In personal insurance, the only "green" products are SRI funds in savings products: they are offered in each of the flagship unit-linked products available in the individual insurance offerings from CNP Assurances.

SRI funds were promoted again by two major partners in 2014, particularly with fee discounts for unit-linked products for SRI Week. At 31 December 2014, some 96,600 life insurance policies included an SRI fund. SRI assets totalled €512 million, a gain of more than 13% over 2013.

Environmental, social and governance criteria are increasingly integrated into management of the assets underlying all our traditional savings products and own funds portfolios. A brochure on "CNP Assurances' Commitment to CSR" was sent to several thousand policyholders and included in the main materials used to present CNP Assurances' offers to its partners.

Furthermore, in 2014 La Banque Postale introduced two new structured funds sold for example through life insurance policies whose final performance depends on the average change on the Ethical Europe Equity index. These funds were very successful in helping promote responsible investment: investments totalled €143 million in two months for 35,000 CNP Assurances policies.

Examples of how the Group communicates

- To present the Group's social and environmental challenges and results, Caixa Seguradora Holding has developed an informative "Caring for the Future" website http://www.cuidardofuturo.com.br, which also hosts a blog about responsible consumerism
- Over 18 million letters sent to policyholders highlight CNP Assurances' pledge to uphold the United Nations Global Compact and its responsible investing strategy. Since 2011, this includes annual statements for all endowment policies (other than unit-linked contracts)
- In 2014 for SRI Week, we organised an awareness campaign for investors with our partner La Banque Postale. We proposed a special offer for any investment in products from the SRI range. Our network of 300 travelling advisors also got involved in explaining the Group's investment approach and its SRI offer.

4.3 For a sustainable economy

CNP Assurances' primary financial responsibility is to secure the commitments made to policyholders and guarantee a steady, optimised performance year after year.

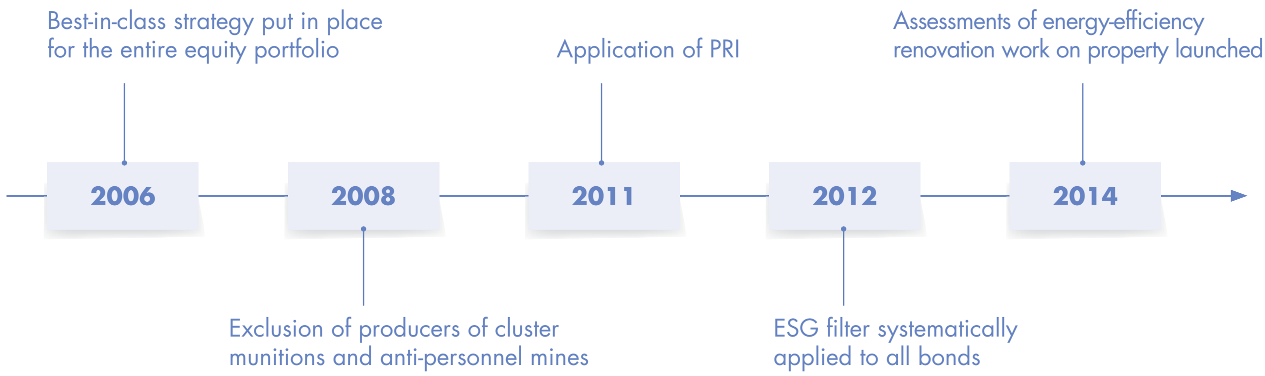
We are convinced that including socially responsible investment criteria in the investment selection process helps to create value and optimise the yield/long-term risk trade-off. For this reason we have for several years maintained a strategy of responsible investing for the majority of the Company's assets and those of its French subsidiaries (80% at end-2013).

This commitment also extends to suppliers. CNP Assurances has begun an auditing and improvement programme to steadily enhance the environmental and social responsibility performance of all its suppliers.

- Priority No. 1: Responsible investment
- Priority No. 2: Supporting key challenges for the future: SMEs and the energy and environmental transition
- Priority No. 3: Responsible purchasing

4.3.1 Priority No. 1: Responsible investment

DEVELOPMENTS IN CNP ASSURANCES' RESPONSIBLE INVESTOR APPROACH



4.3.1.1 IN FRANCE, A STRATEGY DEFINED BY CNP ASSURANCES AND IMPLEMENTED BY THE ASSET MANAGERS

The entities of the CNP Assurances Group are insurance companies. As such, they do not manage assets for others and entrust the management of its own assets to specialists. The responsible investor approach is defined and led by CNP Assurances, drawing on the SRI expertise of the asset management companies. CNP Assurances' strategy is used for all its assets and those of its French subsidiaries. This commitment was strengthened in 2011 with CNP Assurances' pledge to uphold the Principles for Responsible Investment (PRI).

Listed assets

Since 2008, CNP Assurances has chosen to exclude from its own funds portfolio arms manufacturers whose products include land mines or cluster bombs and firms that speculate in agricultural commodities. We also check that similar screens are applied to the 67 investment funds whose units are held in the portfolio. The last such check was carried out in October 2013.

In line with our responsible investing strategy, ESG screens are gradually being applied to all asset classes in the entire portfolio:

- listed equities: selected according to best-in-class criteria. Quarterly monitoring since 2006 with Natixis AM's SRI analysts and since 2009 with LBPAM's specialists. Constructive dialogue is engaged with investee companies whenever an ESG problem is revealed *via* our asset managers or during the lead-up to General Meetings. When dialogue fails to produce results, other measures can be taken. These might include suspending purchases of the company's securities or even selling the existing portfolio
- government bonds and equivalents: ESG screening excludes countries rated as "not free" and "partly free" by Freedom House, and countries rated as "corrupt" by Transparency International
- corporate bonds: issuers are given quarterly ESG ratings, and can be excluded from the portfolio or have their weighting limited on the basis of their compliance with Global Compact principles
- mutual funds: SRI funds held in general asset portfolios (excluding unit-linked) totalled €2.5 billion at 31 December 2014 in CNP Assurances' total mutual fund portfolio. For details of policyholder investments in SRI funds, see section 4.2.4.2.

Sustainably managing property assets

With €8.5 billion in property assets in France based on net book values, CNP Assurances is an important player in this market. Management of its property assets is entrusted to specialised companies on the basis of strict specifications that deal notably with the need to preserve the environment and ensure the safety of the properties' users. These include the Sustainable Property Management Charter adopted with Icade in 2008, and in 2014 establishing a "green works charter" to take into account the impact of all co-owned property management agreements on the environment, health and the safety of users.

Integrating environmental issues in woodland management processes

CNP Assurances is the largest private owner of woodland in France, with 54,414 hectares of forest at end-2014. Société Forestière, a 50%-owned subsidiary, applies sustainable management techniques of the forests, which are PECF and ISO 9001 certified.

Social information used to manage private equity and infrastructure investments since 2010

ESG ratings are awarded based on the due diligence process carried out ahead of any new private equity investment. A total of 17 private equity funds were rated in 2014. In addition, CNP Assurances has invested in several SRI funds, for a total of nearly €143 million at end-2014 – for example, financing small businesses that have trouble raising capital due to social barriers, and supporting SMEs in financial difficulty.

CSR reporting is also used for new infrastructure investments. In 2014, 55% of our infrastructure funds took part in this reporting or voluntarily provided us with their own CSR reporting.

4.3.1.2 A RESPONSIBLE SHAREHOLDER

Systematically exercising voting rights: since 2005, CNP Assurances has followed a policy of shareholder activism by systematically voting at the General Meetings of listed companies in its portfolio. In 2014, CNP Assurances voted at the General Meetings of 99.9% of the French companies in its portfolio and some 20 European issuers. It voted against 17.8% of the proposed resolutions.

The principles are defined by senior management and are designed to protect the rights of minority shareholders who are investing to support the investee's long-term growth. Shaped in part by investor concerns, these principles are pragmatically applied to all companies in the portfolio, taking into account each one's characteristics, industry and regulatory environment.

4.3.1.3 DEPLOYING ESG SCREENING IN INTERNATIONAL SUBSIDIARIES

Caixa Seguradora Holding excludes certain industries from its equity and government and corporate bond portfolios. At CNP Argentina, when choosing among investments with equivalent risk and yield profiles, priority is given to those with the best social and/or environmental profile. At end-2014, 22% of its assets were dedicated to supporting projects in the real economy or with high-quality ESG criteria.

4.3.2 Priority No. 2: Supporting key challenges for the future: SMEs and the energy and environmental transition

4.3.2.1 INVESTING IN SMES

Supporting private equity

CNP Assurances has been active in the private equity market since 1992 and is one of France's largest investors in unlisted companies. Whether they are innovative start-ups or SMEs with an established presence in their market, operating in the high-tech sector or traditional manufacturing industry, these companies play a strategic role in strengthening France's economic base, creating jobs and attracting foreign investment.

In 2014, CNP Assurances strengthened its support in funds invested to support struggling companies, for a total of nearly €95 million at end-2014.

Investing in listed SMEs and mid-caps

In 2013, CNP Assurances invested €100 million in Novo bond funds focusing on providing funding for medium-sized companies and mid-caps, following on from the Nova funds in 2012.

4.3.2.2 THE ENERGY AND ENVIRONMENTAL TRANSITION

CNP Assurances' responsible investor approach for listed equity funds takes into account the goal of energy and environmental transition, particularly with the development since 2014 by the SRI experts in our asset management companies of a carbon risk and opportunity approach. For example, the ESG rating of companies is favourable for technological innovations that promote energy and environmental transition.

Investing in property: improved energy performance

In its maintenance and renovation of the property assets in its portfolio, CNP Assurances constantly aims to make the properties more energy efficient. Renovation projects are carried out to the highest environmental standards (17% of office space is certified to HQE, THPE, BBC or Bream Very Good standards).

Since 2009, an environmental audit has been systematically carried out on all newly acquired properties. At 31 December 2014, energy performance assessments have been performed on 93% of residential property and 92% of commercial property.

A general audit of energy performance

To meet recent requirements introduced by France's Grenelle 1 and 2 Acts, and pending the enactment of the relevant enabling legislation, 85% of CNP Assurances' fully owned property assets have already been assessed for energy efficiency. Action plan scenarios adapted to each building were defined in order to reduce CO_2 emissions and energy use.

Investing in specific funds

At end-2014, CNP Assurances had €45 million invested in private equity funds in the clean energy, clean industry and clean tech sector. Investments in renewable energy infrastructure and water and waste treatment represented total assets of €128 million at 31 December 2014. An additional €388 million is invested directly in bonds related to specific environmental projects, or green bonds.

4.3.2.3 FORESTS: AN ENVIRONMENTAL OPPORTUNITY

Carbon sinks in France and Brazil

In 2014, the growth of CNP Assurances' trees helped to sequester 546,716 tonnes of carbon dioxide. After deducting timber sold or cut down during the year, a net 267,832 tonnes of carbon dioxide was added to the sequestered total.

Since 2007, Caixa Seguradora Holding has been offsetting its carbon emissions by financing NGO Green Initiative's tree-planting programmes in the Atlantic Forest, thus earning the subsidiary CarbonFree certification. The management of these forests in accordance with biodiversity principles also provides an income for disadvantaged local communities and an opportunity for them to acquire new skills. In all, 17 hectares of woodland have been planted and operations organised with CNP Assurances have added 5,335 trees to these plantations.

Anticipating climate change

The climate change issue is a key factor in managing CNP Assurances' forests, in order to ensure the long-term health and value of the woodland. The management company selects transitional tree species adapted to current and future climates and pays increasing attention to the soil moisture reserves in areas where new trees are being planted.

Protecting biodiversity

Société Forestière is preparing environmental zoning maps and launches initiatives each year to protect biodiversity. For example in 2014, in the Voudenay Forest, maintaining an unbroken forest canopy and naturally growing plots without timber harvesting helps preserve very rich pockets of biodiversity. For several years, the Gaudinière Forest (over 2,000 hectares) has been monitored by the not-for-profit organisation Perche Nature to analyse bird nesting. The results were very promising in 2014: 14 nesting boxes were occupied by tawny owls and seven nests were occupied by hawks. Woodland management also prevents soil erosion and ensures water filtration and purification.

Caixa Seguradora Holding's reforestation operations promote biodiversity, protect water resources and participate in soil conservation.

4.3.3 Priority No. 3: Responsible purchasing

The Group's larger entities (CNP Assurances and Caixa Seguradora Holding) were the first to integrate CSR principles into their sourcing policy, but other subsidiaries are also making progress in this area, particularly CNP UniCredit Vita, with its Green Group.

4.3.3.1 CNP ASSURANCES – DEPLOYING A COMMITMENT

CNP Assurances' CSR principles are also put into practice by the Purchasing department, with all buyers aware of these issues and most of them trained in CSR compliance. The Group's ethical purchasing charter and the code of ethics govern buying practices.

The main calls for tenders and consultations include a CSR component that proposals must address in order to be considered.

Having pledged to uphold the United Nations Global Compact, CNP Assurances systematically promotes its commitment to human rights among subcontractors and suppliers. Agreements include contractual clauses to protect workers. After contracts are signed, a CSR assessment of the main suppliers is then carried out by EcoVadis (see section 4.3.3.3).

Nearly all of CNP Assurances' suppliers of goods and intellectual or other services are based in France. The use of subcontractors is mostly limited to intellectual services as well as printing, mailing, enveloping, archiving, bulk data entry, call centre and maintenance services.

4.3.3.2 CAIXA SEGURADORA HOLDING – CSR CLAUSES IN ALL CONTRACTS

Since 2008, Caixa Seguradora Holding has included CSR clauses in its supplier contracts based on the Global Compact principles (labour, the fight against organised crime and drug trafficking, the environment, fraud and money laundering). Contracts signed before 2008 have been amended to include these provisions. Suppliers and subcontractors working for the Caixa Seguradora Holding Group pledge to comply with regulations and act responsibly towards the environment. Non-compliance is grounds for termination of the contract or other appropriate legal responses.

4.3.3.3 A PLATFORM FOR SUPPLIER ESG AUDITS

CNP Assurances has signed a partnership agreement with EcoVadis to pool supplier environmental, social and ethical performance tracking processes. The information is compiled through a collaborative platform that covers 150 business sectors and 95 countries.

For each consultation or new listing (tender procedure), supplier evaluations are requested, and a programme has been put in place to rate the main suppliers. At end-2014, 98 suppliers, representing 37% of total purchases, had been evaluated.

4.3.4 Other initiatives

4.3.4.1 COMBATING MONEY LAUNDERING, TERRORISM AND FRAUD

A shared requirement

As a financial intermediary, CNP Assurances is deeply involved in the fight against money laundering, the funding of terrorism and fraud. Given the business model, the main identification, "know your customer" and due diligence requirements are defined in the agreements signed with its distribution partners, who are in direct contact with customers. These same requirements are also at the centre of the procedures applied by the international subsidiaries, in compliance with local regulations.

End-to-end controls

In addition to the internal control process and the ethical standards deployed throughout the organisation, a system of cross-functional controls is in place to monitor compliance with procedures to combat money laundering, the funding of terrorism and fraud on a regular basis. These controls are updated to take into account changes to the regulatory environment.

Procedures stipulate the controls to be carried out, in particular by sales representatives or business partners when dealing with customers, particularly as concerns verifying the identity of the person paying the premium and the method of payment. In addition to these controls, our management systems are monitored throughout the Group to identify any anomalies.

Dedicated teams

Supported by 20 employees, a specific unit is dedicated to these controls both at CNP Assurances, and any employee can check the Group-wide anti-money laundering procedures on the Intranet. Teams are in place in all subsidiaries and report to Executive Management.

Specific training

Training programmes are carried out regularly in subsidiaries with support from the corporate Risk Management department. In 2013, all CNP Assurances employees were invited to a presentation of measures to combat fraud, money laundering and terrorism organised with one of our major partners. In 2014, CNP Assurances employees who are exposed to risks (2,200 people) took an e-learning course developed by the French insurance industry federation (FFSA) and several major insurers. At end-2014, 85% had completed the training. Similarly, CNP BVP and CNP UniCredit Vita employees received anti-money laundering training in 2014.

4.3.4.2 ANTI-CORRUPTION

Codes for all entities

All fund movements are traced to prevent corruption.

Updated and expanded in 2010, the code of conduct sets out standard operating procedures. It is posted on the Intranet, and features in the Employee Orientation Guide for new hires. At the end of 2014, all employees were reminded of the rules governing corporate gifts and benefits. All other entities in the Group also have guidelines, charters and regulations.

Some more exposed professions have specific codes:

- the CNP Assurances code of conduct includes rules on conflicts of interests and gifts, and an ethical purchasing guide provides practical guidance on applying the 2006 purchasing code of ethics in key situations encountered by the Company's buyers
- a specific code of ethics has also been prepared for Amétis insurance advisors and the Compliance unit verifies that they comply with the regulations applicable to insurance sales.

Targeted training

Training based on the code of conduct was dispensed two years ago for all managers with supervisory roles, who then trained their staff.

In Italy, compulsory training was provided on corporate administrative responsibility. In Brazil, since 2012 Caixa Seguradora Holding has provided guidance on applying the Group's code of ethics and code of conduct through its "The Challenge of the Code" training programme. A total of 92% of employees were trained in 2014. CNP Partners had all its employees sign the code.

Structured financial management

Vigilance is applied in managing the financial assets of CNP Assurances particularly for sovereign debt insofar as each country's Transparency International rating represents one of the three elimination criteria.

At CNP Assurances, the fight against corruption extends to purchasing and the purchasing contracts include a standard CSR clause requiring suppliers to commit to combating corruption, including on the part of their own suppliers and sub-contractors.

4.3.4.3 CORPORATE INCOME TAX

The CNP Assurances Group is primarily made up of insurance companies, companies that provide services to individuals, as well as a number of financial investment vehicles.

Corporate income tax payments

2014 *(in € millions)*	France	Latin America	Europe excluding France	Total
Corporate income tax	(401)	(332)	(40)	(773)

The Group's insurance companies in France paid more than €1 billion in taxes on behalf of policyholders.

4.4 For an attractive enterprise

By promoting each employee's professional and personal development, CNP Assurances develops the skills that will make the Group successful today and tomorrow. The Group's active diversity policy is used for example to train young people, help people with disabilities to enter the workforce and promote gender equality in the workplace.

- Priority No. 1: Developing skills in line with the Group's strategy
- Priority No. 2: Providing a working environment that fosters well-being and performance
- Priority No. 3: Rolling out a strong policy on gender equality in the workplace

4.4.1 Priority No. 1: Developing skills in line with the Group's strategy

4.4.1.1 HUMAN RESOURCES PLANNING – PRUDENT EMPLOYEE MANAGEMENT

The new subsidiary from the partnership between CNP Assurances and Banco Santander is not included in this section (see section 4.6 "Methodology"). It had 32 employees at 31 December 2014.

Number of Group employees

The CNP Assurances Group had a total of 4,705 employees at end-2014, representing a decrease of 2% from 2013.

Headcount of entities	Country	2014	2013	2012
CNP Assurances	France	3,009 *	3,095 *	3,119
Caixa Seguradora Holding	Brazil	799	813	787
CNP UniCredit Vita	Italy	163	158	150
CNP Cyprus Insurance Holdings	Cyprus/Greece	283	290	360
CNP Partners	Spain (Italy, France)	164	152	136
MFPrévoyance	France	76	75	77
La Banque Postale Prévoyance	France	63	62	54
CNP Barclays Vida y Pensiones	Spain/Italy/Portugal	69	71	70
CNP Assurances Compañia de Seguros	Argentina	69	79	77
CNP Europe Life	Ireland	10	14	12
CONSOLIDATED TOTAL – GROUP		**4,705**	**4,809**	**4,842**

* *The reporting scope changed in 2013 and 2014 to include work-study contracts*

CNP Assurances is prudent when it comes to managing its workforce. Over 2014, CNP Assurances' number of employees under permanent contracts declined in line with the budget guidelines to control administrative costs.

This decrease was due to:

- a considerable increase in resignations and a large, but stable number of retirements compared with 2013
- greater vigilance in replacing people who left the Company, with positions left vacant no longer filled systematically in the sluggish economic environment

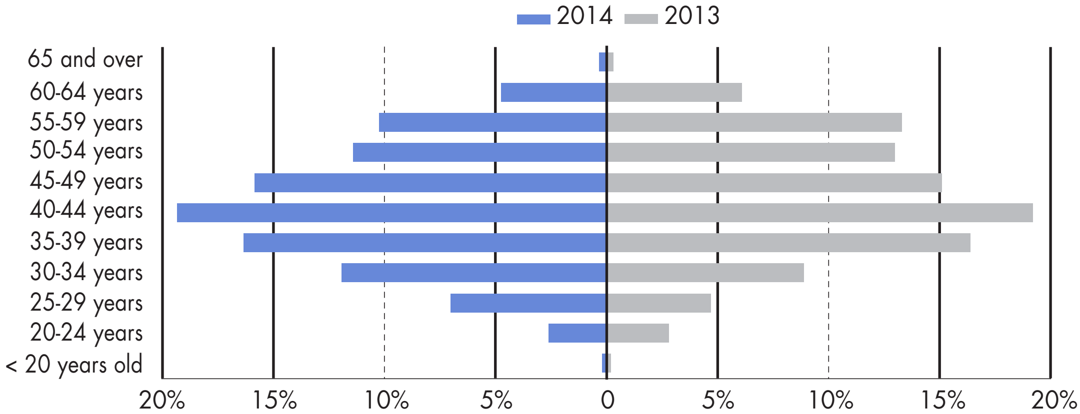
- external hires targeted based on specific technical skills and
- an increased focus on internal mobility, with most vacant positions filled last year by internal candidates.

Characteristics of headcount

	2014	2013	Year-on-year change	Level of coverage
Percentage of employees with permanent employment contracts	96%	96%	0%	100%
Percentage of women	60%	60%	0%	100%
Average age of permanent employees	43.2 years	42.8 years	s.o.	100%

Almost all (99%) employees are covered by local insurance industry collective bargaining agreements. The only exceptions, in accordance with local regulations, are in Ireland and for 23 executives in Argentina.

Age pyramid



The average length of service within the Group is 13 years and is stable compared with 2013.

A targeted hiring policy for CNP Assurances

CNP Assurances has had a policy for several years now that focuses on internal mobility. Nearly all vacant positions are handled by using skills available internally. This Human Resources planning meets two objectives: it keeps overall employee numbers under control in a sluggish environment, while giving existing employees the chance to move up in their career.

In 2014, this dynamic maintained by the number of departures was boosted by the career opportunities that were created through the new organisational structure, the Group's new business units as well as new Group functions.

As CNP Assurances focuses on hiring selectively externally to find specific skills that are not available internally or within the Group, internal mobility is boosted by helping employees to develop and put in place their career plans – particularly for those who want to pursue a degree (see section 4.4.1.2 on training) – and integrate into their new jobs and get training.

In 2014, most of the positions open to external candidates were for skilled professional work: finance/actuarial analysis/risk management as well as commercial positions.

All vacant positions (388 Group-wide) were filled in 2014. CNP Assurances did not encounter any particular hiring problems.

	2014	2013	Year-on-year change	Level of coverage
Number of new hires	388	415	-6,5%	100%
Percentage of new hires with permanent employment contracts	62%	55%	+12.7%	100%

Separations

	2014	2013	Year-on-year change	Level of coverage
Total number of departures	**473**	**521**	**-9%**	**100%**
■ including dismissals	71	80	-11%	100%
■ including terminations by mutual agreement	13	18	-28%	100%
■ including resignations	159	97	+63%	100%
■ including retirements	75	135	-44%	100%
■ including departures at the end of fixed-term contracts	145	176	-17%	100%
Turnover	**6.7%**	**6.9%**	**+2.9%**	**100%**

Turnover within the Group's entities reflects the varying situations in 2014: it remained low at CNP Assurances (3.9%), but much higher at MFPrévoyance (10.6%) although this figure was down. Caixa Seguradora Holding's employee turnover was well controlled in 2014, at 14% compared with 21% for the Brazilian insurance industry. Similarly, CNP CIH maintained 8% turnover despite the economic context.

The increase in resignations can be explained by the low turnover in 2013 within Caixa Seguradora Holding. The decrease in the number of retirements is the result of the voluntary early-retirement scheme at CNP CIH in 2013.

As regards CNP Assurances, half of the departures of employees under permanent contracts is due to retirements, which is in line with the age pyramid.

Mergers/acquisitions/disposals/restructuring

None of the Group's entities carried out a restructuring plan in 2014. A redundancy plan did not have to be put in place, thanks to the measures taken in Cyprus and Greece following the crisis that affected these countries in 2013.

Focusing on employee development

CNP Assurances has a well-established internal mobility policy. Nearly all vacant positions are handled by using skills available internally. In 2014, 74% of permanent positions were filled by internal candidates, thus allowing for targeted external hiring, to strengthen skills required to implement CNP Assurances' strategy.

Alongside the managed policy of opening vacant positions to internal candidates, internal mobility was further boosted by the programme of personalised support for employees in developing and implementing a career plan. In 2014, more than 400 employees were able to benefit from internal mobility and 150 employees were promoted.

Every year, managers are asked to conduct a performance review with each of their employees. In the Group, in 2014 95% of employees participated in performance appraisals. Annual performance reviews give managers and employees a special opportunity to talk. It is a time to recap all the events of the past year, highlight strong points and areas for improvement, establish expectations and objectives for the coming year, and also discuss employees' career plans.

4.4.1.2 TRAINING – A STRONG AND SUSTAINED COMMITMENT

	2014	2013	Year-on-year change	Level of coverage
Number of training hours *	95,019	98,251	-3%	99%
Amount allocated to training as a percentage of payroll	4.2%	4.3%	-2%	99%
Percentage of employees who received training	87%	86%	+1%	99%

* *Of which 56,400 training hours for CNP Assurances in 2014 and 59,732 in 2013*

The decrease in the number of training hours can be explained by the implementation of CNP Assurances' new organisation which required adjusting the training programme and moving a number of initiatives to the second half of 2014.

A wide range of training courses

Developing employee skills is at the centre of CNP Assurances' social policies. In recent years, CNP Assurances has invested the equivalent of over 5% of payroll to boost internal mobility and help all employees to prepare for changes in the Group's professions. In 2014, 90% of employees attended a training course and 73 employees were able to work towards a diploma, in order to fulfil their professional ambitions within the Group, bringing this number to over 140 employees in the last two years (2013/2014).

CNP Assurances organised various training initiatives in 2014 – on social protection and services to support the Group in its ambitions in asset management activities for the high-level customer segment, as well as the training programme for insurance advisors and regulatory training with a new anti-money laundering campaign. Management initiatives were also continued, and all employees were encouraged to take part in an e-learning initiative on writing emails within the scope of the Group's discretionary profit-sharing plan.

Within the Group, more people received training in 2014 in nearly all entities. The main training area is insurance techniques, followed by computer/office systems, sales and marketing, personal development, management skills and languages. In addition, during the last two years, targeted training initiatives have been organised to expand the risk management skills base. Individual training needs and requests are generally discussed during the annual performance reviews. Group training needs are analysed when the annual training plans are drawn up.

In 2014, CNP UniCredit Vita organised special diversity training for all middle and senior managers. This was the case as well in CNP CIH where 37% of employees (Cyprus) benefited from a special programme for management and other training.

MFP Prévoyance continued – through very extensive training, representing more than 3% of payroll – to structure the acquisition of professional skills of teams, particularly those working on requirements related to Solvency II.

4.4.1.3 REMUNERATION

Average gross salary by country	2014	2013	Year-on-year change	Average annual increase by country
France	EUR 55,936	EUR 55,055	+1.6%	0.7%
Brazil	BRL 64,337	BRL 58,573	+9.8%	6.7%
Italy	EUR 53,778	EUR 52,535	+2.3%	0.7%
Cyprus/Greece	EUR 36,052	EUR 40,000	-9.9%	0%
Spain	EUR 48,668	EUR 46,054	+5.7%	2.3%
Ireland	EUR 57,532	EUR 58,613	-1.8%	0%
Argentina	ARS 292,122	ARS 207,222	+40.97%	34%

For the consolidated CNP Assurances Group, the average across-the-board pay rise was 2.25%, with variations among countries due to inflation (leading to a near 40% increase in Argentina), or economic conditions (in Cyprus and Greece). CNP CIH had to decrease a small portion of salaries in light of these issues.

At CNP Assurances, €6,570,561 was paid out under the discretionary profit-sharing plan in 2014, €17,278,647 was paid out under the statutory profit-sharing plan, and €526,480 in profit-related bonuses were paid to seconded civil servants.

All CNP Assurances, MFPrévoyance and La Banque Postale Prévoyance employees are covered by supplementary health and death/disability insurance, a separate long-term care insurance policy and a life insurance/pension plan with matching employer contributions. They are also eligible to participate in a "time savings account" and invest in a PERCO voluntary pension plan.

4.4.1.4 USE OF OUTSIDE CONTRACTORS – LIMITED AND SUPERVISED OUTSOURCING

CNP Assurances makes limited use of outside contractors for specialised non-core business activities. There are 48 security staff, 74 cleaning staff (including Arcueil and Angers), 19 maintenance workers, and 8 receptionists, for a total of 149 outside contractors, compared with 157 in 2013. IT operations have been transferred to an intercompany partnership established in 2012 (CNP TI) which employs 330 people.

More temporary employees were used in 2014, in line with the decrease in the fixed-term contracts (excluding youth-employment contracts), based on the new strategy regarding temporary staffing.

There is significant use of outside contractors in Caixa Seguradora Holding and CNP Partners which outsource their IT operations (186 contractors). Like CNP Assurances, both entities ensure that the employees concerned are accorded the full protection of applicable labour legislation (see section 4.3.3.3 "Responsible purchasing").

4.4.2 Priority No. 2: Providing a working environment that fosters well-being and performance

The Group's Human Resources policy focuses on developing conditions that foster employee well-being at work and promotes personal enrichment and group performance. This requires a good understanding of stress factors and the deployment of the personalised support measures for struggling employees, and employee/employer relations combining a variety of channels.

4.4.2.1 EMPLOYEE/EMPLOYER RELATIONS COMBINING A VARIETY OF CHANNELS

Employee representation and protection

Social dialogue is a priority throughout the CNP Assurances Group. There is at least one employee representative in all subsidiaries except CNP Europe Life which has only ten employees. Caixa Seguradora Holding does not have a staff delegate. However, in accordance with the rules set out in the union of insurance workers' agreement, a representative of employees and the union president participate in meetings between employee and management representatives. 99% of Group employees are covered by an insurance industry collective bargaining agreement (except for employees and managers in Ireland and managers in Argentina). In total, 146 meetings between employees and management were held at the Group's various entities in 2014.

Working with employee representative bodies at CNP Assurances

The Human Resources department – in line with CNP Assurances' history, and in particular its agreements on union rights – maintains a high level of dialogue, respecting the roles of all those involved beyond regulatory requirements, with the various employee representative bodies (national and European Works Councils, employee representatives and Occupational Health, Safety and Working Conditions Committee) and with union representatives.

The frequency of the meetings of these bodies has increased significantly over the last two years, given the consultation process with (i) the Occupational Health, Safety and Working Conditions Committee and (ii) the Workers Council, within the scope of the implementation of the Group's new organisation. Over a period of 15 months, nearly 40 special meetings were held with these bodies to address this topic.

Agreements to improve working conditions

CNP Assurances has agreements covering the main areas: classification and remuneration through the labour adjustment agreement, working hours (ARTT agreement), gender equality, employees with disabilities, union resources, psychosocial risks (PSR), PERCO voluntary pension plan, discretionary profit-sharing, statutory profit-sharing, etc. There is also the action plan for the inter-generational contract designed to put in place initiatives to help young people and seniors enter and stay in the workforce and develop their skills. In 2014, CNP Assurances signed an agreement within the scope of the mandatory annual negotiation, a supplemental agreement related to discretionary profit-sharing and a new seventh agreement on employment of people with disabilities.

As Banque Postale Prévoyance exceeded the 50-employee threshold in 2014, it put in place a new framework for social dialogue with for example the first meeting for the mandatory annual negotiation and the first consultation of the Workers Council for the training programme.

Three agreements were signed at MFPrévoyance in 2014 involving working hours, gender equality and the mandatory annual negotiation. Agreements were also signed in Brazil on statutory profit-sharing, and a new collective agreement was signed at CNP CIH and at CNP Argentina.

Spending on social and cultural activities for Group employees represented 1.6% of payroll in 2014.

The European dimension

The European Workers Council met twice in 2014, particularly in extraordinary sessions on the consequences of the disposal of Barclays' banking network in Spain, *i.e.*, the plan to dispose of CNP Assurances' stake in CNP BVP as well as the change in the Group's activities in Greece and Cyprus.

CNP Assurances' focus on managerial communication

In addition to the HR Intranet that centralises information from the Group on its various Human Resources activities, managerial communication is crucial for fostering relations with employees. Since 2013, CNP Assurances has rolled out at a number of initiatives to promote the role of managers and help them to communicate with their teams. Various management circles have been identified and communication processes have been put in place: conference calls with the CEO, special seminars, employee discussion programmes, etc.

For example, in 2014, the 250 main managers with supervisory roles were involved in the work led by the Executive Committee to develop action guidelines on managerial behaviour and how to be and act individually in order for the Group to perform well. Four principles for behaviour were established: customer focus, initiative, inventiveness and confidence.

4.4.2.2 PROMOTING AWARENESS OF PSYCHOSOCIAL RISKS AND SUPPORT SYSTEMS AT CNP ASSURANCES

Within the scope of its work in the service sector, CNP Assurances has paid particular attention to preventing stress and psychosocial risks over the last ten years. Through its various initiatives (in-house mediation service, management training, outside counselling available to all employees, etc.), it has created an environment that helps limit the occurrence of these risks.

The agreement on this subject signed with trade union representatives in April 2012 provides a practical, shared framework in the shape of measures to identify, prevent and manage psychosocial risks.

A psychosocial risks and stress audit was carried out in 2013 in order to analyse relevant employee working conditions and experience. Levels of exposure to psychosocial risks were slightly less than those observed in a similar study carried out in 2005. An action plan was implemented in 2014 for the period covered by the agreement.

An anonymous group discussion platform set out under the 2012 agreement was put in place in 2013. Managers answer the questions raised in plenary sessions and then put them up on the platform. Some such 50 meetings were held in 2014.

<u>In-house mediation</u>: The in-house mediation service aims to prevent and deal with allegations of harassment and discrimination, stress and everyday conflicts. In 2014, it received 60 referrals, most of which concerned requests for advice and support.

<u>A dedicated commission</u>: A commission set up under the 2012 agreement with trade union representatives on psychosocial risks (notably to handle situations involving groups of employees) meets quarterly in each of the Paris, Angers and Arcueil sites. All employees also have access to a 24/7 hotline all year round (Filassistance), if they need to talk to someone.

4.4.2.3 MULTIPLE INITIATIVES IN EACH SUBSIDIARY

All CEOs worldwide follow stress management training. In addition, Caixa Seguradora Holding and CNP BVP developed comprehensive workplace wellness programmes. Caixa Seguradora Holding organises a "health in the workplace" week every year.

MFPrévoyance's Occupational Health, Safety and Working Conditions Committee started paying particular attention to psychosocial risks in 2012, and a special training course was included in the management training programme. CNP Argentina's code of ethics provides for the implementation of accident and occupational illness prevention programmes. CNP CIH has a team dedicated to regularly communicating on workplace health and safety risks, and has supported the Ministry of Labour's "health and safety week" for several years. CNP UniCredit Vita introduced stress management for middle managers in 2014.

4.4.2.4 ORGANISATION OF WORKING HOURS

Annual number of hours

At consolidated Group level, annual working hours range from 1,575 to 1,980, depending on local legislation. At CNP Assurances and MFPrévoyance, full time corresponds to 1,575 hours per year (ARTT agreement of November 2001).

	2014	2013	Year-on-year change	Level of coverage
Average annual number of hours worked	1,671	1,671	0%	100%
Percentage of employees working part time	14%	14%	0%	100%
Number of overtime hours	23,918	28,417	-16%	100%
Percentage of overtime hours	0.29%	0.34%	-15%	100%

High take-up of part-time working options

Apart from four employees at CNP Partners, all employees who work part-time within the Group's entities chose to do so. At Group level, part-time employees represent 14% of the workforce. For CNP Assurances in 2014, 21% of the employees worked part-time, and almost all of them chose to work 80% or more of the total working time. Part-time employees are entitled to all of the same benefits as full-time employees.

Flexible working time management

In addition, 68% of the workforce at CNP Assurances have personalised working hours to help them achieve better work/life balance and organise their working hours based on professional obligations.

4.4.2.5 HEALTH AND SAFETY

Absenteeism

In 2014, the Group absenteeism rate rose very slightly.

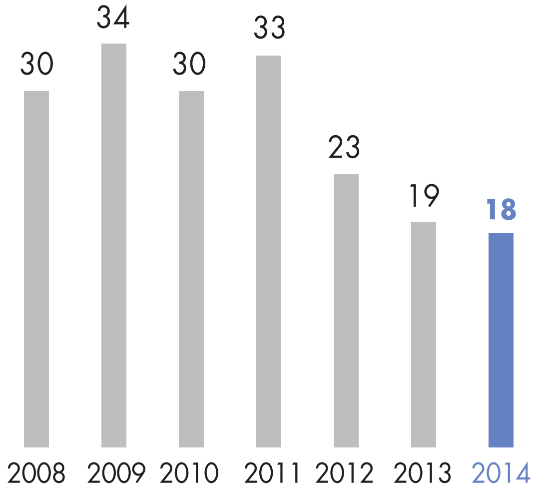
	2014	2013	Year-on-year change	Level of coverage
Absenteeism rate	6.28%	6.00%	+4.7%	100%
Absenteeism rate excluding maternity leave	5.15%	4.89%	+5.3%	100%

Health and safety

One victim of an occupational illness was reported in the Group. There were no deaths in 2014 resulting from a workplace accident or occupational illness.

	2014	2013	Year-on-year change	Level of coverage
Number of occupational accidents	18	19	-5%	99%
Work-related illnesses	1	1	0%	99%

Number of occupational accidents within the Group



At CNP Assurances, there were 11 occupational accidents leading to sick leave in 2014. The CNAM-measured lost-time incident frequency rate for 2013 was 1.2% for Paris with a severity rate of 0.19%. The rate for 2014 will not be published by the CNAM until later in 2015.

CNP Assurances is committed to ensuring the health and safety of its employees. Numerous health improvement programmes have been established within the Group's entities: CNP Assurances has an occupational health department in its three main sites and offers employees additional preventative care from specialist doctors. A social worker is also available during office hours. The Company's training programme includes road safety training modules for travelling insurance advisors. Prevention programmes are organised on a regular basis and include flu vaccination campaigns, conferences on cancer at the Angers site, etc. Similar initiatives have been undertaken at Caixa Seguradora Holding, where nutritionists work on-site.

Workplace health and safety agreements

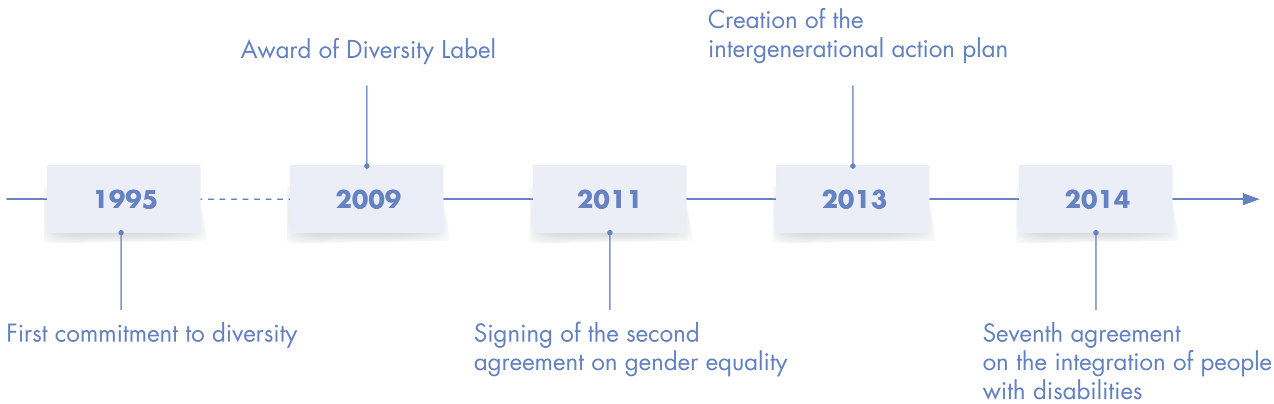
In all, 99.3% of the Group's employees are covered by collective agreements dealing with the main health and safety issues.

The Occupational Health, Safety and Working Conditions Committee acts on behalf of all CNP Assurances' employees as well as outside service providers working on its premises. It meets once a month. Every year, a programme is drawn up to prevent risks and improve working conditions. A member of the Occupational Health, Safety and Working Conditions Committee is now the point person on psychosocial risks and meets with the in-house mediation team at least once a quarter. Another member is in charge of a prevention plan for outside service providers.

In addition to supplementary health insurance, CNP Assurances employees are covered by death/disability insurance with an optional long-term care formula. Collective agreements with MFPrévoyance's Occupational Health, Safety and Working Conditions Committee also include supplementary health and death/disability insurance. CNP Partners also has an Occupational Health, Safety and Working Conditions Committee, which met twice in 2014.

4.4.3 Priority No. 3: Rolling out a strong policy on gender equality in the workplace

Timeline



4.4.3.1 A STRONG GROUP-WIDE POLICY

CNP Assurances is dedicated to integrating youths and people with disabilities in the workplace, and promoting gender equality. CNP Assurances also constantly strives to prevent all forms of discrimination.

CNP Assurances received the Diversity Label in 2009 for its clear diversity and anti-discrimination policy, and was awarded this distinction again in 2014. This policy is based in particular on three company agreements on gender equality, disabilities and union resources, as well as an action plan on the inter-generational contract initiative.

Several indicators – in addition to the Diversity Label – demonstrate the results of this policy:

- in 2014, CNP Assurances moved up to second place in the French Ministry for Social Affairs, Health and Women's Rights ranking of the top 120 most advanced French companies in terms of gender equality, particularly the percentage of women in governing bodies
- as for disabilities, the percentage of CNP Assurances employees with disabilities was 5.3% at end-2014, and CNP Assurances has just signed its seventh internal agreement with three union organisations for 2015-2018
- in accordance with the agreement, employee representatives who devote more than half of their working time to their office receive a salary increase each year at least equal to the average of the individual raises of all the employees in their professional category.

A commitment applied across the Group: The commitment to fighting discrimination is shared across the Group, and features in the rules and regulations of CNP Assurances, Caixa Seguradora Holding's code of conduct and CNP Argentina's code of ethics. CNP CIH's Code of Service also addresses the issues of discrimination, privacy, freedom of religion, and respect for each employee. A collective agreement on this subject was also signed by MFPrévoyance in 2011. A work group to promote diversity at CNP UniCredit Vita already put in place many initiatives in 2014.

A continual improvement process: Every year an internal Diversity Steering Committee, put in place in 2010 at CNP Assurances, reviews the actions undertaken in each area of the business to ensure that consistent policies are applied throughout the organisation. Career management and performance review processes uphold the principle of non-discrimination. Conferences in Arcueil and Angers helped managers understand and become aware of stereotypes and how to combat them. Over 300 managers received training, particularly on equal opportunity in hiring. Various mechanisms have been put in place to ensure that application of the diversity policy is regularly monitored and an annual diversity report is presented for employee representatives.

4.4.3.2 PROMOTING GENDER EQUALITY IN THE WORK PLACE

The proportion of women in management and senior management is growing in the Group.

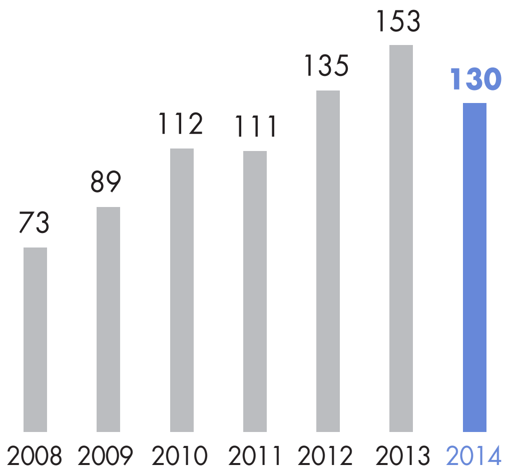
	2014	2013	Year-on-year change	Level of coverage
Proportion of female management-grade staff	50%	49%	+2%	100%
Proportion of female senior executives	33%	32%	+3%	100%
Average male/female income ratio by category	109%	109%	0%	99%

CNP Assurances constantly strives to reduce any observed gender gaps in remuneration and promotion. The second agreement on gender equality signed with trade union representatives on 18 November 2011 sets measurable goals in terms of gender parity, promotions, training and work/life balance. Particular attention is paid to women returning to work from maternity leave.

The proportion of women on the Board of Directors and the Executive Committee has increased steadily in recent years, reaching 33% and over 38% respectively at the end of 2014. To advance the cause of women in the workplace, CNP Assurances belongs to several women's networks: Financi'elles, a network for female management-grade employees in insurance, banking and finance, and Alter'égales, the network for female management-grade employees within the Caisse des Dépôts Group. A survey conducted by Financi'Elles in 2014 showed that CNP Assurances is seen by its employees as a company that promotes diversity.

4.4.3.3 THE EMPLOYMENT AND INTEGRATION OF EMPLOYEES WITH DISABILITIES

Number of employees with disabilities



Over the last 20 years, CNP Assurances has implemented an assertive policy to help people with disabilities enter the workforce. A seventh agreement was signed in 2014 for a period of four years and describes CNP Assurances' commitment to helping people with disabilities enter and stay in the workforce. Including the 113 disabled employees on permanent contracts and the employees of sheltered workshops used by the Company (35 units benefiting), the proportion of disabled employees stood at 5.3% of the workforce at 31 December 2014.

Accessibility audits were conducted for disabled access to all CNP Assurances facilities, in conjunction with the Occupational Health, Safety and Working Conditions Committee. An accessibility audit carried out in 2011 at the two main Paris sites found that the sites were respectively 77.4% and 73.2% accessible to people with disabilities. In 2014, before CNP Assurances employees moved into a new building in Paris, an accessibility audit was carried out and the recommendations from the audit were implemented.

Caixa Seguradora Holding very often uses institutions that support the integration of people with disabilities to circulate job offers.

4.4.3.4 FIGHTING AGE DISCRIMINATION

Hiring young people

CNP Assurances makes every effort to support young people. Permanent employees aged under 25 in 2014 accounted for 3% of the workforce. An inter-generational contract action plan was set out in 2013, laying out CNP Assurances' commitment to helping young people find lasting employment under a permanent contract. In 2014, 17 were hired under this action plan, and at 31 December 2014, CNP Assurances had more than 100 young employees on work-study contacts. MFPrévoyance signed an inter-generational contract with employee representatives in 2013.

Hiring seniors

CNP Assurances had 30 seniors on fixed-term contracts at end-2014, including 14 who were hired in 2014. Employees over 55 accounted for more than 20% of the workforce at end-2014, representing an increase of nearly 1 percentage point compared with end-2013. CNP Assurances' intergenerational plan sets measurable goals for the hiring and retention of seniors. In 2014, two fixed-term contracts for seniors were turned into permanent contracts.

As part of the inter-generational co-operation, 68 people took advantage of the "30s Club" that enables young people on fixed-term contracts who are going to turn 30 during the year to meet employees who have 30 years of service with the company.

4.4.3.5 PROMOTING DIVERSITY THROUGH COMMUNICATION

The internal diversity communication plan is reviewed annually. Employees may also report any complaints or problems involving suspected or actual discrimination. This procedure is also available on the Intranet. Many Articles on the implementation of the diversity policy and external links are also available on CNP's Intranet.

Awareness initiatives and training are conducted to fight stereotypes, prejudice, discriminatory language and attitudes, and to convince employees of the advantages of having a diversity policy. In 2013, Caixa Seguradora Holding developed awareness initiatives to help teams welcome disabled workers.

4.4.4 Compliance with and promotion of the fundamental ILO conventions

In keeping with their adherence to the Global Compact, CNP Assurances, CNP Argentina, Caixa Seguradora Holding and CNP UniCredit Vita ensure that laws and regulations are complied with in each country where they operate.

All subsidiaries abide by its four guiding principles, namely human rights, freedom of association and the right to collective bargaining, long-term career support, and the promotion of equal opportunities. Each one submits an Annual Report on their CSR performance to CNP Assurances, with a special focus on these four criteria. Numerous procedures guarantee the respect of civil and political rights in force at CNP Assurances, in particular the internal code of conduct, the designation of a liaison officer at the National Commission for Data Protection (*Commission nationale de l'informatique et des libertés* – CNIL) and an agreement on the right of unionisation.

Employees are covered by insurance industry collective bargaining agreement (except for employees and managers in Ireland and managers in Argentina). CNP Assurances monitors the level of training and promotion of its staff representatives.

Our compliance with the ILO's fundamental conventions is reflected in our relations with suppliers and sub-contractors (see section 4.3.3), in our use of ESG screens in the selection of financial assets (these screens are applied to 80% of the portfolio in France and 100% of the portfolio in Brazil) and in our property management procedures.

Abolition of forced or compulsory labour and effective abolition of child labour

Neither CNP Assurances nor its subsidiaries are directly concerned by forced or child labour. Nonetheless, particular attention is paid to this subject in our purchasing policy (see section 4.3.3).

Building employee awareness and training on sustainable development issues

Sustainable development challenges are the subject of awareness/training initiatives to embed them in the corporate culture and day-to-day practices.

Awareness campaigns

Several Group entities have a section on their Intranet dedicated to sustainable development. For several years, regular events and activities have been organised in each entity to raise employee awareness about sustainable development challenges:

- CNP Assurances has organised competitions, surveys and conferences, shared guidelines, and raised awareness on environmentally-friendly driving
- a conference was held in Paris for all employees on socially responsible investment. It was also made available on the Intranet. In addition, a sale for responsible products was organised at three sites in Paris, Arcueil and Angers. The money earned was matched through a sponsorship programme and donated to two not-for-profit organisations working in the area of sustainable development. A waste awareness initiative was organised by the centre in Angers for all employees
- MFPrévoyance educated employees about selective sorting and La Banque Postale Prévoyance raised awareness about three eco-responsible habits (turning off lights and computers, limiting print-outs)
- Caixa Seguradora Holding continued its intense employee awareness campaign last year. In 2012 the subsidiary placed the "five Rs" – recycle, reduce, reuse, rethink, respect – on the computer desktop screens of all employees and service providers. It distributed the new code of ethics and conduct to all Caixa Seguradora Holding employees, while maintaining its dedicated training programme "The Challenge of the Code". In 2014, the various awareness initiatives focused on the environment
- in Italy, the Green Group has promoted selective sorting awareness and, since 2012, the use of more eco-responsible means of transport and videoconferencing facilities. In 2014, it organised the second "green footprints" awareness day focusing on diversity, volunteering and a skills bank project.

Training

Caixa Seguradora Holding offers e-learning courses on socio-environmental responsibility for all staff, with 324 people trained in 2014.

CNP UniCredit Vita offered an external CSR training course in 2013 for members of the Green Group and launched an experimental internal CSR training programme. In 2014, it also gave some 50 managers diversity training.

4.5 For a caring society

Every year, when renewing their membership of the UN Global Compact, CNP Assurances and its various signatory subsidiaries confirm their determination to manage their impact on civil society and the environment.

The implementation of environmental policies within the Group, the desire to disclose its environmental impact on a very comprehensive basis, the annual monitoring of greenhouse gas emissions and the activity of the CNP Assurances Foundation and the Caixa Seguros Institute are evidence of the importance the Group places on its impact on the world around it.

- Priority No. 1: Reducing our environmental footprint
- Priority No. 2: Managing our carbon footprint
- Priority No. 3: Managing our local impact

4.5.1 Priority No. 1: Reducing our environmental footprint

As CNP Assurances is a service company, its environmental footprint is related to employee behaviour and IT server activity. Everyone in the Group has a role to play in reducing its environmental impact, primarily by effectively managing the three main direct sources of greenhouse gas emissions: paper use for day-to-day administration and policyholder correspondence, business travel and office building management. Employee awareness initiatives have reduced this footprint. Employees have adopted a number of waste-sorting practices. Similarly, train travel is being used more instead of air travel, and video conferencing has become another regular habit.

4.5.1.1 STRUCTURES FOR ADDRESSING ENVIRONMENTAL ISSUES

Environmental issues are handled locally by each entity. The resources mobilised for this purpose vary with the entity's size. Group subsidiaries report to the parent company on their environmental performance on an annual basis.

CNP Assurances has a Sustainable Development department, the head of which reports directly to the Chief Executive Officer. Environmental issues are addressed and monitored by the corporate Purchasing, Working Environment and Property Investment departments. The Building Management department monitors regulatory developments. Each year an external audit firm prepares an assessment of regulatory compliance and a monitoring tool for equipment at risk.

For CNP UniCredit Vita, environmental issues are handled by the Green Group, comprising employees who volunteer to help develop ideas for initiatives that address environmental issues. Since 2013, CSR indicators have been included in the company's management reports.

Caixa Seguradora set up a Sustainable Development Committee in 2007 to address environmental issues. This Committee, comprising 11 representatives from various sectors within the company, is chaired by the chairperson of the Group's Executive Committee. The initiatives in the environmental programme help to instil a culture of sustainable development within the company.

4.5.1.2 TRAVEL

Car travel is a big part of the Group's carbon footprint. The potential economic and environmental gains are therefore significant.

Training and awareness campaigns on road risks and eco-driving were established for all employees in 2013. This year, new employees of the sales network attended specific personalised modules.

Expanding video conferencing

The use of video and audio conferencing is now widespread within the Group. It is promoted to limit business travel. Caixa Seguradora encourages its employees to reduce travel and to use any alternatives available to them. Since 2013, CNP UniCredit Vita has included tracking indicators for video and audio conferencing hours, as well as for air and train travel, in its quarterly report presented to the Management Committee.

In 2014, 8,990 hours of video conferencing were recorded across the Group, of which 95% at CNP Assurances. For the first time this year, the number of hours of audio conferencing reached an all-time high of nearly 33,700, of which 67% at Caixa Seguradora following the introduction of a new system, which has proved extremely popular.

Commuting

As part of its Business Travel Plan, CNP Assurances updated the commuting survey in 2013. Commuting by car was down (by 9% to 30% depending on the site), while journeys by motorcycle or scooter and carpooling were up (by 8% for employees working at Paris Montparnasse). Greenhouse-gas emissions have been reduced by 13% in three years.

Business travel

	2014	2013	Year-on-year change	Level of coverage
Million km travelled by plane	13.9	12.3	+13%	99%
Million km travelled by train	3.9 *	2.9	n.m.	99% +CNP TI
Million km travelled by car	0.9	0.7	+29%	(35% excluding CNP Assurances)

* *Including CNP TI as of 2014*

The increase in air travel is attributable chiefly to CNP Assurances and Caixa Seguradora.

CNP Assurances has prepared a written travel policy, providing a framework for employee practices to reduce the impact on the environment, while continuing to ensure the comfort and safety of travellers.

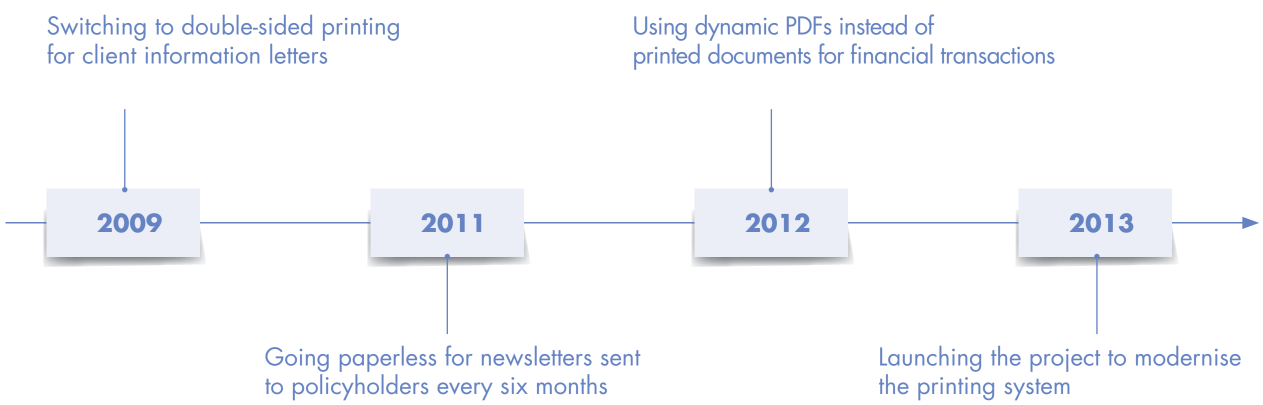
Train travel relates mainly to CNP Assurances. Employees travelled 3,713,541 kilometres by train, of which more than half between its main sites in Angers and Paris. For CNP Assurances, car travel is monitored in terms of fuel consumption: 491,681 litres were consumed in 2014, compared with 524,737 litres in 2013.

A large number of subsidiaries cut back on business travel or opted for cleaner modes of transport in 2014. CNP UniCredit Vita continues its efforts to promote awareness among employees (train vs. air, and public transport).

4.5.1.3 REDUCING CONSUMPTION OF OFFICE SUPPLIES

The CNP Assurances Group's operations are entirely in the field of insurance. As with other financial services, paper is the principal raw material consumed. For several years now, many initiatives have been put in place within the Group's entities to reduce the volume of paper consumed. In 2013, for instance, CNP UniCredit Vita's paper consumption was included as a key indicator in the monthly report presented to the Management Committee. This year, CNP Partners posted on its Intranet site a guide to good practice to reduce paper consumption by employees.

Reducing paper use at CNP Assurances



A reduction in Group-wide paper use for internal operations

	2014	2013	Year-on-year change	Level of coverage
Paper consumption for internal purposes	35.5 million sheets	36 million sheets	-1.4%	99%
Proportion of recycled paper used for internal purposes	17.2%	18.7%	-8%	95%

Thanks to the concerted efforts of employees, CNP Assurances is reducing its paper use year after year, with savings of 11% in 2012 and 5% in 2013. CNP BVP and CNP Argentina have significantly reduced their paper purchases for internal purposes, by 35% and 15% respectively. CNP UniCredit Vita and CNP Europe Life only use recycled paper for internal purposes.

Business paper consumption

	2014	2013	Year-on-year change	Level of coverage
Paper consumption excluding internal purposes (1)	86 million sheets	103 million sheets	-16%	95%
Proportion of paper certified as environmentally sustainable (2)	90%	89%	+1%	95%

(1) Contractual documents, claims management, customer communication and corporate brochures (France)
(2) All paper, excluding chemical carbon paper limited to contractual documents

The reduction in paper consumption is attributable chiefly to the drop in the number of contractual documents at CNP Assurances, resulting from a decline in the number of regulatory updates and the switch to paperless applications.

A total of 74.2 million sheets of paper were purchased for CNP Assurances' corporate brochures, information for policyholders and contractual documents, a reduction of 18%. A first major step in reducing paper volumes was taken in 2009 with the introduction of duplex printing for most customer information letters (leading to a 42% drop in 2009 and a 26% drop in 2010). Some customer correspondence was printed on recycled paper for the first time this year.

For several years now, several Group entities, including Caixa Seguradora, CNP Partners, CNP Argentina, CNP BVP and MFPrévoyance, have outsourced the printing of their contractual documents and/or customer correspondence. Changes in CNP Partners' legal requirements and new regulatory constraints in Italy related to the fight against money laundering have increased the volume of customer correspondence. 90% of paper used by the Group (including for internal purposes) has a sustainable management label such as FSC, PEFC or EU Ecolabel.

Paperless operations – a rapidly expanding approach

Digital conversion of certain documents and procedures has increased at CNP Assurances: the Amétis network started going paperless for marketing correspondence in 2011, and emails had replaced almost all paper correspondence in 2014.

Virtually all applications for La Banque Postale products are now paperless. This has helped eliminate the use of carbon paper (a saving of 1 million sheets). Semi-annual customer statements are new paperless, reducing the number of items sent by the Caisse d'Epargne and La Banque Postale networks by 3 million and 1.9 million respectively.

4.5.1.4 OFFICE BUILDING ENVIRONMENTAL MANAGEMENT

Controlling energy consumption

Energy consumption of the CNP Assurances Group corresponds to heating, cooling and office equipment used by employees and computer servers. Electricity is the main form of energy used. A very slight 4% reduction was observed in 2014 due to weather conditions.

	2014	2013	Year-on-year change	Level of coverage
Electricity consumption	21.6 million kWh	22.5 million kWh	-4%	92%
Gas consumption	2.3 million kWh	2.3 million kWh	0%	98%
Fuel oil consumption	56,010 litres	93,016 litres	-40%	64%

CNP Assurances has adopted energy-saving measures designed to help buildings operate more efficiently. For example, improving how heating (French sites except Arcueil), air conditioning and ventilation systems are controlled requires the expert management of programmable time settings. The Group has also established room temperature guidelines and the regulation of fan coil units, whose efficiency has been improved by the closure of the doors.

Significant work has been carried out to reduce energy use. Notable initiatives include:

- as part of a comprehensive plan to reduce energy costs at the Saint Serge building in Angers, and on the basis of the energy performance assessment, a multi-year plan (2014-2018) has begun with renovation work on the refrigeration system. This will allow compliance with regulations aimed at phasing out R22 and replacing open air-cooling towers, which consume large amounts of water, with closed towers, which, by virtue of their design, do not consume water
- the renovations carried out following the purchase of a new office building in Paris included the replacement of the control system for technical equipment with a new centralised management system and the installation on three levels of new terminal units to control fan convectors. The installation of terminal control units is also part of a multi-year renovation programme.

A total of 3.9 million kWh of heating supplied by the CPCU district heating network in Paris was used to heat CNP Assurances' Paris offices in 2014. Fuel oil use only concerns the power generators at the major sites in France. It is exceptional and not material.

CNP Assurances' subsidiaries have also gradually adopted measures to reduce electricity use, notably for lighting, heating and IT servers. Caixa Seguradora has been a forerunner in the use of virtual servers, which it installed in 2009. In 2012, it replaced its computer hardware with more energy-efficient equipment. In addition, awareness campaigns have been carried out for employees across the Group's entities (see "Building employee awareness and training on sustainable development issues").

The buildings used by Group entities are not currently equipped with systems for generating renewable energy.

Water consumption

	2014	2013	Year-on-year change	Level of coverage
Water consumption in cubic metres	71,960	91,307	-21%	92%

An analysis of local restrictions on the Group's water use, based on the Global Water Tool 2012.V1, shows that 4% of its water use is in water-scarce areas (Cyprus), 54% in water-sufficient areas and 42% in water-abundant areas (see the area definitions at http://www.wbcsd.org).

The reduction in water consumption recorded in 2014 is attributable to the removal of open air-cooling towers at CNP Assurances and maintenance work at the headquarters of Caixa Seguradora.

Waste management

	2014	2013	Year-on-year change	Level of coverage
Proportion of employees with access to waste sorting	89%	90%	-1%	95%
Tonnes of waste paper and cardboard recycled	179	164	+9%	83%

The waste-sorting system set up within the Group's entities makes it possible to recycle printer cartridges and paper used in offices for internal purposes. The financial benefits of recycling are donated to NGOs in Argentina and France. Each Group entity has conducted campaigns to teach employees about recycling. Caixa Seguradora's move into a new building in late 2014 provided an opportunity for a diagnostic review of waste management within the company and a survey of employee behaviour.

Computer equipment is also a significant source of waste: some obsolete equipment (43% at CNP Assurances in 2013 and 3% at CNP Partners) was sold or given away, and the rest was dismantled for recycling by a specialised firm. This year, Caixa Seguradora conducted a major internal e-waste collection campaign.

Uncertainty about the 2013 data from CNP CIH resulted in the adjustment of the 2013 data.

Pollution

Given the nature of its business, CNP Assurances causes no water or soil pollution, and emits very few greenhouse gases other than CO_2. However, on the woodland that it owns, CNP Assurances operates a policy of forestry management for soil protection against erosion, filtration and water purification.

The Group's entities do not cause noise or other forms of pollution. Several entities have installed lighting in their offices that switches off automatically.

The Group has not been subject to any court rulings, nor incurred non-pecuniary environmental penalties.

4.5.1.5 REDUCING THE ENVIRONMENTAL FOOTPRINT IN OUR BUSINESS

The environment as an investment criterion

As the largest private owner of woodland in France, CNP Assurances helps to capture a significant quantity of CO_2. Note (see section 4.3.2.3 "Forests: an environmental opportunity") that tree growth made it possible to sequester 267,832 tonnes of CO_2 in 2014. The company responsible for managing CNP Assurances' forestry assets has been considering how these woodlands can be adapted to cope with projected climate change over the coming decades.

CNP Assurances applies environmental screens to all of its equity and corporate bond portfolios (see section 4.3.1 "Responsible investment"), thereby prioritising, as for CNP Argentina, companies with a good environmental performance. In addition, it has developed CNP Développement Durable, an SRI fund focusing on environmentally responsible investments, which is marketed through the Amétis network.

Since mid-2009, Green Rating energy efficiency assessments have been carried out on all newly acquired properties in order to estimate the cost of upgrading the properties to meet the current standards. Caixa Seguradora has a policy of not investing in property projects that pose a potential danger to the environment.

Through their investment policies, CNP Assurances and its two subsidiaries in Brazil and Argentina promote reductions in the environmental footprint of the entire economy. With the same objective, environmental criteria are used to choose suppliers (see section 4.3.3.).

4.5.2 Priority No. 2: Managing our carbon footprint

The Group's carbon footprint has been measured on various scopes. As CNP Assurances is a service company, its environmental footprint is related to employee behaviour and IT server activity.

The biggest sources of emissions are travel, paper consumption and management of office buildings.

4.5.2.1 GREENHOUSE GAS EMISSIONS AUDIT

CNP Assurances' greenhouse gas emissions audit

CNP Assurances' emissions of CO_2-equivalent have been monitored for five years. Since 2012, they have been measured in accordance with Article 75 of France's Grenelle Act of 12 July 2010, and came to:

	2014	2013	Year-on-year change	Level of coverage
Direct greenhouse gas emissions (scope 1)	2,643 t. CO_2	2,859 t. CO_2	-8%	64%
Indirect greenhouse-gas emissions related to energy consumption (scope 2)	2,074 t. CO_2	2,015 t. CO_2	+3%	64%

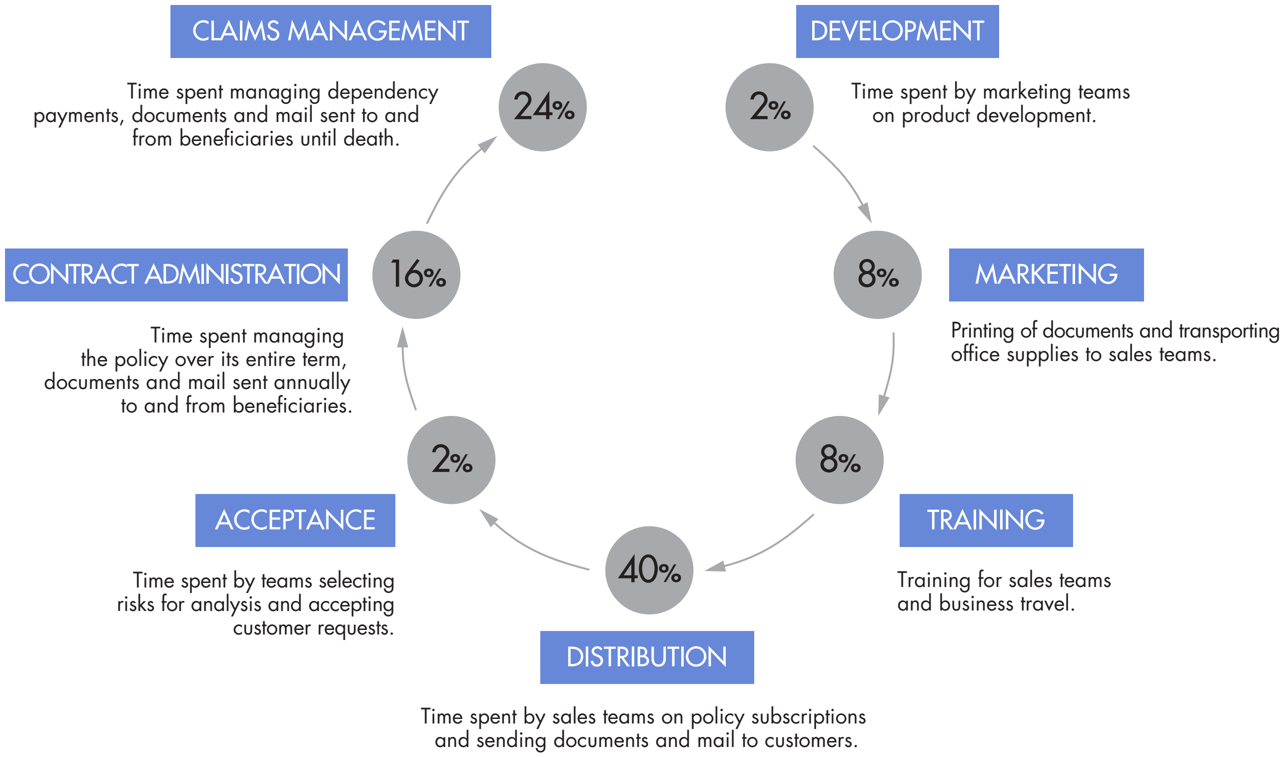
Detailed information by source as reported to the French authorities is available in French at http://www.cnp.fr. Changes in emission volumes are attributable to the reduction in the use of petrol for cars and fuel oil in generators (scope 1).

Caixa Seguradora's greenhouse gas emissions

Caixa Seguradora's carbon footprint, measured in terms of business travel and buildings (based on the GHG protocol), totalled 2.28 tonnes of CO_2-equivalent per employee. With its emissions offset by reforestation in the Atlantic Forest carried out with Iniciativa Verde, Caixa Seguros Holding has earned Carbon Free certification for several years in a row.

4.5.2.2 IMPACT OF AN INSURANCE PRODUCT

The cradle-to-grave carbon emissions associated with an insurance product were assessed in 2010, in line with the greenhouse gas analysis method. For example, a Trésor Prévoyance Autonomie policy generates 12 kilograms of CO_2 over its lifetime, as follows:



We used the results of this analysis to set priorities for action, leading to our current work on the life cycle stages:

- "distribution", focusing on eco-driving
- "contract administration", by expanding paperless operations
- "claims management", with online follow-up.

4.5.2.3 CLIMATE CHANGE

The CNP Assurances Group's largest entities and Caixa Seguradora have undertaken significant work in response to this issue. Since 2005, they have been reporting on greenhouse-gas emissions as part of their participation in the Carbon Disclosure Project. CNP Assurances has signed the Kyoto Statement of the Geneva Association.

The most significant issues for CNP Assurances are its woodland (54,414 hectares) and property assets (3.5 million sq.m.), see section 4.3.2.

As a provider of homeowner and automobile insurance, Caixa Seguradora is also conducting research on the impact of climate change, both internally and jointly with government agencies, NGOs and private companies.

Caixa Seguradora offsets its emissions through reforestation in the Atlantic Forest, and has earned CarbonFree certification for several years in a row.

4.5.3 Priority No. 3: Managing our local impact

4.5.3.1 LOCAL IMPACT

Local employment

CNP Assurances has been an active employer in the regions where it has been operating for close to a century: 90% of CNP Assurances employees work at one of the Paris, Arcueil or Angers sites. Expatriate workers represent 0.3% of headcount at foreign subsidiaries. These companies also participate in their local job markets, including for senior management positions: at end-2014, 78% of Executive or Management Committee members had been hired locally.

Less directly, several insurance products include assistance in finding work. Examples include, in France, an unemployment insurance product with a reduced premium or advisory services to help the insured find a new job and, in Brazil, the job search support service offered by Caixa Seguradora.

Impact as an insurer and investor

By making its products widely accessible, in terms of both affordability and medical screening, the Group is helping to combat financial exclusion. These topics, which are an essential part of the Group's CSR approach, are discussed further in section 4.2.1.

With over €300 billion in investments, we play a major role in financing the economies of our host countries.

All sectors of the economy receive support to foster long-term development. We promote corporate social responsibility among the companies in the portfolio, through our policy of being a responsible investor and shareholder (see section 4.3). Similarly, Caixa Seguradora's financial investments are carried out entirely in Brazil.

Actions in the local community

The Group's entities also help to resolve the community's current concerns. For example:

- Filassistance's assistance and prevention services meet the needs of people made vulnerable by age, disability or illness
- Caixa Seguradora actively helps local communities, with programmes such as *Jovem de Expressao*, which is supporting human development during the current period of demographic and epidemiological transition in Brazil (see www.jovemdeexpressao.com.br). Through this campaign, the Group seeks to reduce violence by improving access to jobs among young people in the surrounding region, in partnership with local cultural centres. Recognised for its original approach, since 2010 the programme has been managed in partnership with the United Nations Office on Drugs and Crime (UNODC). In 2014, Caixa Seguradora trained 840 suburban youths in expression and entrepreneurship workshops, hosting nearly 14,000 at participatory events and exchanges.

Lobbying

Group companies participate in their local insurance industry's professional bodies and the international subsidiaries also attend events organised by the local French consulate, but they do not conduct any lobbying *per se*. We help to address the challenges facing society by contributing to research and discussion, notably on the topics of retirement and long-term care in France.

CNP Assurances systematically acts through industry organisations, in particular the FFSA. In the area of sustainable development, it takes part in the Paris Europlace SRI Commission, and is also a member of ORSE, a French CSR think-tank, and its Finance Club, which brings together various stakeholders (NGOs, unions and trade associations).

Group entities do not make donations to political parties. Such donations are specifically prohibited in the codes of CNP Argentina and CNP BVP.

4.5.3.2 CORPORATE PHILANTHROPY AND OUTREACH PARTNERSHIPS

Corporate philanthropy operations are carried out in partnership with non-profit organisations following calls for projects. In France, some projects are proposed by employees. Employees in Brazil take part in organising corporate sponsorship initiatives. Furthermore, Caixa Seguradora has cooperation agreements with UNODC and UNESCO, as well as service agreements with Iniciativa Verde, an NGO. In 2013, it created the Caixa Seguros Institute to structure its actions with the UN to improve social behaviour. CNP Partners sponsors a charitable association.

Partnership or philanthropy initiatives:

- policyholders, training/research: CNP Assurances maintains close relations with ENASS, France's leading business school specialised in the insurance sector. It also funds training centres such as IFPASS and ADAPT, and provides financial assistance to educational institutions through the apprenticeship tax. As part of its philanthropic activities, CNP Assurances finances the Risk Foundation's "demographic transitions, economic transitions" chair
- reinsertion: The CNP Assurances Group has a long history of introducing young people to the working world. At the end of 2014, CNP Assurances had 101 employees on combined work-study or apprenticeship contracts, as well as 182 interns

  CNP Assurances is a founding member of the *Entrepreneurs de la Cité* foundation, and co-insures the entrepreneurs helped by the foundation. The Group is also involved in the *Cités Partenaires II* investment fund, Business Angels, dedicated to helping entrepreneurs from underprivileged areas. Caixa Seguradora is heavily involved in the *Jovem de Expressao* programme (see section 4.5.3), and signed a cooperation agreement with UNESCO in 2011 to develop community-based communication and youth health promotion initiatives as part of this outreach programme
- health: the CNP Assurances Corporate Foundation committed itself in 1999 to the fight against pain, and selected five new projects in 2014 in a total amount of €196,000. Since the beginning of its commitment on cardiac arrest and first aid in 2009, the foundation has devoted €1,937,000 to support, primarily for local authorities: 2,800 defibrillators have been placed in nearly 2,000 towns, and the general public has been trained to use them. In 2014, the foundation also provided support to 18 employee projects in the field of health. After 21 years of commitment, the foundation has opted to open up to more social issues, without compromising its focus on public health.

The subsidiaries have set up numerous programmes in partnership with non-profit organisations, such as the reforestation campaign in Brazil with the NGO *Iniciativa Verde*, a waste management initiative with *Amis du Futur*, an HIV prevention programme with UNESCO, and in 2014 the renewal of the survey of the sexual and reproductive health of young Brazilians. CNP Partners continues to provide support to socially vulnerable people.

The Green Group manages the philanthropic work of CNP UniCredit Vita and has a budget of €12,000. In 2014, it collected donations from employees – matched by the employer – that were passed on to families affected by floods in late 2013.

4.5.3.3 HUMAN RIGHTS

The guiding principles of the Global Compact

In line with our 2003 pledge to uphold the UN Global Compact, we ensure that each local organisation complies with human rights laws and regulations. Following the lead of CNP Argentina and Caixa Seguradora, CNP UniCredit Vita also pledged to uphold the Compact in 2010. Caixa Seguradora has its corporate social responsibility audited by Ethos on an annual basis to verify compliance with the Global Compact principles.

Each year, these companies reaffirm their commitment to upholding the Compact's principles and promote it among their asset managers and suppliers. This commitment is reflected in the integration of environmental, social and governance criteria in financial asset management strategies. Respect for human rights is one of the criteria used to select equity and bond investments. This commitment was strengthened in 2011 with CNP Assurances' pledge to uphold the Principles for Responsible Investment (PRI). In signing the UDA responsible communication charter, CNP Assurances has also pledged to respect human rights and diversity in all of its advertising and corporate communications.

Dedicated procedures

All of the subsidiaries share the four overriding principles of respect for human rights, freedom of association, the right to collective bargaining, long-term support for employees and the promotion of equal opportunity. Each one submits an annual review of its CSR performance to CNP Assurances, with a special focus on these fundamental criteria. Neither CNP Assurances nor the Group's subsidiaries have recourse to forced or child labour. Nonetheless, particular attention is also paid to this subject in our purchasing policy (see section 4.3.3) and in its property management processes. Group procedures to guarantee respect for civil and political rights include internal codes and standard operating procedures, agreements on union rights, and data protection procedures.

4.6 Methodology

Group reporting methodology

Progress in sustainable development performance is tracked through the use of dedicated indicators and by identifying outstanding accomplishments. The CNP Assurances Group presents CSR indicators in accordance with the provisions set out in Articles R.225-104 to R.225-105-2 of the French Commercial Code. The 2014 Corporate Social Responsibility Report presents these indicators in detail for each country.

Guidelines and definition

The indicators and reporting processes have been defined for all Group entities. This process serves as a reference for the various persons involved at CNP Assurances and at all subsidiaries in preparing this section. It describes the issues, roles, indicators and data collection processes, as well as the main identified risks and the system for controlling and managing these risks.

The process was set up using Global Reporting Initiative (GRI) guidelines. The reference indicators are presented on the GRI website: https://www.globalreporting.org.

Scopes

The indicators cover all fully consolidated entities in the CNP Assurances Group, unless otherwise stated: CNP Assurances (for environmental data excluding 3,000 sq.m. at regional sites), CNP IAM, Previposte, ITV, CNP International, La Banque Postale Prévoyance, MFP Prévoyance, CNP Partners (for environmental data excluding CIS offices in Italy and France), CNP Assurances Compañia de Seguros, Caixa Seguradora, CNP UniCredit Vita, CNP Cyprus Insurance Holdings, CNP Europe Life and CNP Barclays Vida y Pensiones (for environmental data excluding offices in Italy and Portugal), and their consolidated subsidiaries. Indicators from the Group's consolidated subsidiaries are presented without applying a proportion. The entities covered were the same in 2013 and 2014.

The term "CNP Assurances" covers the legal entities CNP Assurances, CNP IAM, Previposte, ITV and CNP International. The scope for water and energy use includes the facilities in Paris, Angers and Arcueil, but excludes regional offices; this corresponds to 90% of CNP Assurances employees.

The new subsidiary created under the partnership between CNP Assurances and Banco Santander is not included in this reporting scope. It had 32 employees at 31 December 2014.

The level of coverage for each indicator is presented in the tables. It represents the headcount of entities used in the calculation of the indicator divided by the total workforce of the consolidated Group, excluding both branches in Italy and Denmark, and the subsidiary created under the partnership with Banco Santander. Section 4 therefore covers a total of 98.89% of the consolidated Group's employees at 31 December 2014.

Change is the percentage difference between the 2013 and 2014 data. Generally speaking, significant changes attributable to major scope adjustments are explained in the commentary.

Period under review

Indicators mapping movements cover the period from 1 January 2014 to 31 December 2014 (excluding CNP Assurances business travel, which is presented over a trailing 12-month period from 1 November 2013 to 30 October 2014); indicators of stocks are as at 31 December 2014.

Historical date and change in scope

The consolidated entities in this section for 2014 are the same as for 2013. Changes in scope can nevertheless appear when indicators have not been provided for an entity or sub-entity in 2013, but have been in 2014.

Method for reporting, control and consolidation

Indicators are reported by operational departments (HR, building management and purchasing), and are broken down by site where necessary. An IT accounting consolidation tool is used for reporting. A CSR Officer is appointed for each entity (a total of 18 CSR Officers) and prepares the first level of consolidation within the entity concerned. Thirteen validators check the data from their entities. The CNP Assurances Sustainable Development department is responsible for overall consolidation and carries out consistency checks on all the information collected from these CSR Officers.

Implementing CSR reporting in 2006 gradually improved the quality of non-financial data, particularly environmental data. Certification by the Statutory Auditors and the use of data collection software at Group level for the past three years have also enabled quality standards to be tightened. By promoting the management of initiatives within each business, these factors contribute to the progress of the Group's CSR programme.

The consolidated ratios for all entities are calculated based on ratios reported by weighting employees for each entity.

Limitations to the completeness and reliability of information

Estimates have been used for certain environmental data, where more exact information is not available, such as water and energy use data for buildings, which is sometimes estimated on a pro-rata basis according to the number of square metres (Arcueil, CNP BVP and CNP Europe Life sites). Furthermore, the definitions of social indicators may differ slightly between countries. However, the consolidated indicators used below are consistent and material. The guidelines were deployed in 2014 in foreign subsidiaries and certain definitions, such as those for absenteeism and remuneration, were harmonised from one subsidiary to the next.

Verification

One of our Statutory Auditors performed an analysis to verify the presence and fair presentation of information that falls under the scope of Article 225 of the French Commercial Code. A fairness review was performed for the most significant information, including detailed tests on the corresponding measurable indicators, and the other information was reviewed for consistency. The audit report is provided at the end of this section.

Names of entities

To make this report easier to read, the names of certain entities have been simplified. For example, CNP Argentina is used for CNP Assurances Compañia de Seguros, LBPP for La Banque Postale Prévoyance, CNP CIH for CNP Cyprus Insurance Holdings, and CNP BVP for CNP Barclays Vida y Pensiones. Note that Caixa Seguros changed its name in 2014, and is now known as Caixa Seguradora.

4.7 Concordance table for labour, environmental and social data

The table below reviews in detail the indicators found in Articles R.225-104 to R.225-105-2 of the French Commercial Code and specifies the sections that cover these indicators in this report. All the sections mentioned in the table fall within the scope of the verification; the level of verification is specified in the table.

Labour indicators (Articles R.225-104 to R.225-105-2 of the French Commercial Code)	Level of verification	Relevant section
a) Workforce		
■ Total workforce and breakdown by age, gender and geographic region	Fairness	4.4.1.1
■ Hires and terminations	Fairness	4.4.1.1
■ Remuneration and changes in remuneration	Fairness	4.4.1.3
b) Working hours		
■ Organisation of working hours	Fairness	4.4.2.4
■ Absenteeism	Fairness	4.4.2.5
c) Employee relations		
■ Organisation of social dialogue (employee information and consultation procedures and negotiation processes)	Fairness	4.4.2.1
■ Agreements with employee representatives	Fairness	4.4.2.1
d) Health and safety		
■ Workplace health and safety conditions	Fairness	4.4.2.5
■ Health and safety agreements signed with trade unions and other employee representatives	Consistency	4.4.2.5
■ Workplace accidents, frequency, seriousness and occupational illnesses	Fairness	4.4.2.5
e) Training		
■ Training policies	Fairness	4.4.1.2
■ Total number of training hours	Consistency	4.4.1.2
f) Equal opportunity		
■ Measures taken to promote gender equality	Fairness	4.4.3.2
■ Measures taken to promote the employment and integration of people with disabilities	Consistency	4.4.3.3
■ Anti-discrimination policy	Fairness	4.4.3.1
g) Promotion of and compliance with the International Labour Organization's fundamental conventions concerning:		
■ The right to exercise freedom of association and the right to collective bargaining	Consistency	4.4.4/4.4.2.1
■ The elimination of discrimination in respect of employment and occupation	Consistency	4.4.4/4.4.3
■ The elimination of forced and compulsory labour	Consistency	4.4.4
■ The effective abolition of child labour	Consistency	4.4.4

Environmental indicators (Articles R.225-104 to R.225-105-2 of the French Commercial Code)	Level of assurance	Relevant section
a) General environmental policy		
■ Structures for addressing environmental issues	Consistency	4.5.1.1
■ Employee training and awareness initiatives for the protection of the environment	Consistency	4.4.1.2/ 4.4.4
■ Resources allocated to preventing pollution and other environmental risks	Not covered in view of the Group's activities as a service provider	
■ Environmental provisions and warranties	Consistency	No provisions or guarantees
b) Pollution and waste management		
■ Measures to prevent, reduce and remedy air, water and soil pollution seriously affecting the environment	Not covered in view of the Group's activities as a service provider	
■ Measures to prevent, recycle and eliminate waste	Consistency	4.5.1.4
■ Measures to address noise and other forms of pollution specific to an activity	Consistency	4.5.1.4
c) Sustainable use of resources		
■ Water use and supply in relation to local restrictions	Consistency	4.5.1.4
■ Raw materials use and the measures taken to use them more efficiently	Fairness	4.5.1.3
■ Energy use and the measures taken to improve energy efficiency and increase the use of renewable energies	Fairness	4.5.1.4
■ Land use	Consistency	4.5.1.4
d) Climate change		
■ Greenhouse-gas emissions	Fairness	4.5.2.1
■ Measures taken to adapt to climate change	Fairness	4.5.2.3/ 4.3.2.3
e) Biodiversity protection		
■ Measures taken to protect or develop biodiversity	Consistency	4.3.2.3

Social indicators (Articles R.225-104 to R.225-105-2 of the French Commercial Code)	Level of assurance	Relevant section
a) Territorial, economic and social impact of the company's operations		
■ In terms of employment and regional development	Consistency	4.5.3.1
■ On local residents and communities	Consistency	4.5.3.1
b) Relations with people or organisations that have an interest in the company's operations		
■ Dialogue with these people and organisations	Consistency	4.5.3.2
■ Partnership or philanthropy initiatives	Fairness	4.5.3.2
c) Subcontractors and suppliers		
■ Integration of social and environmental issues in purchasing policy	Fairness	4.3.3
■ The level of outsourcing and the extent to which ESG criteria are taken into account in relations with suppliers and contractors	Fairness	4.3.3
d) Fair practices		
■ Action taken to prevent corruption	Fairness	4.3.4.2
■ Measures taken to promote the health and safety of consumers	Consistency	4.2.4.1
e) Other action taken to promote human rights	Consistency	4.5.3.3

4.8 Statement by one of the Statutory Auditors, appointed as an independent third party, on the consolidated environmental, labour and social information presented in the management report

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended 31 December 2014

To the Shareholders,

In our capacity as Statutory Auditor of CNP Assurances SA, appointed as an independent third party and certified by COFRAC under number 3-1060 [(1)], we hereby present to you our report on the consolidated environmental, labour and social information for the year ended 31 December 2014, presented in the management report (hereinafter the "CSR Information"), in accordance with Article L.225-102-1 of the French Commercial Code (*Code de commerce*).

Responsibility of the Company

The Board of Directors of CNP Assurances is responsible for preparing the Company's management report including CSR Information in accordance with the provisions of Article R.225-105-1 of the French Commercial Code and with the CSR Reporting Process used by the Company (hereinafter the "Guidelines"), summarised in the management report and are available on request from CNP Assurances' Sustainable Development department.

Independence and quality control

Our independence is defined by regulatory texts, the French code of ethics governing the audit profession and the provisions of Article L.822-11 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the codes of ethics, professional auditing standards and applicable legal and regulatory texts.

(1) Whose scope is available at www.cofrac.fr

Responsibility of the Statutory Auditor

On the basis of our work, it is our responsibility to:

- certify that the required CSR Information is presented in the management report or, in the event that any CSR Information is not presented, that an explanation is provided in accordance with the third paragraph of Article R.225-105 of the French Commercial Code (Statement of completeness of CSR Information)
- express limited assurance that the CSR Information, taken as a whole, is, in all material respects, fairly presented in accordance with the Guidelines (Reasoned opinion on the fairness of the CSR Information).

Our work was carried out by a team of five people between 4 November 2014 and 5 March 2015 and took around five weeks. We were assisted in our work by our specialists in corporate social responsibility.

We performed our work in accordance with the French professional auditing standards related to labour and environmental information falling within the scope of procedures directly related to the statutory audit engagement (NEP 9090), with the decree of 13 May 2013 determining the conditions in which the independent third party performs its engagement and with ISAE 3000 [(2)] concerning our reasoned opinion on the fairness of the CSR Information.

1. STATEMENT OF COMPLETENESS OF CSR INFORMATION

On the basis of interviews with the individuals in charge of the relevant departments, we reviewed the Company's sustainable development strategy with respect to the labour and environmental impact of its activities and its social commitments and, where applicable, any initiatives or programmes it has implemented as a result.

We compared the CSR Information presented in the management report with the list provided for by Article R.225-105-1 of the French Commercial Code.

For any consolidated information that was not disclosed, we verified that the explanations provided complied with the provisions of Article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, *i.e.*, the Company, its subsidiaries as defined by Article L.233-1 and the entities it controls as defined by Article L.233-3 of the French Commercial Code within the limitations set out in the methodological information, section 6.6 of the management report.

Based on this work and given the limitations mentioned above, we attest to the completeness of the required CSR Information in the management report.

2. REASONED OPINION ON THE FAIRNESS OF THE CSR INFORMATION

Nature and scope of our work

We conducted around 20 interviews with persons responsible for preparing the CSR Information in the departments charged with collecting the information and, where appropriate, the people responsible for the internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, impartiality and comprehensibility, and taking into account best practices where appropriate
- verify that a data-collection, compilation, processing and control procedure has been implemented to ensure the completeness and consistency of the CSR Information and reviewed the internal control and risk management procedures used to prepare the CSR Information

We determined the nature and scope of our tests and controls according to the nature and importance of the CSR Information with respect to the characteristics of the Company, the labour and environmental challenges of its activities, its sustainable development policy

(2) SAE 3000 – Assurance engagements other than audits or reviews of historical financial information

and best practices.

With regard to the CSR Information that we considered to be the most important [3]:

- at parent entity level, we consulted documentary sources and conducted interviews to substantiate the qualitative information (organisation, policy, action), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in concordance with the other information in the management report
- at the level of a representative sample of entities selected [4] by us on the basis of their activity, their contribution to the consolidated indicators, their location and risk analysis, we conducted interviews to ensure that procedures are followed correctly, and we performed tests of details, using sampling techniques, in order to verify the calculations made and reconcile the data with the supporting documents. The selected sample represents on average 84% of headcount and between 73% and 89% of quantitative environmental data.

For the other consolidated CSR information, we assessed consistency based on our understanding of the Company. We also assessed the relevance of explanations given for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes used, based on our professional judgement, allow us to express limited assurance; a higher level of assurance would have required us to carry out more extensive work. Due to the use of sampling techniques and other limitations intrinsic to the operation of information and internal control systems, we cannot provide assurance with absolution that the information disclosed is free of material misstatements.

Conclusion

Based on our work, nothing has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly, in all material respects, in accordance with the Guidelines.

Neuilly sur Seine, 5 March 2015

One of the Statutory Auditors of CNP Assurances SA

PRICEWATERHOUSECOOPERS AUDIT SA

Éric Dupont	Sylvain Lambert
Partner	Partner in charge of the Sustainable Development department of PricewaterhouseCoopers Advisory

(3) The list of the most important CSR Information is available in the appendix of this report

(4) CNR Assurances (France), UniCredit Vita (Italy) and Caixa Seguros (Brazil)

Appendix: List of Information that we considered to be the most important

LABOUR INFORMATION

- Headcount: employees as of 31 December 2014 and percentage of employees with permanent employment contracts
- New hires and dismissals: number of hires, total number of departures and breakdown by reason
- Remuneration and changes in remuneration: average annual individual remuneration, discretionary and statutory profit-sharing
- Organisation of working hours
- Absenteeism rate excluding maternity leave
- Labour relations
- Agreements with employee representatives
- Workplace health and safety conditions
- Frequency and seriousness of occupational accidents
- Training policies
- Number of training hours
- Measures taken to promote gender equality: percentage of women in Executive Management positions
- Anti-discrimination policy

ENVIRONMENTAL INFORMATION

- Raw material consumption and measures to encourage efficiency: proportion of recycled paper used for internal operations
- Energy consumption by source
- Greenhouse-gas emissions (direct and indirect)
- Measures taken to adapt to climate change

SOCIAL INFORMATION

- Partnership or philanthropy initiatives
- Integration of social and environmental issues in purchasing policy
- Outsourcing and the importance of including CSR in dealings with suppliers and their own subcontractors
- Action taken to prevent corruption

5

CORPORATE GOVERNANCE AND INTERNAL CONTROL

5.1 Report of the Chairman of the Board of Directors of CNP Assurances

Financial year 2014

To the Shareholders,

This report has been prepared in accordance with Article L.225-37, paragraph 6 *et seq.* of the French Commercial Code and is a continuation of those that have been presented at the Annual General Meeting in past years. It has been prepared on the basis of in-depth discussions held with the Chief Executive Officer and the Deputy Chief Executive Officers, the members of the Executive Committee and certain senior managers.

It was submitted along with the Company's management report for an opinion to the Audit and Risk Committee before being approved on 18 February 2015 by the Board of Directors who instructed their Chairman to report on its contents to the Annual General Meeting.

The first section deals with the governance of the Company and the practices of its management and control bodies. The second section covers internal control and risk management procedures.

5.1.1 Governance

CNP Assurances' governance structure is framed by legislation, the Articles of Association and the regulations set out in the internal rules of the Board of Directors and its committees (which may be viewed on the Company's website at http://www.cnp.fr/). In addition to specific provisions such as the CNP Assurances shareholders' agreement, these rules draw upon recognised best governance practices.

The Company has been using the AFEP-MEDEF Code of Corporate Governance for listed companies since 2008.

Without calling this principle into question, the Company's practices may on occasion differ from those set out in the Code due to the specific features of CNP Assurances' businesses. These differences, together with the reasons for not applying certain provisions of the Code in full, are summarised in the following table.

Recommendations of AFEP-MEDEF Code	Discrepancies between the code and CNP's governance practices in 2014	Explanations
Composition of the Board of Directors and its committees		
Proportion of independent directors		
■ Board of Directors: proportion should be over 33% in entities controlled by the Group	Proportion is 22%	The composition of CNP's Board of Directors is mainly organised in accordance with the shareholders' agreement and is therefore a reflection of CNP's ownership structure. Consequently, the proportion of independent directors does not comply with the guidelines set out in the code. *(refer to the detailed explanations on pages 263 and 264)*
■ The Audit and Risk Committee: proportion should be greater than 66%	Proportion is 33%	
■ Remuneration and Nominations Committee: proportion should be greater than 50%	Proportion is 40%	
The Remuneration and Nominations Committee should not include any executive corporate officers and should be chaired by an independent director. This Committee should also include an Employee Director.	The Chairman of the Board of Directors is a member of the Remuneration and Nominations Committee which does not have any Employee Director members.	The Chairman's presence on this Committee is deemed to be appropriate, notably in view of his knowledge of the managerial and operational skills of the CEO. He is not present and does not vote when the Committee discusses his own remuneration. *(refer to the detailed explanations on page 268)*
The consolidated accounts should be reviewed by the Audit Committee at least two days before they are reviewed by the Board of Directors.	The Audit and Risk Committee meets on the eve of the Board meeting convened to review the accounts.	This makes it easier for the members of these bodies to be physically present at these meetings, particularly those members who live outside Paris or abroad. *(refer to the detailed explanations on page 267)*
The Board of Directors should deliberate on its own organisation and performance at least once a year and it should formally review its organisation and performance at least once every three years.	The Board of Directors did not formally deliberate on its own organisation and performance in 2014.	It will deliberate on its organisation and performance in 2015. *(refer to the detailed explanations on page 265)*
Article 9.4 stipulates that one of the criteria that the Committee and the Board of Directors should examine when assessing whether or not a director is independent is that he/she should not be an employee or **an executive corporate officer** of the Company.	The Board of Directors has not provided any formal explanation for this discrepancy.	When the director in question complies with the Code's other independence-related criteria as presented on page 264, the Board of Directors considers that having the status of non-executive corporate officer does not preclude a person from performing his/her duties in a satisfactorily independent manner.

COMPOSITION OF THE BOARD, PREPARATION AND ORGANISATION OF ITS WORK

a) Composition of the Board of Directors

Since CNP Assurances' IPO in October 1998, the composition of the Board of Directors of CNP Assurances has reflected its ownership structure and particularly the holdings of its four main shareholders: Caisse des Dépôts, the holding company Sopassure which owns the indirect holdings of La Banque Postale and BPCE, and the French State, all of whom have entered into a shareholders' agreement that expires on 31 December 2015.

The shareholders' agreement organises the composition of the Board of Directors of CNP Assurances as follows:

- six directors recommended by Caisse des Dépôts
- five directors recommended by Sopassure
- one director recommended by the French State
- one director recommended as an employee shareholder representative
- four directors recommended as "independent qualified persons".

The current composition of the Board of Directors of CNP Assurances does not fully comply with the AFEP-MEDEF Code for listed companies which recommends that one-third of the Board should comprise independent members. The ratio for CNP Assurances is currently 22%, *i.e.*, 4 independent directors out of 18.

While this situation is mainly attributable to the provisions of the shareholders' agreement, it should also be noted that this same agreement affirms the signatories' intention to remain shareholders of the Company over the long term and to implement a common policy in terms of investment strategy (aside from financial investments) and other strategic decisions. This represents a key commitment to CNP Assurances' future growth.

In accordance with its internal rules, the Board of Directors and the Remuneration and Nominations Committee apply the AFEP-MEDEF Code's objective criteria for director independence (section 9), along with other criteria such as the candidate's competence, experience and knowledge of CNP Assurances' business and economic, financial and competitive environment.

Applying these criteria, and especially the criterion relating to the significance of any business dealings they may have with the Company, the Remuneration and Nominations Committee meeting of 4 February 2015 reported back to the Board of Directors meeting held on 18 February 2015 concerning the independence of Stéphane Pallez, Rose-Marie van Lerberghe, Marcia Campbell and Jean-Paul Faugère.

Table of independence-related criteria	Jean-Paul Faugère, Chairman of the Board of Directors	Stéphane Pallez, Chairman of the Audit and Risk Committee and member of the Strategy Committee	Rose-Marie Van Lerberghe, Chairman of the Remuneration and Nominations Committee	Marcia Campbell, member of the Audit and Risk Committee
Is not an employee of the Company or a corporate officer of a parent company or one of its consolidated entities	X	X	X	X
Has no cross-directorships	X	X	X	X
Has no dealings with the Company as a customer, supplier or banker that represent a significant portion of business	X	X	X	X
Has no family ties	X	X	X	X
Has not acted as director of the Company for more than 12 years	X	X	X	X
Does not own over 10% of the Company's share capital	X	X	X	X
Has not acted as Statutory Auditor in the past five years	X	X	X	X
Professional expertise and experience Knowledge of the Company's businesses and its economic, financial and market environment	X	X	X	X

After amending its Articles of Association in 2012 to allow voting and non-voting directors to be reappointed on a rotation basis, the Annual General Meeting of 6 May 2014 reduced the maximum term of office of directors from five to four years, effective from this date.

The Annual General Meeting of 25 April 2013 increased the number of female directors on the Board to four, *i.e.*, 22% of all members. The Company continued to pursue its policy of gender equality in 2014: the General Meeting of 6 May 2014 confirmed the appointment of Odile Renaud-Basso and Rose-Marie Van Lerberghe, increasing the number and proportion of female directors to six and 33%, respectively.

The Group's efforts in promoting gender equality were recognised in October 2014 when CNP Assurances leapt from 16th to 2nd in the SBF 120 gender equality rankings which classify French public companies in terms of the place of women on their boards and management bodies. This makes CNP Assurances the highest-placed insurance company and reflects the growing importance of women and of their roles on the Board of Directors. Two of the Board's committees (the Audit and Risk Committee and Remuneration and the Nominations Committee) are now chaired by women.

The shareholders' agreement also provides for the appointment of non-voting directors to participate in Board meetings in a consultative role. They are appointed at the Annual General Meeting using procedures similar to those used to appoint the other directors, namely a review by the Board of recommendations submitted by the Remuneration and Nominations Committee.

Non-voting directors have access to the same information as voting directors. They also have the same obligations to attend meetings, to exercise due professionalism and to respect confidentiality. Their experience and diverse backgrounds provide an invaluable contribution to deliberations at Board meetings. As of 31 December 2014, there were two non-voting directors, Pierre Garcin and Jean-Louis Davet, who was appointed by the Annual General Meeting of 6 May 2014.

b) Respective roles of the Chairman and the Chief Executive Officer

In July 2007, the Company chose to separate the role of Chairman of the Board of Directors from that of Chief Executive Officer to ensure a clear distinction between the strategic, decision-making and supervisory roles that belong to the Board's sphere of expertise, and the operating and executive functions that are the responsibility of the Executive Management.

The Annual General Meeting held on 29 June 2012 reaffirmed this separation of roles as well as the respective non-executive powers of the Chairman and the executive functions of the Chief Executive Officer.

Chairman

The Chairman organises and oversees the work of the Board of Directors which he or she convenes at least four times per year, or more frequently if warranted by circumstances. In 2014, the Board met seven times. The Chairman ensures that the governing bodies work smoothly in accordance with best practices, especially concerning transparency in decision-making with a particular focus on the clarity, accuracy and completeness of information provided in respect of matters submitted for deliberation by the Board.

The Chairman is regularly briefed by the Chief Executive Officer concerning any significant developments affecting the Company or its subsidiaries and may request any information required either by the Board or its committees.

The Chief Executive Officer

The Chief Executive Officer has the broadest powers to act in the Company's name in all circumstances subject to the restrictions on his or her powers and the financial authorisations laid down by the Board of Directors and set out in its internal rules which may be consulted at www.cnp.fr. These restrictions concern in particular external growth operations (aside from the management of In-Force business) exceeding certain financial or strategic thresholds which have been stipulated by the Board.

Frédéric Lavenir actively participates in Board meetings and keeps the Board abreast of the day-to-day management of the Company and all significant events affecting the Group. He helps devise and oversee Group strategy.

The Chief Executive Officer is assisted in his managerial and operational duties by the two Deputy Chief Executive Officers and the members of the Executive Committee.

c) Duties of the Board of Directors

In accordance with Article L.225-35 of the French Commercial Code (*Code de commerce*) and its own internal rules, the Board of Directors of CNP Assurances determines the strategic priorities of the Company and ensures that they are implemented, handles all issues related to the efficient running of the Company's operations and settles all relevant matters. The Board also signs off on the annual budget and the Company and consolidated financial statements and monitors the quality of the information provided to the market concerning the Company's results or specific operations.

Preparation and organisation of the Board's work

The procedures involved in preparing and organising the work of the Board are set out in its internal rules. Every year, the dates and agendas for the upcoming meetings of the Board and its committees are drawn up and approved.

As stipulated in the internal rules of the Board of Directors, all Board members receive notice of forthcoming meetings, the agenda and all relevant documentation by post and secure file transfer at least five days before the meeting is due to be held. The Chairman provides the directors with all documents and information required to enable them to carry out their functions.

In addition to documents relating to the points to be discussed at the meeting, the directors are also sent the draft minutes of the previous meeting, a press pack and financial data on the Company or the Group.

Additional information may also be sent after the initial notice or given to the directors at the meeting if there are time constraints or concerns over confidentiality.

Works Council Representatives, non-voting directors and the Statutory Auditors also receive all of the documents sent to the directors as well as notice of all Board meetings.

Between any two Board meetings, directors may also be sent e-mails on important topics or press releases for national circulation.

The Secretary to the Board of Directors presents each newly-appointed director with a pack containing detailed information on the Company and the Group, its structure and businesses to help him or her carry out their functions. Directors may request additional training at any time.

The participants in Board meetings have a duty to exercise discretion, particularly with regard to information of a confidential nature that is presented as such by the Chairman of the Board of Directors.

Evaluating the performance of the Board of Directors and its committees

The Board meeting held on 25 July 2013 discussed the Board's performance, based on a report prepared by an external firm following one-on-one meetings with each director.

The ensuing discussions revealed that a large majority of the directors deemed governance within CNP Assurances to be generally satisfactory and compliant with general practices as well as with the AFEP-MEDEF Code. However, given the terms of the shareholders' agreement, the difficulty of changing the large number of voting directors and the small proportion of non-voting directors was noted.

In brief, the Board of Directors pointed up the high quality of financial data provided, the constructive role of the Audit and Risk Committee and the quality of the opinions it issues, the efficiency of separating the positions of Chairman and Chief Executive Officer as well as the wealth of arguments and the constructive nature of the discussions which provide ideal decision-making conditions for the Board.

The process was also used to measure the effective contribution of each director to the work of the Board: the sheer diversity and complementary nature of the skills and professional experience of the various different directors – particularly in bancassurance and international business – provide an undeniable platform for good governance.

Although the Board did not formally discuss its own performance in 2014, director commitment and quality contributions continued to be a feature of the meetings held throughout the period. In

2015, the directors will evaluate their capacity to meet the expectations of the shareholders who voted them into office, comprising a review of the Board's composition, organisation and performance (involving similar reviews of each of the Board committees), pursuant to Article 10.1 and 10.3 of the AFEP-MEDEF Code.

ACTIVITIES OF THE BOARD OF DIRECTORS IN 2014

In 2014, the Board of Directors met seven times. Each meeting lasted on average three hours. The discussions and decisions of the Board are formalised in the minutes which are prepared after each meeting. Active participation of the directors has been observed throughout the year, with an average attendance rate of approximately 84%, thus demonstrating the directors' involvement and commitment.

This commitment is also apparent in the holding of a minimum of 200 Company shares by each director [(1)]; the minimum is increased to 400 shares for the Chairman of the Board of Directors.

At each meeting, the Chief Executive Officer informs the Board about the day-to-day management and any significant events affecting the smooth running of the Company. The Board is regularly provided with a detailed analysis of the results of the Company and its subsidiaries, in particular, *via* the annual and interim financial statements and the presentation of quarterly performance indicators. Detailed reports on the progress of commercial, financial and operational issues used for the purpose of monitoring the Group's strategy and understanding its activities and its prospects complement the Board's information.

- During the period, the Board of Directors focused on the implementation of the Group's strategic focuses.

The standout event in 2014 was the renegotiation of the partnership agreements with BPCE which expire on 31 December 2015.

In November 2013, the Board created an *ad hoc* Committee to deal with the key implications of changes in commercial agreements. This Committee is tasked with providing a structure – free of any conflicts of interests – for tracking key points put forward by Executive Management concerning the new commercial agreements currently being renegotiated between CNP Assurances and its two main French partners (La Banque Postale and BPCE/Caisses d'Epargne) due to the expiry of the current agreements on 31 December 2015, and with making recommendations when the Board has to take decisions in these matters.

It met ten times in 2014. It used the services of an independent expert to draw up its recommendations and the Board used these recommendations to announce on 5 November 2014 that CNP Assurances had concluded a preliminary protocol setting out the proposed terms of the agreement renewing the partnership between CNP Assurances and BPCE Group as from 1 January 2016.

This protocol covers:

- the management of life insurance outstandings at CNP Assurances distributed through the Caisses d'Epargne network until 31 December 2015, together with mechanisms to align the interests of CNP Assurances with those of the BPCE Group
- an exclusive group term creditor insurance partnership between CNP Assurances and Natixis Assurances on the one hand and all of the Caisses d'Epargne networks – including BPCE Group – on the other
- a new group protection and health insurance partnership as part of an offer covering the main employee benefit plans of the BPCE Group's business and corporate clients as well as specifically targeted personal risk insurance partnerships.

On 19 February 2015, the Company and BPCE issued a statement regarding the signing of the final agreements for this partnership.

At its meeting on 17 June 2014, the Board of Directors authorised the Company to enter into a strategic partnership with the Banco Santander Group and an exclusive long-term distribution agreement covering a full range of protection insurance products in ten European countries where Santander Consumer Finance enjoys leading market positions. The finalisation of this new partnership in December 2014 represented a key milestone in deploying CNP Assurances' strategy in the European protection insurance business and the Board has actively participated in refocusing the Group's business model on multi-partner bancassurance.

Lastly, following the change in strategy announced by Barclays Bank which will have a big impact on its Southern European retail banking business, the Board approved the sale of CNP Barclays Vida y Pensiones (CNP BVP), the Group's joint personal insurance operation with a footprint in Spain, Italy and Portugal, to Barclays Bank.

- In April 2014, the Board of Directors was informed of the new Group organisation structure deployed by Executive Management and designed to pursue the Group's strategic ambitions more effectively by liaising more closely with partners and customers alike. This new structure is based around five business units (plus the Group's three European joint-ventures) and dedicated objectives and resources that underpin business development and new product creation and pricing strategies, and ensure the delivery of services to policyholders in line with partner and customer expectations and needs. These business units leverage all of the know-how and expertise of the various Group functions.
- In November 2014, the Board was informed by Executive Management that a €500 million perpetual bond issue had been successfully placed with more than 400 European institutional investors for the purpose of bolstering the Group's consolidated equity. The issue was 13 times oversubscribed and the 4% coupon was the lowest ever paid on notes issued

(1) This internal rule applies to all natural persons, including the representatives of legal entities, with the exception of the State representative, whose status is incompatible with such a measure

by the Group, a healthy testimony to investor confidence in the CNP Assurances signature.

- In the area of risk management, the Board analysed a survey conducted by an external firm of the Group's key financial risk exposure together with a comparison of the situation of its main competitors.

The Board also urged Executive Management to step up deployment of its standardised risk identification and measurement processes. With the help of input provided by the Audit and Risk Committee, the Board ensured that CNP Assurances complies with the most recent stress testing guidelines published by EIOPA and that work on valuation of the different components of economic capital was on schedule.

To prepare for Solvency II, in its meeting of 6 May 2014, the Board formally approved the Group risk appetite used by Executive Management as the basis for its Solvency II preparatory report for 2014 (ORSA report).

- The French Act of 17 December 2007 (*loi 2007-1775*) introduced a requirement for life insurers to pro-actively identify deceased insureds (notably by consulting the national registry of natural persons kept by INSEE) and actively search for their beneficiaries. In view of the considerable human and IT resources needed to process all of this information, compliance with the act was a time-consuming process.

On 31 October 2014, after carrying out an audit, the Sanctions Committee of the French financial services supervisor (ACPR) issued a reprimand to CNP Assurances and fined it €40 million for delays in tracing beneficiaries of unclaimed settlements, particularly those relating to policyholder deaths prior to 2007. In a press release concerning this matter, the Company pointed out that it has significantly increased the resources and procedures for rapidly identifying deceased insureds since late 2012 and that it has never derived any benefit from unclaimed settlements.

At its meeting on 17 December 2014, the Board of Directors reviewed all of the processes deployed by the Company for complying with the undertakings given to the ACPR concerning the processing of unclaimed life insurance settlements. In particular, the Board focused on the operational processes and the working plan drawn up to ensure that the last of the settlements concerned would be processed by the end of 2015.

BOARD OF DIRECTORS COMMITTEES

In order to perform its management and control duties more effectively, the Board of Directors receives advice from its three special committees: the Audit and Risk Committee, the Remuneration and Nominations Committee and the Strategy Committee.

The duties and *modus operandi* of each of these committees are set out in the internal rules of the Board of Directors. They may use the services of external experts.

All of the members of the committees are directors and they are appointed by the Board which also appoints the Chairman of each Committee. Minutes are kept of each Committee meeting and a report is presented at the next Board meeting. The Secretary to the Board of Directors also acts as secretary to its committees.

a) The Audit and Risk Committee

The Audit and Risk Committee comprises six members, two of whom are deemed independent within the meaning of the AFEP-MEDEF Code: its Chair, Stéphane Pallez, and Marcia Campbell. Four other members complete this Committee, namely, Rémy Weber, Jean-Yves Forel, Olivier Mareuse and Philippe Baumlin.

- As part of the process of overseeing the audit of the annual and consolidated financial statements of CNP Assurances, the Audit and Risk Committee is tasked with examining and submitting any recommendations to the Board concerning:
  - the Company and consolidated financial statements, management report, Registration Document, interim financial statements, quarterly indicators and all of the related draft financial reports and
  - the relevance and consistency of the accounting policies applied.

The Committee focuses in particular on possible risks and uncertainties identified by the Statutory Auditors.

The dates of upcoming meetings of the Board and its committees are always set to enable the Audit and Risk Committee to meet on the eve of the Board meeting held to approve the consolidated financial statements. The short time between the two meetings makes it easier for the members of both bodies to be physically present, particularly those members who live outside Paris or abroad.

The Audit and Risk Committee is also entitled to request additional information once files have been submitted to it, and to request that the Finance Director and the Statutory Auditors appear before it to answer any additional questions the members may have.

The Committee interviewed the persons responsible for preparing the financial statements of the Company and the Group, and also met with the Statutory Auditors without any members of management being present.

- It also ensures that a system has been put in place to identify and analyse risks that could have a material impact on the accounting information and assets and liabilities of CNP Assurances. More specifically, the Committee is tasked with:
  - tracking and analysing the risks identified by Executive Management over time and examining the Group's risk control charter
  - ensuring that any weaknesses identified are remedied and that appropriate action plans are deployed in the event of recognised system failure.

Within the scope of the internal audit review process, the Committee interviews the Head of Internal Audit and presents its observations concerning the Group's internal audit charter and the internal audit programme.

The Audit and Risk Committee oversees the process of selecting the Statutory Auditor. It draws up a short-list and makes a recommendation to the Board concerning the candidates and the amount of the fees they charge.

As is the case with the Board of Directors of CNP Assurances, the proportion of independent members on the Committee (one-third) is below the proportion of two-thirds recommended by the AFEP-MEDEF Code. Again, it should be stressed that this situation reflects the Company's ownership structure. Moreover, a sixth member of the Committee represents the Company's employee shareholders and as such does not qualify as independent under the code. However, this appointment is further testimony to the Group's determination to diversify the composition of this Committee.

The Audit and Risk Committee met six times in 2013, each meeting lasting three hours on average. Member attendance was 86%.

- The Committee examined the following main issues in 2014:
  - annual and interim financial statements, Group quarterly indicators, budget and forecasts
  - interview of the Statutory Auditors without any members of management being present
  - review of the updated assessment of the Group's key financial risk exposure
  - Solvency II update (review of the Group's risk appetite, quarterly risk management reporting and risk management policy)
  - review of guidelines for the Group's investment policy and the use of financial futures in 2015
  - review of guidelines for the Group's reinsurance policy
  - review of the Group's main international subsidiaries
  - review of the reports by the Risk Management & Compliance department, the Risk Management & Solvency department and the Internal Audit department for 2013 together with their respective programmes going forward
  - review of IT and data security projects (off-budget) and projects related to underwriting, Group insurance and reinsurance risks
  - review of the decision handed down on 31 October 2014 by the Sanctions Committee of the French financial services supervisor (ACPR) concerning unclaimed life insurance settlements.

b) Remuneration and Nominations Committee

The Remuneration and Nominations Committee is responsible for selecting and examining potential candidates for the positions of voting and non-voting directors, Chairman of the Board of Directors, Chief Executive Officer, and the members of the Board's special committees.

In accordance with the Board's internal rules, the Committee makes recommendations concerning the remuneration of the Chairman of the Board of Directors as well as the total individual remuneration to be attributed to the Chief Executive Officer. It decides on the amount of directors' fees to be attributed to the voting and non-voting directors based on pre-defined criteria such as attendance rate, duties and the functions of members of the special committees.

The Committee also reviews any planned employee rights issues or share grant plans.

At end-2014, the Remuneration and Nominations Committee was made up of five members: Rose-Marie Van Lerberghe (an independent director who also chairs the Committee), the representative of Caisse des Dépôts, Odile Renaud-Basso, the Chairman of La Poste, Philippe Wahl, the Chairman of the Executive Board of BPCE, François Pérol, and the Chairman of the Board of Directors of CNP Assurances, Jean-Paul Faugère.

This gives a proportion of independent directors of 40% which is less than the 50% threshold recommended by the AFEP-MEDEF Code. As explained previously, this situation is a consequence of CNP Assurances' ownership structure.

The presence of the Chairman of the Board of Directors as a member of the Committee is deemed appropriate because, as a permanent point of contact for Executive Management without actually being an executive manager himself, he is in a good position to inform Committee members about the management of the Company's business. The Chairman of the Board of Directors does not attend Committee meetings that deliberate on his or her remuneration.

The Remuneration and Nominations Committee met twice in 2014 for approximately one and a half hours, and member attendance was 90%.

Within the framework of its duties, it mainly examined the remuneration packages of the Chairman of the Board of Directors and Chief Executive Officer, and made recommendations in light of the guidelines applicable to corporate officers working for public sector companies [(1)].

It therefore recommended keeping the annual remuneration to be paid to Jean-Paul Faugère as Chairman of the Board of Directors of CNP Assurances at €250,000. The Committee also recommended that Mr. Faugère should not receive any amount in directors' fees for participating in meetings of the Board of Directors or its committees.

As regards the Chief Executive Officer, the Committee also recommended maintaining the amount of his annual remuneration, *i.e.*, a fixed portion of €400,000 and a variable portion of €50,000 tied to fixed and clearly-defined objectives. These objectives are based on quantitative and qualitative components and account for 50% of the variable portion for each one (see explanation provided on page 306). The Committee recommended that Mr. Lavenir should not hold an employment

(1) Decree n°. 2012-915 of 26 July 2012

contract during his term of office and that he should not receive any amount in directors' fees for participating in meetings of the Board of Directors or CNP Assurances' special committees.

In accordance with the most recent recommendations of the AFEP-MEDEF Corporate Governance Code, the proposed remuneration packages of the Chairman of the Board of Directors and Chief Executive Officer for 2014 will be submitted for approval to the Annual General Meeting to be held on 6 May 2015.

The Committee was also kept informed of the remuneration policy for senior managers and recommended that an in-depth review should be conducted into key executive succession planning within CNP Assurances.

c) The Strategy Committee

At end-2014, the Strategy Committee comprised Franck Silvent, Marc-André Feffer, Olivier Mareuse, Jean-Yves Forel, and two independent directors, Stéphane Pallez and the Chairman of the Board of Directors, Jean-Paul Faugère.

In view of the ongoing discussions concerning the expiry of the shareholders' agreement on 31 December 2015, focusing particularly on the proposed renewed commercial agreements between CNP Assurances and its two main partners in France, and the creation of an *ad hoc* Committee to deal with the key implications of changes in said agreements, the Strategy Committee did not meet in 2014.

PARTICIPATING AND VOTING IN GENERAL MEETINGS OF SHAREHOLDERS

Every shareholder is entitled to participate in General Meetings under the conditions provided for by law. Information on participation and voting at the General Meeting may be found in Article 27 of the Company's Articles of Association and in the 2014 Registration Document in the section entitled "Participation in General Meetings". The same information is included in the convening notices published by the Company prior to each General Meeting.

5.1.2 Internal control and risk management procedures

The second part of this report describes the main elements of the risk management and internal control system of CNP Assurances and its consolidated subsidiaries (hereinafter "the Group"). It is not intended to describe in detail all the procedures and mechanisms for risk management and internal control undertaken within the Group.

REFERENCE FRAMEWORK

CNP Assurances has decided to rely on the French financial markets authority (*Autorité des Marchés Financiers* – AMF) reference framework in terms of risk management and internal control mechanisms. The format of this report follows the structure of that framework. First, the interaction between risk management and internal control within CNP Assurances is described, before detailing the components of the risk management system, followed by the internal control mechanism.

In addition to the guidelines of the AMF's reference framework, the activity pursued by CNP Assurances is subject to an extensive range of legislative and regulatory requirements, notably under the French Insurance Code (*Code des assurances*). Insurance companies in France are also supervised by France's financial services watchdog (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR).

Beginning in 2016, the Group will be subject to the requirements of the European Solvency II directive and its implementing decrees which contain detailed guidelines on governance, risk management and internal control. CNP Assurances is making sure that all of its processes will be compliant by the time Solvency II comes into force.

INTERACTION BETWEEN RISK MANAGEMENT AND INTERNAL CONTROL

The main protagonists in risk management and internal control are, at the highest level in the Company, the Board of Directors, its Audit and Risk Committee, and Executive Management.

The internal control system is built around a reference framework comprising internal delegations of authority and fundamental principles as set out in documents such as the Internal Control Charter and the code of conduct. Controls are performed at several levels:

- first-tier controls which must be set up by business unit or functional department to manage the risks associated with their activities
- second-tier controls (risk oversight) which cover Solvency II key functions (risk management, compliance and actuarial functions) and the internal control system

- the third level of control is provided by the Internal Audit department.

The Group's French and international subsidiaries also operate this approach to risk management and internal control as well as factoring in local regulatory constraints and processes deployed by the other joint venturers in partnership-based arrangements.

RISK MANAGEMENT SYSTEM

CNP Assurances conducts a lot of its insurance business through partnership arrangements with banking institutions. Making a success of these partnerships means constantly developing and expanding its product offering and enhancing both the quality of service offered to policyholders and the effectiveness of the Group's structure. This year's reorganisation of the Company into business units, each with dedicated ties to different partners, is part of these objectives and CNP's corporate purpose, *i.e.*, protecting the interests of policyholders and employees, preserving balanced and sustainable partnership agreements and creating value for all of its shareholders.

CNP Assurances Group is exposed to financial risk as well as insurance and operational risk from its bancassurance business. This report will present the main aspects of these risk management procedures but additional information may be found in the Risk Factors section of the Registration Document.

a) Objectives of the risk management system

The objectives of risk management are to safeguard decision-making processes and mobilise employees around major risk management and surveillance in order to maintain the Group's value.

b) Components of the system

1. Organisational framework

CNP Assurances' approach to risk management has incorporated risk as a component in all decision-making processes.

The Board of Directors is responsible for defining risk management strategic focuses, particularly the Group's risk appetite and how this breaks down on an annual basis. The Board relies on the input of the Audit and Risk Committee.

The risk management system is part of a comprehensive risk management framework overseen by the CEO.

In 2014, CNP Assurances recast its risk governance processes and formally documented the roles of the different committees involved which are described in the following pages.

Group Risk department

The process is headed up by the Group Risk department, created in 2014 and assigned the risk management function under Solvency II. The basic principle is a separation of functions and effectiveness in the allocation of existing resources. It reports to Executive Management and the Risk Committee.

The Group Risk department outlines the Group's risk appetite in line with Group risk management policy and it draws upon the work carried out to estimate the different components of economic capital. These policies are submitted by Executive Management for approval by the Audit and Risk Committee and the Board of Directors. The department guarantees that risk management oversight and management processes are both comprehensive and effective in terms of the Group's risk exposure on its assets, liabilities and operations. It builds the risk-acceptance framework for the different businesses based on underwriting policy, reinsurance or investment guidelines. It delivers a preliminary opinion on decisions with a big impact on the Company's risk profile based on the four-eyes principle. It is responsible for deploying the processes need to comply with Solvency II requirements and coordinates a quarterly steering committee chaired by the Chief Executive Officer for this purpose. It is also tasked with independent validation of the Group's business model, notably as part of the ORSA assessment. This gives it a key role in safeguarding the Company's value, assets and reputation.

In 2014, the Group's risk appetite and its annual solvency requirements were presented to, and validated by the Board of Directors. This phase formally documents the link between actions and the Group's objectives and values. In 2015, new policies will be drawn up and submitted to the Board of Directors for approval.

In 2014, this department was created from new hires and teams that previously worked on risk management in other departments, such as the Risk Management and Solvency department (which preceded the Group Risk department), the Compliance department, Internal control and sustainable development, the Investments department and the Technical Affairs department. It now has around 50 employees. Its actions are relayed by around 10 risk correspondents focusing on operational risk and by approximately 20 employees with risk management responsibilities working in the subsidiaries. Given the importance of the Brazilian business for the Group as a whole, a person from the Group Risk department has been seconded to this entity.

The Group Risk Committee

The Group Risk Committee oversees risk governance and presents risk from a consolidated perspective. It is tasked with validating the risk-acceptance and overall risk monitoring framework, or, more specifically, with comprehensive risk management oversight and fixing high-level risk tolerance limits. It tracks the Group's risk exposure, solvency capital, actual versus budget risk expenditure and risk consolidation by type of risk both on a static basis and by performing stress tests. It reviews the annual solvency assessment process and related financing requirements both at Group and subsidiary level and validates the underwriting delegation process. The Committee validates risk assessment guidelines and methodologies, *i.e.*, high level investment guidelines and limits, currency risk exposure guidelines and limits, reinsurance policy and the underwriting policy framework. It validates all of the various risk- and solvency-related charters, procedures and guidelines, drawing upon reviews of specific risks (market, underwriting, operational risk, etc.) already performed by the other committees, as well as on reviews of equivalent-type structures in Group subsidiaries.

The Group Risk Committee liaises with the smaller committees that deal with specific risks.

The Underwriting Risk Committee and the Commitments Committee

These committees oversee liability risk management. The Underwriting Risk Committee is tasked with identifying and tracking underwriting risk and ensuring the appropriate processes are in place to enable the Group to react quickly in the event of any deviation from its risk profile. This provides an ongoing check on the consistency of the Group's risk profile with its strategic planning guidelines in terms of the profitability and Group value objectives approved by the Executive Committee and the strategy adopted by the Group Risk Committee within the underwriting and financial risk appetite framework. It issues an opinion or recommendation and alerts the Group Risk Committee to any significant risks. The Committee's opinions are based on specific work carried out by one of its bodies. As part of underwriting risk management, the Committee makes proposals concerning the Group's reinsurance policy and it reviews the overall consistency of the reinsurance programme based on underwriting risk mapping for each entity and the Group's overall risk management guidelines.

The Commitments Committee is convened in the event of a deviation from underwriting policy and/or breach of a specific tolerance limit and/or request from the head of a business unit or joint venture. It is tasked with validating risk acceptance in line with the Group's risk appetite and the strategic guidelines set down by Executive Management. It has the authority to write new business and may also be consulted when a new product is being launched as part of the technical reserve management process. It also deals with any urgent business concerning insurance risk that arises between two Group Risk Committee meetings.

The Investment Committee, Asset Risk Monitoring Committee, Strategic Allocation Committee and ALM Committee

These committees oversee the asset risk management framework. The Group Investment Committee oversees the asset risk acceptance process and takes decisions to authorise, modify or suspend individual limits – or may decide to sell – for a given counterparty, as well as setting limits on the amount and duration of requests that exceed lower level delegations of authority. It also takes decisions to invest in assets either directly or *via* funds (excluding mutual funds) that are decided upon directly at Group level concerning investments in equities or debt, requests exceeding lower level delegations of authority, decisions to benchmark mutual funds, decisions concerning reverse transactions (limits by issuer), decisions concerning significant waivers, addenda to agreements, restructuring programmes, recovery of receivables, arbitrating between different claims on investment resources by the Investment and Group Risk departments or by the subsidiaries originating at lower levels, or decisions concerning changes to investment guidelines that may have to be taken between two Group Risk Committee meetings. The Investment Committee uses the committee files received from the businesses and the second-tier analysis performed by the Group Risk department teams.

The Asset Risk Monitoring Committee oversees all of the Group's asset-related risks. It constantly monitors regulations, investment policies, limits, delegations of authority and risk reduction initiatives relating to assets. To do this, it must be informed when limits are breached so that it may identify appropriate action, *i.e.*, either authorising the overrun or requesting divestment of the portion of the investment that corresponds to the overrun. It may refer significant overruns or changes to guidelines or limits to the Group Risk Committee (or to the Investment Committee, depending on the nature of the risk). The Committee examines current risk monitoring issues such as awareness of emerging risks (on economic or market-related matters, on a type of product, name, sector, etc.), decisions to monitor or suspend counterparties following a deterioration in the related risk or a lack of visibility, a decision to put a certain matter on the agenda of a provisions committee meeting, or regularly reviewing different categories of assets, including unlisted equities.

The Strategic Allocation Committee ensures that rules and limits by category of asset fit with the guidelines laid down by the Group Risk Committee. It devises strategic investment allocation guidelines based on ALM models for the different portfolios and targets in terms of yields and own-funds portfolio used.

The ALM Committee tracks and measures asset/liability risk. Asset/liability management (ALM) seeks to contain risks affecting liquidity, earnings and the Company's net worth in the event of unfavourable trends in the markets (mainly lower interest rates) and/or policyholder behaviour.

Monitoring operational risk management

A number of committees and applications have been deployed to closely monitor operational risk. Operational risk management focuses on safeguarding the Company's asset portfolio and preventing/containing losses resulting from inadequate or failed processes, people and systems. It enhances customer service quality and the Company's ability to meet undertakings given to customers.

An operational Risk Committee has been set up for each business unit and group function to track key operational risks and decide on appropriate plans of action to contain these most effectively. Its reporting scope includes the subsidiaries that report to it. More specifically, it tracks key risk exposure indicators, studies the causes and impacts of the most significant reported incidents related to the structure or its subsidiaries, assesses the extent of compliance with risk guidelines and policies and whether a review or project has highlighted the need to move the guidelines forward. It may submit a principle to the Group Risk Committee if appropriate. It devises and monitors action plans and performs a review of any alerts issued during the period in response to major incidents.

ORSA [1] process and the economic capital management framework

ORSA is a continuous risk management process that coordinates and consolidates all Group processes for identifying, measuring, managing, overseeing and reporting risks focusing on:

- deploying a strategic risk management process throughout the Group based on upstream impact analyses conducted prior to any strategic risk acceptance decisions likely to significantly affect the risk profile, including recurring annual strategic decisions concerning such matters as financing policy, business planning, strategic investment policy and the economic capital management framework, together with one-off strategic decisions or any events that significantly impact the risk profile, including acquisitions/divestments of insurance businesses and the launch of new businesses or major new products
- ensuring compliance with the Group's risk appetite by regularly monitoring the business using risk indicators and reviews of business units and subsidiaries.

The economic capital management framework is incorporated into the budgeting process.

Consolidated acceptable risk is allocated by business unit and partner in a coherent, coordinated manner in line with Group development objectives set out in its strategic business plan. This allocation basis provides a clear risk management framework that meets Group expectations in terms of a consolidated approach and an overall risk management framework. It sets operational risk tolerance limits by subsidiary and business unit level and facilitates decision-making in each subsidiary and business unit that reflects a return based on allocated risk.

The Group Risk department ensures compliance with the Group's risk appetite by tracking economic capital consumption.

Risk reporting

The Group Risk department produces the ORSA report each year for Executive Management. An ORSA report may also be produced if events transpire that are likely to significantly impact the Group's risk profile or risk perception in the strategic plan. The Group Risk department also provides Executive Management with a quarterly risk report. This reporting process involves identifying key risk indicators and setting up data gathering procedures. An annual risk report is also compiled by the Group Risk department and submitted to the Audit and Risk Committee.

The Group risk appetite was submitted for approval to the meeting of the Board of Directors of CNP Assurances of 6 May 2014, to allow Executive Management to prepare the Group's first ORSA report. The Group Risk department has stepped up its efforts to develop speedier and more accurate applications for data gathering, Group risk reporting and organising and archiving existing documentation. These tools focus on such indicators as actual versus budget risk expenditure or collating information on operational incidents. In 2015, the Group Risk department will automate the simulation and production of risk exposure indicators.

Rolling the Group's risk management model out to the subsidiaries

The Group's risk management model is being applied in the subsidiaries. Each subsidiary (apart from "headquarters") has its own risk management framework along with a Chief Risk Officer (CRO) with operational lines of reporting to the Group Risk Officer. The subsidiaries liaise closely with the Group Risk department in relation to all types of risk. High level decisions concerning the subsidiaries are analysed by the different Group level committees.

In 2015, the Company will apply the Group risk appetite concept to the subsidiaries in phase with the objectives of the subsidiaries, partners and Group. It will continue to roll out its risk management framework to the entire Group.

2. Risk management process

Risk identification

The aim of identifying and assessing recurring risks is to provide oversight bodies with the elements needed to manage the risks inherent to each business activity and to define an overall risk management strategy at Group level.

A risk mapping exercise has identified three main categories of risk: financial risks, insurance risks (also known as underwriting risks) and operational risks. The main risks in each of these categories, the assessment methods and the control mechanisms are set out below. As the risk map is updated over time, all potential risks should eventually be identified.

As regards the financial and accounting information, the main risks concern the quality of data, the fairness of the financial statements, their compliance with accounting standards and regulatory deadlines for publication. The Accounting and Tax department helps to identify these risks through careful monitoring of regulatory changes and the development of applications and processes.

(1) Own Risk and Solvency Assessment

Risk assessment and management

Risk assessment processes highlight financial, technical and operational risks. Capital adequacy requirement calculations under Solvency II and the ORSA reporting process reflect the relationship between these different risks. Optimal allocation strategies between the different types of risk must be underpinned by the uniform risk assessment framework deployed throughout the Group in recent years.

In 2014, quantitative risk assessment processes were enhanced by stress tests performed by EIOPA (1) and by Solvency II preparatory phase exercises initiated by the ACPR. In September 2014, the Company submitted a selection of Solvency II prudential statements as well as an ORSA report to the ACPR.

Risk monitoring has three key focuses:

- regulatory solvency capital and the Group's own-funds portfolio available to cover it
- the remuneration paid to policyholders
- the financial performance of the Group, reflected in its accounting result.

Financial risks

Like any insurer, the financial risks faced by the CNP Assurances Group can be broadly broken down into credit risks and risks relating to the performance and volatility of the financial markets. For purposes of clarity they are presented here by type of risk but they are also tracked at individual product-risk level as well as on an aggregate basis in order to assess any interaction between the different types of risk. Allocation strategies based around the business units are able to factor in policy-related constraints more effectively.

Credit risks

Risks relating to the availability and cost of financing

CNP Assurances may turn to the market for short-, medium- or long-term financing, thereby exposing it to the risks of increasingly scarce liquidity and higher interest rates. In February 2014, the Company's credit rating was maintained at 'A' by Standard & Poor's with a stable outlook. In 2014, CNP Assurances sought to make the most of low interest rates and narrow spreads by issuing two lots of subordinated notes: €500 million of dated subordinated debt in May 2014 and €500 million worth of perpetual bonds in November 2014.

CNP Assurances has stress-tested the conditions in which it could cover its minimum solvency margin using a number of different scenarios and analysed alternative financing solutions to optimise the hedging of its margin requirement.

Risks related to exposure to issuers of debt instruments

These risks arise from an increased probability of default on debt instruments acquired by the Group or even outright default by the issuer and they negatively impact investment yields, profit and solvency.

The Group has diversified its bond portfolio and implemented a comprehensive system for tracking credit risk and issuers in sectors experiencing difficulties. The CNP Assurances Asset Risk Monitoring Committee meets regularly to set and monitor prudent exposure limits and the Group Risk department tracks counterparty exposure using external data, such as ratings published by specialised agencies, and an internal evaluation model. A counterparty exposure report is submitted to the Asset Risk Monitoring Committee on a regular basis.

The ongoing sovereign debt crisis has heightened uncertainty over the ability of sovereign issuers to service their debt (particularly Greece, Italy, Portugal, Spain and Ireland) and the Group is exposed to this risk through its investments. The deterioration in the economic outlook in these countries can also have a negative impact on the business of its local subsidiaries. Close attention is paid to these risks in the form of tighter monitoring of the economic performance of European countries and the Group is pursuing an active policy of reducing its long-term exposure to the sovereigns, banks and companies with the poorest credit ratings. The control mechanism, which has been greatly reinforced in recent years, involves:

- analysing macroeconomic indicators for the countries concerned
- stress testing using scenarios validated by the Strategic Allocation Committee and updated on a regular basis
- splitting the Group's sovereign debt and banking sector risk exposure into exposure on own-funds and trading and exposure on insurance business (where the Group's net exposure must reflect the impact on policyholder bonus policy and on assumptions concerning policyholder behaviour)
- factoring the difficulties currently being experienced by Cypriot, Italian and Spanish sovereign issuers into development prospects for the subsidiaries that do business in these countries.

In 2014, CNP Assurances continued to reduce its exposure to sovereign debt by switching investments into corporate bonds.

Credit risks specific to certain asset categories

CNP Assurances has for many years followed a conservative investment policy on structured credit investments and asset-backed securities. The Group is also exposed to counterparty risk on derivative instruments and on reverse transactions. The limits for each category and counterparty are regularly reviewed.

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(1) *European Insurance and Occupational Pensions Authority*

Risks relating to volatility in financial markets

Asset/liability mismatch on traditional savings products

Mismatches between investments and liabilities generate a risk of shortfall between actual returns on assets and guaranteed or expected payments to policyholders. This risk arises notably due to significant, sharp changes in interest rates or a slump in the equity markets and the Group may have to draw on the policyholders' surplus reserve or reduce margins in order to continue paying policyholders a competitive return on their policy. To gauge its exposure, CNP Assurances uses software to simulate changes in assets and liabilities based on different market conditions, especially covering:

- the impacts on portfolio values and the solvency ratio (Solvency II) under different macroeconomic scenarios and analyses of sensitivity to key financial risk factors, especially a sharp increase or prolonged decline in interest rates
- various assumptions concerning strategic priorities (investment policy, profit-taking strategy, policyholder bonus policy, etc.) and policyholder behaviour (new contracts taken out, top-up premiums, surrenders, transfers, etc.).

Interest rate risk

Life insurance companies have to monitor interest rate risk very closely. A sharp and sustained rise in interest rates after a long period of low rates could adversely affect margins and increase policy surrender rates. The Group must ensure it covers this risk through its asset allocation policy by limiting maturities for fixed rate securities or favouring variable rate securities. The Group also hedges interest rate risk using derivatives, caps and swaps. Furthermore the quality of the relationship with policyholders helps minimise policy surrender rates.

The Group must also manage the risk of a fall in interest rates or a sustained period of low interest rates by matching liabilities with a guaranteed rate of return to fixed-income investments with similar maturities and by reducing average yield guarantees. For example, customers are offered a minimum guaranteed yield that is reset on an annual basis instead of a yield guaranteed over the life of the policy or over its first few years.

Risks relating to downturns and volatility in equity markets

Market trends have a direct effect on the performance of the share portfolios held by insurance companies. From the Group's perspective, a sharp downturn in equity markets would be made much worse by a concomitant rise in interest rates.

Over the last few years, CNP Assurances has reduced its overall equity market exposure and restructured its equity portfolio sector allocation.

Moreover, certain unit-linked policies issued by the Group offer minimum guarantees where the policyholders bear the investment risk but are protected against excessive falls in equity prices. CNP Assurances hedges this risk using options or reinsurance protection.

Property and infrastructure risk exposure

Only a small portion of the Group's assets are invested in property. However, medium-term forecasts of inflation and the advantages of holding this category of assets under Solvency II have been factored into the Group's property investment strategy. The Group also considers investing in infrastructure projects and specialised funds as an ideal opportunity to diversify its investment portfolio and boost its yield-to-risk ratio. Property and infrastructure acquisition strategy reflects both specific objectives and market opportunities.

Currency risk exposure

CNP Assurances' currency risk exposure arises on:

- assets with US dollar and sterling exposure, and liabilities denominated in currencies other than the euro. This exposure is limited by the absence of insurance operations denominated in major foreign currencies as well as the fact that most portfolios are invested in euro-denominated securities. Some of these securities, particularly unlisted funds and investments, are hedged against currency risk. Assets denominated in foreign currencies and currency hedges on the books of French entities are tracked on a regular basis. In 2014, automatic tracking was extended to indirect exposures as part of a project to provide enhanced transparency over investments in mutual funds
- borrowings denominated in foreign currencies: once they are classified as debt under IFRS, currency exposure on such borrowings may be hedged either by natural hedging, *i.e.*, by investing the corresponding funds in assets denominated in the same currency, or by contracting cross-currency swaps
- net investments in foreign operations, particularly in Brazil: since 2013, the Board of CNP has been focusing particularly closely on this risk. It can potentially affect the historical cost of the investment or future contributions to Group earnings and this risk is partially hedged for the estimated amount of the Brazilian subsidiary's annual contribution to consolidated profit or loss. Since 2014, the hedging strategy has also factored in accrued dividends.

In 2013, internal audit conducted a specific engagement that focused on currency risk management and the resulting recommendations have been taken on board by the operational departments concerned.

Insurance risks

The procedures implemented to price and assess insurance risks, determine the amount of related technical reserves and track the profitability of In-Force business, are documented under the procedures for managing insurance risks approved by the Risk Committee.

These risks are mostly addressed in a strategic decision-making framework and tracked by the Risk Committee. The following subjects *inter alia* were dealt with during 2014: the analysis of different portfolios, optimising the quality of data on Group personal risk policies, review of the tables used to set up provisions for temporary or permanent disability risks (the new tables published by the BCAC) and of certain mortality and longevity risks, the ongoing reform of group pension plans, euro-croissance life insurance policies and underwriting guidelines for 2015.

In 2014, the key insurance risks were documented in analytical sheets and the risk mapping process was rounded out with a qualitative *ex ante* review. Moreover, the Group initiated a process to design a partial internal model for calculating regulatory solvency capital and although the initial plan to have the model certified by the regulator was not pursued, due in part to changes in the standard approach, the exercise was very useful in heightening awareness of the related risks and how to manage them.

Embedded value and the value of new business are calculated for CNP Assurances and each of its subsidiaries. These calculations are reviewed by a qualified independent actuary at each period-end and are disclosed in the annual and interim reports.

The Group's reinsurance programmes round out our insurance risk management procedures and they must be approved every year by the Board of Directors. The programmes are currently the subject of an in-depth review and they cover both outward and inward reinsurance written for provident institutions and subsidiaries.

Operational risks

In 2014, the focus was on consolidating the Group's operational risk profile: Risk Committees were restructured and correspondents were appointed in the business units and Group functions. Various operational risk scenarios were tested as part of the ORSA reporting process and similar-type scenarios are being tested in the main subsidiaries. Incident identification software is currently being deployed.

The practicality and effectiveness of the Business Contingency Plan (BCP) – organised from the Company Secretary's office – and the IT security plan were tested through emergency drills. The BCP involves mapping critical activities, assessing the resources needed to permit business to resume and organising a crisis management structure comprising several units with specific tasks. Similar plans are gradually being deployed in all of the international subsidiaries.

Legal and money-laundering risks

The Group is faced with multiple and complex sets of legislation and regulations. In 2014, all of the Group's legal affairs departments began reporting to the Company Secretary, with the exception of those that report to the HR department:

- the Group Legal department – which is part of the Company Secretary's office – now manages the bulk of the Group's legal affairs:
  - the Insurance Tax & Legal department assists the various different departments involved over an insurance policy's life cycle
  - the Legal and Corporate department manages the risks related to the corporate life of the Group's French entities and contracts outside of the core insurance business, such as the operations with partners for example
  - the International Legal department is tasked with providing a legal and contractual safety net for the Group's international businesses
  - a dedicated team liaises with the regulatory authorities
- the Data Protection Officer keeps tabs on the Company's compliance with legal obligations and handles policyholder queries. He or she works out of the Company Secretary's Project Management and Processes Office.

The Group-wide restructuring process means that changes will also need to be made to the system of delegations. Work on this kicked off in 2014 and will continue in 2015. A global approach has been adopted that entails cataloguing all legal actions and contracts concluded throughout the Company and standardising the system of delegations used in the business units and centralised functions.

Measures to combat money laundering and verify the legality of the financial flows of CNP Assurances have now been deployed in all of the Group's subsidiaries (alongside local regulations in the case of the international subsidiaries). In 2014, CNP Assurances continued to provide employees with anti-money laundering training in line with the recommendations of the ACPR and consolidated its anti-money laundering arsenal. The Group liaised with its partners to make sure that it met all requirements under the US Foreign Account Tax Compliance Act (FATCA).

The Group has made concerted efforts to trace the beneficiaries of unclaimed settlements. In 2012, the ACPR began auditing the Group and issued it with a fine in 2014 on the basis that CNP Assurances' handling of this whole issue was unworthy of France's premier life insurer. In late 2014, Executive Management submitted procedures amended in light of the regulator's findings to the Board of Directors. In 2015, the Board will continue to monitor work on remaining unclaimed settlements especially closely and ensure that all settlements have been processed by end-2015 in line with the undertaking given to the ACPR.

Risk of fraud

Combating the risk of fraud is an integral part of the risk management mechanism and is covered by second-tier controls at operational department level. The work already carried out involves assessing the control environment, defining sensitive areas and identifying incompatible functions and devising scenarios. It also involves fostering awareness of the related issues among employees and close tracking of attempted and actual cases of fraud.

3. Ongoing steering of the risk management system

Work on improving the organisation of the existing risk management system continued during the year with the creation of the Group Risk department. The system is structured around a number of committees organised by nature of risk in compliance with the future requirements of Solvency II, Pillar 2, and aims to cover all risks throughout the Group by leveraging existing risk maps. It is underpinned by a standard quarterly reporting process deployed in 2014 together with updated risk management guidelines.

The Company also performs simulations of the potential consequences of different scenarios – factoring in key underwriting, financial and operational risks – on the Company's financial strength and flexibility. These forecasts form the basis of action plans drawn up to counter such occurrences and the findings are presented to the Audit and Risk Committee and the Board of Directors. They are also included in the Group's ORSA Report and CNP Assurances submitted its first ORSA Report to the French financial services regulator in 2014.

4. Financial and accounting communication and information

With help from other departments, the Analysts and Shareholders Relations unit produces the financial information which is circulated to the market – analysts and investors as well as private shareholders. Through their contributions and reviews the departments concerned help this unit to ensure that risks of material error or the release of erroneous information are avoided, that communication is timely and that there are no breaches of confidentiality or infringements of equality between shareholders.

INTERNAL CONTROL SYSTEM

a) Objective

The internal control system is designed to ensure compliance with laws and regulations, the application of instructions and guidelines set by the Executive Management, the proper functioning of the Company's internal processes and compliance with its strategic and efficiency-related objectives, and the reliability of financial information.

b) Components of internal control

1. Organisational framework

Coordination of the internal control function and compliance under Solvency II has been entrusted to the Compliance, Internal Control and Sustainable Development department. Within this department, the internal control unit is tasked with identifying and inspecting the operational control systems deemed significant based on the current risk map. Assessments of control processes and action plans are presented to the Executive Committee. Approximately 20 people work in the unit (assisted by a dedicated team of IT specialists for all IT-related risks) and another six people work on monitoring compliance with laws and regulations.

The scope of internal control assessment covers all the processes on which a financial crisis can have an impact, namely 27 processes, including processes to safeguard the integrity of financial and management information.

2. Process-linked controls

The internal control system is structured by linking controls to the business processes and cross-departmental processes.

The reorganisation into business units in 2014 has given a clearer overview and provided closer oversight of each business that sustains the Group business model. The Group has managed to capitalise on the strengths of the old system without greatly changing the types of controls performed, while harnessing the new organisation to drive risk management and control forward and provide greater accountability in the business units both in terms of risk identification and management and corrective action deployment.

In the international subsidiaries, the Group began deploying its internal control and risk management framework a few years back, however complete integration within governance processes is a long-term project. Significant progress has been made, notably in regions where requirements under Solvency II are stricter than local regulations as is the case in Brazil, even though there is still work to be done to achieve sufficient risk management coverage between now and 2016. There is no acute risk exposure in the Group as a whole.

Controls geared to the challenges represented by core business processes

Product development and distribution

The life insurance business involves operational, legal and reputational risks. Risks emerge as soon as a product is developed and the related contractual documents are drafted, but they also concern the way that the product is presented to the public (*i.e.*, in terms of the advice and information given to prospective policyholders). Risks can also arise in relation to a new legal precedent or a change in regulations.

In response to these challenges, CNP Assurances has established procedures for keeping tabs on changes in regulations and legal precedent, and adapting policy terms and conditions and management practices in consequence. The Insurance Tax & Legal department was created as part of the Group Legal department to anticipate and manage the risks arising out of continually changing regulations, which can be complicated and difficult to interpret, as well as updates to case law. Focuses in 2014 included Group lobbying initiatives concerning French legislation, the consequences of the Hamon law giving consumers freedom to break a mortgage loan insurance policy, or preparation for the French national register of life insurance and endowment policies ("FICOVIE"). Technology now makes it possible to handle more and more administrative transactions on a dedicated internet site and the Group is careful to strike a balance between the flexibility provided by these new applications – and sought by policyholders – and containing the legal risk arising from documenting advice and commitments.

Conscious of the risk of loss of identity of an insurance policy, the Company pays special attention to civil status and tax treatment. Any loosening of the legal guidelines applicable to insurance policies could be a major source of confusion.

CNP Assurances seeks to continually improve the legal soundness as well as the clarity of all customer documentation, be it contractual or promotional. This approach includes a systematic validation by the Group's Legal and Compliance departments of new product services as well as monitoring of claims against existing products. The Group attaches great importance to the recommendations of the ACPR regarding advertising by insurers and a process of formal validation by all stakeholders using compliance reports has now been fully integrated into the product launch process.

The agreements governing the ties between CNP Assurances and its partners define the roles and responsibilities of each party, especially in the area of information and advice. They represent a key component in our control environment.

Policy administration

The administration of insurance policies is the bedrock of the Group's business model. Hence, this activity calls for special care and attention. Procedures in this area must therefore help to smooth the workings of internal processes and guarantee quality customer service. These operations are also key to achieving the Group's strategic and efficiency-related objectives. As part of the reorganisation, cost centres have been attached to business units based on their main business to boost cooperation between different teams and pooling of best practices, while leveraging the support of central teams to maintain the consistency of shared processes and controls. The Process Operations department – which is part of the Company Secretary's office – provides the business units with a Group-wide perspective that facilitates an effective response to risk management and cost issues.

In individual insurance, the main policy administration risks arise from the wide-ranging products offered and the massive volumes of transactions processed. Risk management relies on a "quality approach" drawn up in tandem with distributors for the purpose of optimising administrative processes such as admission to insurance schemes, payment of claims and benefits, and policyholder information. Handling operations efficiently is at the heart of CNP Assurances' partnership approach with its distributors.

In addition to monitoring using regular indicators, controls in this area include:

- the signature of service agreements with the partner networks
- performance controls on the administrative side based on shared procedures and systems, together with quality and efficiency standards
- compliance checks on validations performed when making secure payments
- monitoring the quality of service, policy administration, investment performance, information systems and new products *via* special committees.

In 2014, all departments directly involved in policy administration deployed projects to enhance the quality – and the perceived quality – of services provided to policyholders and the Group's partners. Most of these projects involved working more closely and in a more integrated manner with the partners. The processes and systems performance project which was completed in 2014, for example, has recast processes in order to improve response times, compliance, quality and security of the service provided. The project will be extended in the form of a continuous quality improvement initiative together with specific work conducted on certain processes. The project to enhance exchanges with policyholders and management processes focusing on paperless documents and greater use of e-mail will complete its roll-out to death cover policy processes in 2015.

Annual customer statements provide an excellent vector for communicating with policyholders and the fact that their content is constantly evolving makes them an even more effective resource. Certification of this process, which was renewed for another three years in 2012, enhances the security of the service. More generally, the Group has drawn up a multi-annual programme for certification of administrative transactions. In 2013, the process was consolidated with the certification of an additional two processes (policyholder payments and processing in all networks) and renewed certification of two processes for another three years (online customer service and Amétis network management).

Group policies cover essentially the same types of guarantees as individual policies and the inherent administrative risks are therefore the same. However, Group policies also give rise to specific risks due to the delegation of decision-making given to CNP Assurances' partners.

Mechanisms have been set up in the business units concerned to manage delegation-linked risks, including:

- defining their responsibilities and level of service commitment through delegations of authority
- securing service channels
- indicators for the purpose of monitoring business and technical balance developments and analysis by risk and by referral agent
- providing training to raise awareness among the partners of the Group's aims and objectives
- multi-annual audits designed around risk, followed up with improvement action plans.

These processes are reviewed on a regular basis in light of regulatory developments, contractual modifications and the experiences of our partners.

CNP Assurances has also deployed internal procedures designed to ensure quality service, control claims processing and secure financial flows.

Investment management

The control system for managing investment portfolios is based on the following:

- guidelines adopted annually by the Strategic Allocation Committee and updated as necessary during the year

- breaking down these guidelines into investment strategies based on asset/liability studies and the objectives of policyholder dividend policies
- submitting investment files to the Investment Committee for validation
- transferring risk management teams from the Investment department to the Group Risk department to separate risk acceptance activities from risk management activities
- monitoring of compliance with instructions given to investment brokers and investment limits
- strict control of positions *via* an information system on securities which facilitates the control of financial flows as well as monitoring equity and IFRS income exposure to market fluctuations
- verification of compliance with individual portfolio asset allocations and the exposure limits by issuer or counterparty set by the Asset Risk Monitoring Committee and tracking of economic capital consumption
- transactions using financial futures must comply with the risk-hedging strategies approved annually by the Board of Directors and managed and monitored by a dedicated unit.

The Palladio system makes it possible to produce financial information under a number of different accounting standards on a new application selected in 2010. This system streamlines and automates investment operations and provides more comprehensive and more frequent controls of financial positions and projections prepared according to different accounting standards (French Gaap, IFRS, Solvency II). Switchover to the new application for populating the accounting system will take place in 2014, to be effective in 2015.

Finally, it should be noted that the Group's investment policy must be presented to the Audit and Risk Committee and approved by the Board of Directors.

Control of cross-departmental functions

Management accounting and oversight

Management accounting and oversight activities are structured around four aspects: producing indicators, analysing performance, strategic planning, and preparing and monitoring budgets. Planning involves developing, through detailed projections, the medium-term strategic priorities proposed by the Executive Committee and approved by the Board of Directors. The Planning and Performance department ensures that these processes are reliable and helps to improve the quality of the information communicated internally and used to underpin decision-making.

The information submitted to Executive Management and to the Board of Directors comprises regular dashboards that present key indicators and comparative trends both for the Group and the market. The dashboard submitted to Executive Management has been recast to bring selected indicators into line with management needs and to reflect the new business unit-based organisation structure. Business performance is also analysed in detail in terms of earnings, value, budget versus actual economic capital consumption and new business value. In 2014, the granularity of this analysis was aligned with the new business unit-based organisation structure and produced on a monthly basis. Faster reporting and enhanced reliability of financial information is also a priority and an application for tracking network business in France went live in 2014. In 2015, it will be rolled out to the entire Group. The Planning and Performance department will continue the work of optimising all of the processes impacted by the 2014 restructuring, enhancing the consistency between forecast and actual data, boosting forecasting capabilities and disseminating best management accounting practices throughout the Group.

The Planning and Performance department coordinates budget preparation and control.

Monitoring international operations

The international subsidiary control environment is based on the regulations and governance principles applicable in each host country and on the Group's majority representation on the Boards of Directors of these subsidiaries.

The International Joint Ventures department oversees the decisions taken by the governing bodies of the international subsidiaries and handles relations with the shareholders of our partners. It liaises with the business units in order to deploy the policies and guidelines prepared by the different Group functions. The functions have their own network of correspondents for their own specific areas.

In 2014, the International Joint Ventures department, Group functions and business units changed the way they previously worked in order to track the operations of the international businesses in line with the new Group structure. In 2015, the department will step up its efforts to prepare and monitor the implementation of decisions taken by the Boards of the international subsidiaries to support the Group's strategic priorities and interests. It will oversee the integration of the new Irish subsidiary into the Group management framework in liaison with Santander, coordinate relations with its new partner in Cyprus and keep track of the sale of its stake in CNP BVP to Barclays.

Human Resources management

The quality and sustainability of the Group's development require varied sets of skills, adapted to its business model requirements and to the transformations taking place in the Group itself. The Human Resources department, in conjunction with the Executive Committee, ensures that all the risks in this area are controlled, in order to meet the following objectives:

- compliance with labour regulations and best practices and maintaining quality dialogue with employees. In 2014, agreements were signed relating to mandatory annual pay bargaining and the employment of disabled people. Discussions that begun in 2013 on the way forward for employee pension plans were continued during the year

- a committed social responsibility policy, in line with the Group's values and recognised by the Diversity Label – first received in 2009 and renewed in 2014 – including clear policies to combat all forms of discrimination and promote diversity
- consistency with the needs of the business focusing on tighter cost control and sustained investment in employee training. Talks begun in 2013 on manpower and skills planning were put on hold in 2014 pending the revision of the Group's strategic priorities. They will resume in 2015
- active participation in risk management and internal control mechanisms by devising training modules that forge a common approach to key risks and facilitate exchanges with management around these themes
- involvement of the hierarchical structure in the people issues within the Company and in the prevention of psychosocial risks.

Programme and information systems management

Information systems play a crucial role in all of the Group's operations. The role of the Programme and Information Systems Department (PISD) is to optimise the information systems' contribution to the Group's strategy, to ensure the security and continuity of operations and to guarantee the quality of service and computer applications. It strives to develop core competencies in-house and to exercise careful control over outsourcing.

The control systems in place provide reasonable, but not absolute assurance concerning the reliability of applications, the quality of data and the protection of sensitive data. PISD focuses primarily on changes in behaviour related to the boom in new technologies and the development of operations that can be performed on smartphones, paperless operations and the analysis of big data, IT networks and cloud computing as well as the use of social networks. It promotes innovation on the "front line" as well as striving to optimise costs, quality and speed of processing. However, as systems become more open, PISD is also increasingly concerned with securing system operations, protecting data integrity and managing IT security. A programme to improve IT system security has been deployed covering the period 2012-2014 and involving around 30 people. A similar programme to deal with the increasing threat to IT security and covering the period 2015-2017 is in the pipeline and it will be the personal responsibility of the newly-appointed Head of information systems security. IT security is contingent on encryption of the most sensitive data, de-identification of individual data in non-production environments and the production and implementation of access controls. The IT back-up plan is tested for effectiveness on a regular basis and, as part of the ORSA reporting process, the operational risk scenarios tested included complete paralysis of the data centre, incapacity of an IT subcontractor and fraud based on computer intrusion. A department is also tasked with continually improving project management internal control through regular operations designed to keep risks up to date and to rationalise controls.

In addition, PISD managed the Group's Finance programme to adapt to the new accounting and regulatory standards, which were completed in 2014. Within the programme there are three computer system projects which have a major impact on internal control: replacing the accounting application in France, the redesign of the Group asset management application and the development of the modelling and simulation tool. As planned, work continued apace in 2014: the liability accounting system went live and the asset management application began to feed directly into the accounting system and various applications were taken down. This work is rounded out by projects focusing on data quality (see below) and reorganising the processes used to produce financial and prudential statements. A programme has also been launched to significantly improve the insurance platform based around the four strategic imperatives of business development, service quality, compliance and efficiency. A pilot phase kicked off in 2014 involving a number of partners to enhance exchanges and management processes and the changes required to pave the way for the launch of euro-croissance life insurance policies in 2015 were implemented.

PISD has adopted a documented approach to improve the project management process. A special committee validates PISD's input and attempts to reconcile the proposed solution to the needs of all stakeholders in terms of preferred architecture, security, production, risk management and investments.

Data quality

A data quality project is currently in progress. It is being organised directly by the CEO's office and focuses on enhanced accuracy and control of data used, especially for tracking risks and preparing financial and prudential statements. The project will help the Group meet the requirements of Solvency II.

It covers the following aspects: identifying main data quality deficiencies, preparing a data dictionary and quality guidelines, setting up a centralised data warehouse, designating data owners, traceability and re-urbanisation of information systems, automated transmission of partner data flows and quality control at source. In 2014, automated transmission of partner data flows for Group insurance, personal risk and term creditor insurance was put on an operational footing, thus enhancing the quality of incoming data.

Control over outsourcing

The Group's sub-contracting policy was finalised in 2014 and submitted to the Group Risk Committee before being presented to the Board of Directors. The operational Risk Committees set up in each business unit or Group function are in charge of managing subcontracting-related risks. In 2014, two of the operational risk scenarios tested as part of the ORSA reporting process focused on the incapacity of a major subcontractor – one in IT and another in one of the Group's core businesses.

c) Steering the internal control system and regular review of its workings

CNP Assurances has chosen to set up a system of internal control self-assessments based around the five components of the common risk management framework. It is deployed on an annual basis. This procedure, which involves all of our staff, provides an assessment of the reliability of our controls. The line managers' direct superiors validate the assessments and, whenever necessary, suggest improvements. Key controls that are deemed to be insufficient systematically give rise to short-term action plans and specific monitoring procedures.

As part of the Internal Control and Sustainable Development department, the activities of the internal control unit are structured around the business units and Group functions. It tests controls that are deemed to be satisfactory based on a random sample representing at least 10% of controls in order to validate the reliability of the self-assessments. 181 tests performed in 2014 for the purpose of certifying the self-assessment process mostly focused on key controls and ensuring that these continue to be performed effectively after the Group reorganisation. Results were satisfactory for the bulk of the processes tested. However reduced effectiveness was identified in three processes that had been recently recast as part of the reorganisation and the deployment of the Palladio project which is still a work in progress. Furthermore, specific tests are used to check the suitability of self-assessments by gauging their reliability and the level of risk coverage. Findings from these assessments are then shared with the line managers and relevant members of the Executive Committee. Action plans are put in place to address the identified weaknesses. In 2015, the focus will be on data quality and customer protection controls in line with the recommendations of the ACPR.

d) Procedures contributing to the preparation of financial and accounting information

1. Assessment of underwriting results

The Technical Affairs department has been entrusted with the actuarial function required under Solvency II. Its activities include *inter alia* assessing the Group's underwriting indicators from different angles (embedded value and new business value, technical reserves under French Gaap, IFRS and Solvency II) and forecasting underwriting results.

This department also has a separate Group Technical Synthesis department which establishes underwriting guidelines for technical reserves and MCEV©, conducts research and actuarial development work, and prepares the syntheses and analysis reports required by the Technical Affairs department. It has also pursued the Group's work on the modelling tool for calculating underwriting commitments in the new environment related to the implementation of Solvency II. The technical reserves report prepared in anticipation of future regulatory requirements provides an overview of the Group's commitments.

2. Control of management tools and process development

The developments in tools and processes form part of the Finance programme described above. This covers key challenges such as reducing reporting deadlines and integrating new standards. It generates automatic reconciliations of financial information when prepared under current and future standards (IFRS, Solvency II, MCEV©, etc.). There were major changes in 2014 to the Group's consolidation application and processes, the general accounting system and the subsidiary accounting system used for investments. However a secure transition was ensured by the Group's organisation structure.

3. Accounting and preparation of financial statements

Controls over the accounts closing process include:

- a well-documented accounts closing process and governance procedures based around committees meeting on a regular basis (every week during closing and every two weeks between two closings) for the purpose of organising the closings, tracking progress and devising remedial actions in the event of problems
- first-tier controls performed by the teams in charge of preparing the financial statements, rounded out by detailed notes to the accounts (*e.g.*, review of results by business)
- second-tier controls performed by the team in charge of analyses and controls in the Group Accounting department. These controls include period-on-period analytical reviews by product and reconciliations of actual to forecast figures. In 2013, a dedicated unit to review financial statements was created
- close involvement of the Accounting and Legal department in internal control campaigns.

In the case of consolidated financial statements, these controls are rounded out by instructions sent to the subsidiaries before each accounts closing, checks on the consolidation packages received (automatic controls and checks performed by the Group Accounting department) and frequent exchanges between the accounting teams and local Auditors.

Steps taken in recent years to improve these control processes aim to adapt them to the key risks identified at each accounts closing.

4. Identification of publication requirements

Three departments, each with its own specific skills, are involved in identifying and producing information for the markets: the Analyst and Shareholder Relations unit, the Accounting and Tax department, and the Legal and Corporate department. The operational ties forged with correspondents at the French securities regulator (*Autorité des Marchés Financiers*) have also helped enhance the financial reporting process.

INTERNAL AUDIT

The final level of control is provided by the Internal Audit department. This department assesses the relevance and durability of the Group's general control system. Around 30 people work for the Internal Audit department, including 19 people in France and 7 in Brazil.

The Audit Charter has been applied throughout the Group. It provides for a multi-year audit plan covering all of the significant risks within a five-year period, or more often if necessary. The engagements performed within the scope of the audit plan are coordinated between the Group and the subsidiaries. The plan is drawn up based on the findings of the internal control and compliance assessment process and the interviews conducted with the bodies in charge of risk management and the other key functions of Solvency II (risk management and the actuarial function) and the Statutory Auditors. The audit plan also reflects regulatory changes and the recommendations of the ACPR as well as requests from the Group's partners concerning joint processes and any requests for assistance from the international subsidiaries. The plan is submitted to the Executive Committee and validated by the Board's Audit and Risk Committee. Executive Management may also request that Internal Audit conduct engagements not initially included in the plan, in response to an emergency situation on a specific subject.

In 2014, Internal Audit performed 16 engagements covering the following areas: three in strategy and governance; five in regulations and compliance; one in technical issues, finance and accounting; and seven in operations and IT systems.

On the basis of the engagements targeted, the department assesses the format and effectiveness of the internal control and risk management processes. It makes recommendations to improve the quality of its methodology and makes sure that it is applied accordingly.

CONCLUSION

CNP Assurances' priority is to constantly improve the quality of service provided to policyholders as well as the overall quality of internal control and risk management in liaison with its network of partners. The Group plans to adapt its risk assessment and control processes to changes in its business environment and new risks identified.

As with any risk management and internal control system, CNP Assurances' system cannot provide absolute assurance against possible weaknesses. Nevertheless, the Group considers that it is well adapted to its business model and that it provides reasonable assurance that the process will enable the Company to fulfil these objectives in a satisfactory manner.

STATUTORY AUDITORS' COMMENTS

The Statutory Auditors have not informed the Company of any material internal control weaknesses identified during their audit.

5.2 Governance structure

CNP Assurances' governance structure, the organisation of its governing bodies and their skills, are largely governed by the Company's Articles of Association and the internal rules of the Board of Directors. The first section of the Chairman's report, which is appended to the management report, is largely devoted to describing CNP Assurances' governance structure and the practices of its management and control bodies.

Besides the legal and regulatory standards that apply due to its status as a listed insurance company, CNP Assurances strives to apply the recommendations outlined in the AFEP-MEDEF Corporate Governance Code adopted by the AMF. Any discrepancies with this code and the reasons therefor are set out in the Chairman's report in accordance with the "comply or explain" principle laid down in Article L.225-37 of the French Commercial Code (*Code de commerce*).

5.2.1 Breakdown of skills and responsibilities

Under the one-tier board system adopted by CNP Assurances the powers are divided between the Board of Directors, responsible for overseeing management and setting the strategic priorities, and Executive Management, represented by an executive body that ensures the Company's day-to-day management.

The Board of Directors is responsible for managing the Company. It outlines strategic priorities, ensures they are implemented, monitors and manages strategy closely, approves the annual financial statements and provisional budget and may examine any issue that affects the smooth running of the Company.

CNP Assurances' Board of Directors is organised in keeping with the Company's particular characteristics and is constantly striving for improvement: it has a stable, closely involved shareholder base, recognised expertise in the bancassurance field, shows continuous interest in its corporate officers who have in-depth business knowledge, and is progressively and steadily expanding its international businesses and improving its economic and financial performance.

This mode of governance, comprising specialised committees that have clearly defined duties and are free to organise their work as they see fit in preparation for Board of Directors' discussions, simplifies the decision-making process in a sector of the economy that places an extremely high value on being able to innovate and adapt.

The quality of governance depends on the very committed team of corporate officers. The Board lends invaluable support to the Executive Management team when making strategic decisions.

The balance of power is maintained as a result of each member's duties being clearly defined and separated. The Board of Directors comprises 18 members who are free in thought and independent in judgement. They receive information on a constant basis and have the means at their disposal to carry out their duties as required. The Executive Management team proposes a strategy to the Board and implements it on behalf of the Company and Group.

More than just a supervisory body, the Board is a genuine partner to Executive Management, with which it exchanges views on the actual implementation of these strategic priorities.

In this regard, the Board of Directors has conferred upon the Chief Executive Officer all the necessary powers to run the Company, leaving him free to act in the Company's interests within the scope of the Company's corporate purpose and the annual budget as determined by the Board of Directors. The Board of Directors also frequently delegates all or part of its powers to the Chief Executive Officer for the performance of its own decisions and those of the General Meeting.

However, the Board of Directors must ensure that the Chief Executive Officer performs his activities within a decision-making framework enabling the sustainable performance of the Company and the Group.

Therefore, before any management decision is made, certain strategic transactions must be submitted for prior review to the Board of Directors. The internal rules provide that the Chief Executive Officer may only make certain important decisions subject to authorisation by the Board. These limitations of powers are detailed below (see section 5.2.4).

5.2.2 Separation of the positions of Chairman and Chief Executive Officer

In 2007, CNP Assurances chose to separate the role of Chairman of the Board of Directors from that of Chief Executive Officer in accordance with one of the recommendations of the AFEP-MEDEF Code, which distinguishes the strategic, decision-making and supervisory roles from the operating and executive functions.

In accordance with the converging recommendations of the AFEP-MEDEF Code and the AMF, which stipulate that companies having opted for such separation must describe the Chairman's duties in detail, the internal rules of the Board give a detailed account of the duties of the Chairman, which do not exclusively relate to the operation and functioning of the Board. Particular mention is given to the duties entrusted to the Chairman for the purposes of representing the Company in its corporate relations, notably with its major partners or public authorities, at national or international level.

The Board's decision-making methods implement structured and documented procedures.

The Deputy Chief Executive Officers and the operational or functional managers of the Company's key functions are regularly invited to attend Board meetings to enable the Board to assess the risks, responsibilities and challenges associated with such roles.

The Chairman ensures that the Board members respect the roles and prerogatives of management. He is also committed to ensuring that the directors remain vigilant as regards the impact of the Board's decisions on the Company's medium- to long-term growth. He makes sure the Board of Directors is kept permanently informed of all of the Company's activities and performances. As well as highly committed directors with a range of complementary skills and experience (international, finance and banking expertise), some of whom know a great deal about the Company's history and business environment, all of the directors are extremely conscientious and keep a very close eye on the Company's affairs.

The Board takes a consensus-based approach in compliance with ethical standards, corporate values and all applicable laws and regulations. When conducting its duties and taking decisions, the Board acts completely independently of any operating commitments made by the Executive Management.

To ensure Board continuity, while encouraging the transmission of knowledge and experience to new directors, in June 2012 the Company amended its Articles of Association to allow directors to be reappointed on a rotation basis with a view to gradually renewing the entire Board every five years. This period was gradually reduced to four years following the General Meeting of 6 May 2014.

5.2.3 Executive Management procedures

The Chief Executive Officer set up an Executive Committee to carry out the Group's operational management and implement the strategy decided by the Board of Directors. As of 31 December 2014, the Executive Committee comprises the Company's two Deputy Chief Executive Officers and ten other senior executives, including five women.

The Committee meets regularly and, as well as acting in a strategic planning role, it coordinates and shares Group-level initiatives and monitors cross-functional projects. It combines a very broad range of managerial and operational skills within an internal structure.

The Executive Committee also oversees the consistency of action plans implemented by the operating units and subsidiaries, and makes suggestions to the Chief Executive Officer concerning any necessary trade-offs between conflicting priorities. It monitors the Group's results and financial ratios and reviews the action plans to be implemented by the Group. It focuses more particularly on ensuring the efficiency of internal control, internal audit and risk management systems, which are considered to be key drivers of good corporate governance.

5.2.4 Limitations on the powers of the Chief Executive Officer

The following decisions are subject to the prior approval of the Board of Directors:

- the issue of guarantees to secure the Company's commitments in excess of €100 million per commitment
- business acquisitions and disposals for amounts in excess of €50 million per transaction, whether they are carried out by CNP Assurances or by one of its direct or indirect subsidiaries; this threshold takes into account the price, the net debt of the target, any purchase or subscription promise provided by the Company and any off-balance sheet commitment; except for disposals of assets as part of the portfolio management process
- business acquisitions and disposals for any amounts that are not part of the strategy decided by the Board of Directors. These provisions do not apply to transactions carried out on an experimental basis.

On 18 February 2015, the Board of Directors also renewed the Chief Executive Officer's authorisations to:

- issue sureties, bonds and other guarantees in the Company's name for up to €100 million annually, or the equivalent in any foreign currency, covering the commitments of subsidiaries and other third parties in accordance with Article L.225-35, paragraph 4 of the French Commercial Code
- issue, on one or several occasions, bonds or similar securities for a maximum of €1 billion placed in France or on an international market. The securities issued under this authorisation may be dated or undated and subordinated or unsubordinated, and may pay interest at a fixed or variable rate (or any other form of remuneration)
- as and when required, to buy back, on one or several occasions, at the prices and according to terms and conditions that he shall determine at his sole discretion, bonds or similar securities issued by the Company, to be held or cancelled, in accordance with contractual provisions and the applicable laws and regulations. The maximum nominal amount of the securities that can be bought back pursuant to this authorisation may not exceed five hundred million euros (€500,000,000) or the equivalent of this amount in foreign currencies, or any other unit of account established by reference to a set of currencies (or currency basket)
- as and when required, to establish or unwind, on one or several occasions, at his sole discretion, in France or abroad, hedging positions for bonds or securities issued or to be issued by CNP Assurances up to a nominal maximum ceiling of one billion euros (€1,000,000,000) or equivalent value in foreign currencies in the form of swaps with the following options: convert the interest and principal into euros (currency swaps) or exchange future interest payments (interest rate swap)
- the Board has also authorised the Chief Executive Officer to trade in the Company's shares, pursuant to the powers of delegation granted by the Annual General Meeting. The authorisation expires at the Annual General Meeting called to approve the financial statements for the financial year ending 31 December 2015, and may not exceed a total of 18 months.

The comprehensive text on the limitations of powers and financial authorisations is available at www.cnp.fr appended to the internal rules of the Board of Directors and its specialised committees.

5.3 Composition of the Board of Directors

FUNCTIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS AND LIST OF TERMS OF OFFICE

JEAN-PAUL FAUGÈRE

BORN:

12 December 1956

NATIONALITY:

French

EDUCATION:

Graduate of *École polytechnique*, *Institut d'études politiques de Paris* and *École nationale d'administration*

BUSINESS ADDRESS:

CNP Assurances
4 place Raoul Dautry
75015 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

420

Jean-Paul Faugère was elected to the Board of Directors by the General Meeting of 29 June 2012 for a term of five years *(current term expires at the Annual General Meeting to be called in 2017 to approve the 2016 financial statements)*.
He was appointed Chairman by the Board on the same day.

PROFESSIONAL EXPERIENCE

Jean-Paul Faugère was head of the Prime Minister's office from 2007 to 2012, having previously been Head of François Fillon's office (when Mr Fillon was Minister of Social Affairs, Employment and Solidarity and then Minister of National Education, Higher Education and Research) (2002-2005) and prefect for the Alsace-Bas Rhin region (2005-2007). Prior to this, Jean-Paul Faugère held the following positions and directorships:

- Insurance commissioner and comptroller (1980-1981)
- Auditor at the *Conseil d'État* (French supreme administrative court) (1982)
- *Maître des requêtes* (Counsel) at the *Conseil d'État* (1986)
- Deputy Secretary General of the *Conseil d'État* (1986-1987)
- Technical advisor to the Office of the Ministry of Infrastructure, Housing, Territorial Development and Transport (1987-1988)
- Government representative on the Special Litigation Committee (*Assemblée du contentieux*) of the *Conseil d'État* (1988-1990)
- Advisor to the General Director (1990) and then Finance Director and Secretary General (1991-1994) of the French Atomic Energy Commission (CEA)
- Director of Civil Liberties and Legal Affairs at the Ministry of the Interior and Territorial Development (1994-1997)
- Prefect for Loir and Cher (1997-2001), for Vendée (2001-2002)
- State councillor (1998)

Jean-Paul Faugère has been the Chairman of the Board of Directors of CNP Assurances since 29 June 2012. He is Chairman of the Strategy Committee and a member of the Remuneration and Nominations Committee of CNP Assurances.

DIRECTORSHIPS AND FUNCTIONS

Within the CNP Assurances Group

- Caixa Seguros Holding (Brazil), *director*

Other directorships and functions

- Icade (listed SA), *director and member of the Strategy Committee*

FREDERIC LAVENIR

BORN:

11 June 1960

NATINALITY:

French

EDUCATION:

Graduate of *HEC*
and *École nationale d'administration*

BUSINESS ADDRESS:

CNP Assurances
4 place Raoul Dautry
75015 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

2,000

Frédéric Lavenir was elected to the Board of Directors by the General Meeting of 25 April 2013, for a term of four years *(current term expires at the Annual General Meeting to be called in 2017 to approve the 2016 financial statements).*

PROFESSIONAL EXPERIENCE

Frédéric Lavenir began his career at the French Inspectorate of Finance in 1986 before joining the French Treasury where, in 1992, he was appointed Director of the Insurance Company Office. In 1995, he was appointed Secretary General of the Inter-Ministerial Committee for Industrial Restructuring (CIRI). He served as Deputy Director of the Office of the Ministry of the Economy, Finance and Industry from 1997 to 2000.

He joined BNP Paribas in 2001, initially as Chief Executive Officer and then as Chairman and Chief Executive Officer of BNP Paribas Lease Group. From 2007 to end-September 2012 he was Head of Human Resources and a member of the Executive Committee of BNP Paribas group.

Frédéric Lavenir has been Chief Executive Officer of CNP Assurances since 26 September 2012.

DIRECTORSHIPS AND FUNCTIONS

Within the CNP Assurances Group

- Caixa Seguros Holding (Brazil), *director*

Other directorships and functions

- Caisse des Dépôts, *member of the General Management Committee of the Group*
- Deputy Chairman of French not-for-profit micro-finance association ADIE since 1996

PIERRE-RENÉ LEMAS

BORN:

23 February 1951

NATIONALITY:

French

EDUCATION:

Postgraduate degree in Public law, *Institut d'études politiques de Paris* and *École nationale d'administration*

BUSINESS ADDRESS:

Caisse des Dépôts
56, rue de Lille
75007 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

200

Pierre-René Lemas has been a representative of Caisse des Dépôts since 2 June 2014 on the CNP Assurances Board of Directors.

PROFESSIONAL EXPERIENCE

- Deputy Prefect of the Dordogne département, followed by the Val-de-Marne département (1981-1983)
- Office of the Home Affairs Minister (1983), then Technical Advisor in charge of decentralisation and "deconcentration" (1984-1986)
- Deputy Director of Overseas Departments at the Ministry for Overseas Departments and Territories (1986-1988)
- Advisor to the Home Affairs Minister, Director of the Office of the Secretary of State in charge of Local Authorities (1988), then Director General of Local Authorities at the Home Affairs Ministry (1989-1992)
- Prefect of the Aisne département (1992-1994)
- Deputy Director for Territorial Development and Regional Action (1994-1995)
- Director of Housing and Construction at the Ministry of Housing (1995-1998)
- Director General of Urban Development, Housing and Construction at the Ministry of Public Works (1998-2000)
- Director General of Administration at the Home Affairs Ministry (2000-2003)
- Prefect of Corsica, Prefect of Southern Corsica (2003-2006)
- Prefect of Lorraine Region, Prefect of Moselle (2006-2007)
- Director of Official Journals (2007-2008), then Director General of Paris Habitat (2008-2011)
- Director of the Office of the President of the French Senate (2011-2012)
- General Secretary to the French President (2012-2014)

Pierre-René Lemas has been Chief Executive Officer of the Caisse des Dépôts Group since 21 May 2014.

Directorships and functions outside the CNP Assurances Group

- Caisse des Dépôts, *CEO and member of the Executive Committees of Caisse des Dépôts and of the Group*
- Fonds de réserve pour les retraites (FRR) (public institution), *Chairman of the Executive Board*
- BPI Group (SA), *Chairman of the Board of Directors*
- La Poste (SA), *representative of Caisse des Dépôts, director and member of the Remuneration and Nominations Committee*
- Le Fonds Marguerite – European Fund, *member of the Supervisory Board*
- SNI (SA), *Chairman of the Supervisory Board*

Directorships and functions held in the period 2009 to 2013

- None

VIRGINIE CHAPRON DU JEU

BORN:

13 October 1961

NATIONALITY:

French

EDUCATION:

Graduate of *Institut d'études politiques de Paris*, postgraduate degree in foreign trade from Paris IX-Dauphine University, Master's degree in financial management/management control from Paris IX-Dauphine University

BUSINESS ADDRESS:

Caisse des Dépôts
12 avenue Pierre Mendès France
75914 Paris Cedex 13, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

215

Virginie Chapron du Jeu was elected to the Board of Directors by the General Meeting of 29 June 2012, for a term of five years *(current term expires at the Annual General Meeting to be called in 2017 to approve the 2016 financial statements).*

PROFESSIONAL EXPERIENCE

Virginie Chapron du Jeu has exercised various management responsibilities with IXIS CIB (2004-2007), CDC IXIS (2001-2004), Caisse des dépôts et consignations (1989-2001) and OSEO (1986-1989). After heading up the Department of financial balance, deposits and complex financing in the Savings Funds division of Caisse des dépôts et consignations from 2007, she worked as Project Executive reporting to the Deputy CEO of Caisse des dépôts et consignations between October 2011 and February 2013.

Since February 2013, Virginie Chapron du Jeu has been Head of Investments and Accounting in the Pensions and Solidarity Department of Caisse des Dépôts et consignations.

Directorships and functions outside the CNP Assurances Group

- Caisse des Dépôts, *Head of investments and accounting in the Pension and Solidarity Department*
- AEW Europe (SA), *representative of Caisse des Dépôts, director*
- CDC Placement (SA), *director*

Directorships and functions held in the period 2009 to 2013

- Caisse des Dépôts, *Project Executive reporting to the Deputy CEO of Caisse des Dépôts (October 2011 to February 2013)*
- Caisse des Dépôts, *Savings Fund Department, Finance Department, Head of Financial Balance, Deposits and Complex Financing Department (June 2004 to October 2011)*

ANNE-SOPHIE GRAVE

BORN:

6 February 1960

NATIONALITY:

French

EDUCATION:

Graduate of *École nationale supérieure des mines de Paris* (Mines Paris Tech)

BUSINESS ADDRESS:

Caisse des Dépôts
12 avenue Pierre Mendès France
75914 Paris Cedex 13, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

228

After serving as representative of Caisse des Dépôts from 23 March 2012, Anne-Sophie Grave was co-opted as Director of CNP Assurances by the Board of Directors on 13 November 2012, to replace Antoine Gosset-Grainville.

The General Meeting of 25 April 2013 ratified her appointment for the remainder of her predecessor's term of office *(current term expires at the Annual General Meeting to be called in 2016 to approve the 2015 financial statements).*

PROFESSIONAL EXPERIENCE

Previously, Anne-Sophie Grave served as Chief Executive Officer of Opievoy (2001-2006), Chairman of the Management Board of Efidis (an SNI subsidiary), member of the Executive Committee of SNI (2007-2011) and member of the Management Board of SNI (2010-2011).

She has been Pensions and Solidarity Director with Caisse des Dépôts et consignations since March 2011.

Directorships and functions outside the CNP Assurances Group

- Caisse des Dépôts, *Pensions and Solidarity Director and member of the Executive Committees of Caisse des Dépôts and of the Group*
- Efidis (SA), *member of the Supervisory Board*
- GIC *(Groupement Interprofessionnel pour la Construction) (non-profit association), President*
- Informatique CDC (GIE), *director*
- Maisons Saines Air et Lumière (SA), *CEO (since 29 January 2014)*
- Osica (SA), *Chairman of the Board of Directors*
- SNI (SA), *member of the Supervisory Board*

Directorships and functions held in the period 2009 to 2013

- AEW Europe (SA), *director (term expired October 2013)*
- Efidis (SA), *Chairman of the Executive Board (term expired March 2011)*
- Domef (SA), *Chief Executive Officer (term expired March 2011)*
- Sageco (SA), *Chairman of the Board of Directors (term expired June 2010)*
- SCET, *director (term expired October 2013)*
- Valestis (SA), *Chairman of the Board of Directors (term expired May 2011)*

OLIVIER MAREUSE

After serving as representative of Caisse des Dépôts from 25 April 2013 in replacement of Antoine Gosset-Grainville, Olivier Mareuse was co-opted as Director of CNP Assurances by the Board of Directors on 18 December 2013, to replace André Laurent Michelson, who had resigned.

The General Meeting of 6 May 2014 ratified his appointment and voted to extend his term of office for an additional four-year period that expires at the Annual General Meeting to be called in 2018 to approve the 2017 financial statements.

BORN:

24 October 1963

NATIONALITY:

French

EDUCATION:

Graduate of *Institut d'études politiques de Paris* and *École nationale d'administration*

BUSINESS ADDRESS:

Caisse des Dépôts
56 rue de Lille
75007 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

200

PROFESSIONAL EXPERIENCE

After serving as Technical and Financial Director of the Group Insurance division of CNP Assurances (1989-1990), he was appointed as an advisor to the Chief Executive Officer of CNP Assurances in 1991. In 1993, he was named Director of Strategy, Management Control and Shareholder Relations, responsible for the Group's IPO before becoming Chief Investment Officer of CNP Assurances in 1998.

Olivier Mareuse has been the Caisse des Dépôts Group's Finance Director since 15 December 2010. He is also a member of the Audit and Risk Committee and the Strategy Committee of CNP Assurances.

Directorships and functions outside the CNP Assurances Group

- Caisse des Dépôts, *Director of Finance of the group, member of the Executive Committees of Caisse des Dépôts and of the Group*
- AEW Europe (SA), *director*
- AF2i (French institutional investors association), *director*
- CDC Infrastructure (SA), *director*
- CDC International Capital (SA), *director, member of the Investment Committee and the Audit and Accounts Committee*
- CDC GPI (SA), *representative of Caisse des Dépôts, director*
- Icade (listed SA), *director, member of the Audit, Sustainable Development and Risk Committee*
- Qualium Investissement (SA), *representative of Caisse des Dépôts, director*
- Société Forestière de la Caisse des Dépôts et consignations (SA), *director*
- Veolia Environnement (listed SA), *representative of Caisse des Dépôts, director*

Directorships and functions held in the period 2009 to 2013

- Bpifrance Investissement (SAS), *director (term expired July 2013)*
- CDC Entreprises (SAS), *Chairman of the Board of Directors (term expired July 2013)*
- Dexia (listed SA), *director (term expired December 2012)*
- FSI (Fonds Stratégique d'Investissement), *representative of Caisse des Dépôts, director (term expired September 2012)*

ODILE RENAUD-BASSO

BORN:
2 June 1965

NATIONALITY:
French

EDUCATION:
Graduate of *Institut d'études politiques de Paris* and *École nationale d'administration*

BUSINESS ADDRESS:
Caisse des Dépôts
56 rue de Lille
75007 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:
200

Odile Renaud-Basso was co-opted as Director of CNP Assurances by the Board of Directors on 25 September 2013, to replace Michel Bouvard, who had resigned.

The General Meeting of 6 May 2013 ratified her appointment for the remainder of her predecessor's term of office *(current term expires at the Annual General Meeting to be called in 2017 to approve the 2016 financial statements).*

PROFESSIONAL EXPERIENCE

Odile Renaud-Basso started her career as an Auditor in the French state audit office *(Cour des Comptes)* in 1990 before becoming Deputy Head of the CFA Franc zone in the Treasury department in 1994. In 1996 she then served as Secretary General of the Club de Paris where she acted as Director in Charge of Debt and Credit Insurance in the Treasury department. In 1999 she was appointed Head of Finance for SMEs, Secretary General of the Interdepartmental Committee on Industrial Restructuring in the Treasury department, before being appointed Deputy Director in charge of European and multilateral affairs in the Treasury department in 2001. Before she was appointed Head of International Affairs in the Treasury department in 2004, Odile Renaud-Basso held the position of Head of the Economy and Finance department in 2003. In 2005 she was appointed Director of the European Commission. In 2010 she became Deputy Head of the Cabinet of the President of the European Council before going on to hold the position of Deputy Director of the Office of the Prime Minister in 2012.

Odile Renaud-Basso is Deputy Chief Executive Officer of Caisse des Dépôts and Director of the Savings Funds since 1 September 2013. She is also a member of the Remuneration and Nominations Committee of CNP Assurances.

Directorships and functions outside the CNP Assurances Group

- Caisse des Dépôts, *Deputy Chief Executive Officer and Director of the Savings Funds, member of the Executive Committees of Caisse des Dépôts and of the Group*
- CDC International Capital (SA), *director*
- La Poste (SA), *director, member of the Remuneration and Nominations Committee, Audit Committee, Strategy and Investment Committee, and Quality and Sustainable Development Committee*
- SNI (SA), *member of the Supervisory Board*

FRANCK SILVENT

BORN:

1 August 1972

NATIONALITY:

French

EDUCATION:

Graduate of *Institut d'études politiques de Paris* and *École nationale d'administration*

BUSINESS ADDRESS:

Caisse des Dépôts
56 rue de Lille
75006 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

226

After serving on the Supervisory Board of CNP Assurances since 25 April 2007, and as director since 10 July 2007, Franck Silvent's term of office was last renewed for four years by the Annual General Meeting of 6 May 2014 *(current term expires at the Annual General Meeting to be called in 2018 to approve the 2017 financial statements).*

PROFESSIONAL EXPERIENCE

Franck Silvent began his career as a Finance Inspector at the Ministry of the Economy and Finance in 1998. In 2002, he became Deputy Director of Strategy, Finance, Management Control and Accounting at Caisse des Dépôts. In 2005, he was appointed Finance, Strategy and Development Director and a Board member at Compagnie des Alpes, before becoming Deputy Executive Director of Compagnie des Alpes in 2009. In January 2013, he rejoined Caisse des Dépôts as Director of Group Strategy, Sustainable Development and Studies and member of the Executive Committees of Caisse des Dépôts and of the Group.

Franck Silvent has been Director of the Finance, Strategy and Investments division of Groupe Caisse des Dépôts since 15 May 2013. He is also a member of the Strategy Committee of CNP Assurances.

Directorships and functions outside the CNP Assurances Group

- Caisse des Dépôts, *Director of the Finance, Strategy and Investments division of Groupe Caisse des Dépôts, member of the Executive Committees of Caisse des Dépôts and of the Group*
- BPI France Investissement (SAS), *director*
- BPI France Participations (SA), *director, member of the Investment Committee*
- BPI Group (Banque Publique d'Investissement Groupe) (SA), *director, member of the Remuneration and Nominations Committee, formerly representative of Caisse des Dépôts, director*
- CDC International Capital (SA), *representative of Caisse des Dépôts, director, Chairman of the Investment Committee*
- Icade (listed SA), *director, Chairman of the Nomination and Remunerations Committee*
- La Poste (SA), *director, Chairman of the Audit Committee, member of the Strategy and Investment Committee and the Quality and Sustainable Development Committee*
- Transdev Group (SA), *director, Chairman of the Audit Committee*

Directorships and functions held in the period 2009 to 2013

- Belpark BV (Belgium), *representative of Compagnie des Alpes, director (term expired January 2009)*
- By Grévin (formerly SwissAlp), *director (term expired 2011)*
- CDA Brands (SAS), *Chairman, (term expired January 2009)*
- Centrale Investissement et Loisir (CIEL) (SAS), *Chairman (term expired February 2011)*
- Compagnie des Alpes (listed SA), *Deputy Managing Director, member of the Executive Committee (term expired December 2012)*
- Compagnie des Alpes – Financement (CDA-FI) (SNC), *representative of Compagnie des Alpes, legal manager (term expired July 2012)*
- Compagnie du Mont Blanc-CMB (SA), *director (term expired September 2013)*
- Compagnie Immobilière des 2 Savoie (CI2S) (SAS), *Chairman (term expired December 2012)*
- Compagnie Financière (COFILO) (SAS), *Chairman (term expired January 2009)*
- Domaine Skiable de Flaine (DSF) (SA), *Vice-Chairman of the Supervisory Board (term expired October 2009)*
- Domaine Skiable du Giffre (SA), *Vice-Chairman of the Supervisory Board (term expired October 2009)*
- Grévin et Compagnie (SA), *representative of Compagnie des Alpes, director (term expired December 2012)*
- Lafuma (listed SA), *director (term expired March 2013)*
- Looping Holding (SAS), *member of the Supervisory Board (term expired December 2012)*
- Musée Grévin (listed SA), *representative of Compagnie des Alpes, director (term expired December 2012)*
- Premier Financial Services (PFS) (Belgium), *director (term expired January 2009)*
- Safari Africain de Port Saint Père (SA), *representative of Compagnie des Alpes, director (term expired January 2009)*
- Santoline (SAS), *member of the Supervisory Board, member of the Audit and Strategy Committee (term expired November 2013)*
- Société du Parc du Futuroscope (SA), *member of the Supervisory Board (term expired January 2013)*
- Valbus (SAS), *representative of Compagnie des Alpes-Domaines Skiables, director (term expired September 2012)*

FRANÇOIS PEROL

BORN:

6 November 1963

NATIONALITY:

French

EDUCATION:

Graduate of HEC, *Institut d'études politiques de Paris* and *École nationale d'administration*

BUSINESS ADDRESS:

BPCE
50 avenue Pierre Mendès France
75013 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

200

After serving as director since 21 April 2009, François Pérol's term of office was renewed for four years by the Annual General Meeting of 6 May 2014 *(current term expires at the Annual General Meeting to be called in 2018 to approve the 2017 financial statements).*

PROFESSIONAL EXPERIENCE

François Pérol began his career at the French Inspectorate of Finance in 1990. In 1994, he was appointed Deputy Secretary General of the Interministerial Committee for Industrial Restructuring (CIRI). In 1996, he was appointed Director of the Financial Markets Office at the French Treasury. From 1999 to 2001 he was Secretary General of the Club de Paris, responsible for international debt negotiations. He was Deputy Director of Business Financing and Development at the French Treasury in 2001, before being appointed Deputy Director of the Office of Francis Mer, Minister of the Economy, Finance and Industry in 2002, and Deputy Director of the Office of Nicolas Sarkozy, Minister of State and Minister of the Economy, Finance and Industry in 2004. In 2005, he was appointed managing partner of Rothschild & Cie. In May 2007, he was appointed Deputy Secretary-General to the office of the French President. From 2 March to 1 August 2009 François Pérol held the role of Chairman of the Executive Board of Caisse Nationale des Caisses d'Epargne and Chief Executive Officer of Banque Fédérale des Banques Populaires.

Since 1 August 2009 François Pérol has been Chairman of the Executive Board of BPCE. He is also a member of the Remuneration and Nominations Committee of CNP Assurances.

Directorships and functions outside the CNP Assurances Group

- BPCE (SA), *Chairman of the Executive Board*
- Association des BP pour la création d'entreprises, *Chairman of the Board of Directors*
- Fédération Bancaire Française (Federation) (FBF), *Chairman, formerly Deputy Chairman*
- Banque Centrale Populaire (Morocco), *representative of BPCE Morocco, director*
- CE Holding Promotion (SAS), *Chairman and director*
- Crédit Foncier de France (CFF) (SA), *Chairman of the Board of Directors*
- Groupement Européen des Caisses d'Epargne (ESBG), *Chairman*
- Natixis (listed SA), *Chairman of the Board of Directors*
- SCI Ponant Plus, representative of BPCE, *legal manager (term expired 31 December 2014)*
- Sopassure (SA), director

Directorships and functions held in the period 2009 to 2013

- Banque Fédérale des Banques Populaires (BFBP), *Chief Executive Officer (term expired 31 July 2009)*
- Banques Populaires Participations (SA), *Chief Executive Officer (term expired 5 August 2010)*
- BPCE International et Outre-Mer (BPCE IOM) (SA), *Chairman of the Board of Directors (term expired 5 December 2012)*
- Caisse d'Epargne Participations (SA), *Chief Executive Officer (term expired 5 August 2010)*
- Caisse Nationale des Caisses d'Epargne (CNCE) (SA), *Chairman of the Executive Board (term expired 31 July 2009)*
- Crédit Immobilier et Hôtelier (CIH) (Morocco), *Vice-Chairman of the Board of Directors (term expired 2012)*
- Fédération Bancaire Française (Federation) (FBF), *Chairman (term expired 1 September 2011)*
- Foncia Groupe (listed SA), *Chairman of the Supervisory Board (term expired 28 July 2011)*
- Fondation des Caisses d'Epargne pour la Solidarité, *Chairman of the Board of Directors (term expired 9 March 2011)*
- Musée d'Orsay (public institution), *director (term expired 21 September 2013)*
- SNC Bankéo, *representative of BPCE, legal manager (term expired 22 November 2012)*

PHILIPPE WAHL

BORN:

11 March 1956

NATIONALITY:

French

EDUCATION:

Graduate of *Institut d'études politiques de Paris* and *École nationale d'administration*, postgraduate degree in economics

BUSINESS ADDRESS:

La Banque Postale
115 rue de Sèvres
75275 Paris Cedex 06, France
CNP Assurances

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

200

After serving as director since 22 February 2011, Philippe Wahl's term of office was last renewed for four years by the Annual General Meeting of 6 May 2014 *(current term expires at the Annual General Meeting to be called in 2018 to approve the 2017 financial statements).*

PROFESSIONAL EXPERIENCE

Philippe Wahl began his career in 1984 as Auditor and *maître des requêtes* (Counsel) at the *Conseil d'État*. In 1986 he was advisor to the President of the French Securities and Stock Exchange Commission (COB), and in 1989 he joined the office of Prime Minister Michel Rocard as technical advisor responsible for economic, financial and tax affairs. In 1991, he was advisor to the Chairman of Compagnie Bancaire, before being appointed member of the Steering Committee in 1992 and Deputy Chief Executive Officer in 1994. In 1997, he took responsibility for specialised financial services at Paribas and became a member of the Executive Committee. In 1999, Philippe Wahl was appointed Chief Executive Officer of Caisse Nationale des Caisses d'Epargne (CNCE). Accordingly, he was appointed Chairman of Sopassure, Chairman of the Board of Directors of Ecureuil assurances IARD and member of the Supervisory Board of CDC Ixis and CNP Assurances. He was appointed Chief Executive Officer of the Havas group in 2005, and became Vice-Chairman of the Bolloré group in 2006. In January 2007, Mr Wahl joined Royal Bank of Scotland (RBS) as Managing Director for France. In March 2008, he was appointed Board advisor, global banking and Markets, RBS London. In December 2008, he became Chief Executive Officer of RBS for France, Belgium and Luxembourg. In January 2011, he was appointed Chairman of the Executive Board of La Banque Postale and Deputy Chief Executive Officer of La Poste.

Philippe Wahl has been Chairman and Chief Executive Officer of La Poste since September 2013. He is also a member of the Remuneration and Nominations Committee of CNP Assurances.

Directorships and functions outside the CNP Assurances Group

- La Poste (SA), *Chairman-CEO, Director*
- La Banque Postale (SA), *Chairman of the Supervisory Board (since 15 October 2013), member of the Nominations Committee and member of the Remuneration Committee (since 16 December 2014), formerly member of the Nominations and Remuneration Committee (term expired 16 December 2014)*
- Géopost (SA), *representative of La Poste, director*
- Institut Montaigne, *member of the Steering Committee*
- L'Envol Le Campus de La Banque Postale (non-profit organisation), *director*
- Paris Europlace (non-profit organisation), *director (term expired 24 April 2014)*
- Poste Immo (SA), *representative of La Poste, director*
- Sofipost (SA), *representative of La Poste, director (term expired 1 July 2014)*
- Sopassure (SA), *director*

Directorships and functions held in the period 2009 to 2013

- Association Française des Banques (non-profit organisation), *Vice-Chairman (term expired 2013)*
- CRSF DOM (SCI), *representative of La Banque Postale, legal manager (term expired 2013)*
- CRSF Métropole (SCI), *representative of La Banque Postale, legal manager (term expired 2013)*
- Fédération Bancaire Française (Federation) (FBF), *member of the Executive Committee (term expired 2013)*
- Fonds de Garantie des Dépôts (guarantee fund), *member of the Supervisory Board (term expired 2013)*
- La Banque Postale Financement (SA), *Chairman of the Supervisory Board (term expired 2011), member of the Supervisory Board (term expired 2013)*
- La Banque Postale Prévoyance (SA), *Chairman of the Board of Directors, member then Chairman of the Remuneration and Nominations Committee (term expired 2013), formerly member of the Finance Committee (term expired 2012)*
- La Banque Postale (SA), *Chairman of the Executive Board (term expired 2013)*
- La Banque Postale Asset Management (SA), *Chairman of the Supervisory Board, member of the Supervisory Board, Chairman of the Remuneration Committee (term expired 2013)*
- La Banque Postale Assurance Santé (SA), *Chairman of the Board of Directors (term expired 2013)*
- La Banque Postale Assurances Iard (SA), *Chairman of the Board of Directors and Chairman of the Remuneration and Nominations Committee (term expired 2013)*
- La Banque Postale Gestion Privée (SA), *Chairman of the Supervisory Board (term expired 2013)*
- La Banque Postale Prévoyance (SA), *Chairman of the Supervisory Board (term expired 2013), member then Chairman of the Nominations and Remuneration Committee (term expired 2013), formerly member of the Finance Committee (term expired 2012)*
- L'Envol Le Campus de La Banque Postale (non-profit organisation), *Vice-Chairman of the Board of Directors (term expired 2013), formerly Chairman of the Board of Directors, Delegate General (term expired 2012)*
- Royal Bank of Scotland PLC, *Chief Executive Officer (term expired 2011)*
- SF2 (SA), *Chief Executive Officer and Chairman of the Board (term expired 2013)*
- Société de Financement Local (SA), *director, member of the Audit Committee (term expired 2013)*
- Sopassure (SA), *Chairman-CEO (term expired 2013), formerly SF2 representative, director (term expired 2012)*
- Société Financière de Paiements (SAS), *Vice-Chairman of the Supervisory Board (term expired 2012)*
- The Royal Bank of Scotland NV, *Chief Executive Officer (term expired 2011)*
- XAnge Private Equity (SA), *Chairman of the Supervisory Board (term expired 2011)*

MARC-ANDRE FEFFER

After representing Sopassure on the Supervisory Board of CNP Assurances since 9 March 2004, Marc-André Feffer has been Sopassure's permanent representative on the Board of Directors since 10 July 2007.

Sopassure was elected to the Board of Directors by the General Meeting of 29 June 2012, for a term of five years *(current term expires at the Annual General Meeting to be called in 2017 to approve the 2016 financial statements).*

BORN:

22 December 1949

NATIONALITY:

French

EDUCATION:

Graduate of *Institut d'études politiques de Paris* and *École nationale d'administration*

BUSINESS ADDRESS:

La Poste
44 boulevard Vaugirard
75015 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

400

PROFESSIONAL EXPERIENCE

Marc-André Feffer has been *maître des requêtes* (Counsel) at the *Conseil d'État*, Secretary General of the Survey Commission (1979-1981), consultant with the firm of Gaston Thorn, President of the Commission of the European Community (1981-1984), Deputy Director of the International IT Centre (1984-1985), and Head of the legal and technical information department of the French Prime Minister's Office (1985-1988). He then joined the Canal+ group becoming successively Secretary General (1988), Executive Director (1994), Executive Group Vice-President (1995-2000), Vice-Chairman of the Management Board and General Counsel (2001-2003).

Marc-André Feffer has been Deputy Managing Director responsible for strategy and development, legal and international affairs and regulation at La Poste group since 2004. He is also a member of the Strategy Committee of CNP Assurances.

Directorships and functions outside the CNP Assurances Group

- La Poste (SA), *Deputy Managing Director responsible for strategy and development, legal and international affairs and regulation*
- La Banque Postale (SA), *Vice-Chairman of the Supervisory Board and Chairman of the Strategy Committee*
- Geopost (SA), *director*
- Poste Immo (SA), *Chairman of the Board of Directors*
- Xelian (SA), *non-voting director (term expired 1 July 2014)*
- Sopassure (SA), *director*
- Véhiposte (SAS), *member of the Supervisory Board*
- XAnge Capital (SA), *Chairman of the Supervisory Board*

Directorships and functions held in the period 2009 to 2013

- GeoPost Intercontinental (SAS), *member of the Supervisory Board (term expired 2011)*
- Hypios (SAS), *director (term expired June 2011)*
- Sopassure (SA), *Chairman and Chief Executive Officer (term expired 28 March 2011)*
- Xelian (SA), *non-voting director (term expired 2011)*

JEAN-YVES FOREL

BORN:
17 May 1961

NATIONALITY:
French

EDUCATION:
Graduate of *Institut d'études politiques de Grenoble*, Degree in Economics

BUSINESS ADDRESS:
BPCE
50 avenue Pierre Mendès France
75013 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:
200

After serving as director since 11 December 2012, Jean-Yves Forel's term of office was renewed for four years by the Annual General Meeting of 6 May 2014 *(current term expires at the Annual General Meeting to be called in 2018 to approve the 2017 financial statements)*.

PROFESSIONAL EXPERIENCE

Jean-Yves Forel began his professional career in 1983, at Banque Populaire des Alpes. In 1992, after working in high-street banking, he was appointed Director of Operations, and, in 1995, General Director. In 1997, he joined Banque Populaire Atlantique as General Director and was responsible for business development and the business subsidiaries. In 2000, he was appointed head of business development at Banque Fédérale des Banques Populaires and became a member of the General Management Committee in 2001.

In 2003, he moved to Natexis Banques Populaires where he was appointed member of the General Management Committee and Director of the Banking, Financial and Technological Services Line.

In 2005, he was appointed Director of the Specialised Financial Services division. In November 2006, he became member of the General Management Committee and Director of the Specialised Financial Services division of Natixis, the BPCE Group's finance, investment, asset management and services bank.

Jean-Yves Forel has been a member of the Executive Board (commercial banking and insurance) of BPCE since 21 November 2012. He is also a member of the Audit and Risk Committee and the Strategy Committee of CNP Assurances.

Directorships and functions outside the CNP Assurances Group

- BPCE (SA), *member of the Executive Board (commercial banking and insurance)*
- BPCE International et Outre-mer (SA), *Chairman of the Board of Directors*
- Banque Palatine (SA), *Chairman of the Board of Directors (since 14 February 2014), formerly Chairman of the Supervisory Board*
- Crédit Foncier de France (SA), *director*
- Ecureuil Vie Développement (SAS), *representative of BPCE, director*
- Média Consulting & Investment (SA), *director*
- Natixis Algérie (Algeria), *Chairman-CEO (since 21 January 2011), formerly Chairman of the Board of Directors*
- Natixis Coficiné (SA), *director*
- Partecis (SAS), *director*
- Sopassure (SA), *Chairman of the Board of Directors and Chief Executive Officer*

Directorships and functions held in the period 2009 to 2013

- Algiers Business Centers (Algeria), *director (term expired 11 June 2013)*
- Albian-IT (SA), *director* (term expired 7 December 2012)
- Association Française des Sociétés Financières (ASF), *Vice-Chairman of the Board of Directors (term expired 15 January 2013)*
- Cacéis (SA), *director (term expired 31 December 2012)*
- Compagnie Européenne de Garanties et Cautions (SA), *Chairman of the Board of Directors (term expired 29 November 2012)*
- Conecs (SAS), *director (term expired 12 June 2013)*
- Natixis Altaïr Shared Services (SA), *representative of Natixis, director (term expired 31 December 2012)*
- Natixis Consumer Finance (SAS), *Chairman of the Board of Directors (term expired 28 November 2012)*
- Natixis Consumer Finance IT (SAS), *Chairman (term expired 30 November 2012)*
- Natixis Factor (SA), *Chairman of the Board of Directors (term expired 4 December 2012)*
- Natixis Financement (SA), *Chairman of the Board of Directors (term expired 28 November 2012)*
- Natixis Interépargne, *Chairman of the Board of Directors (term expired 18 December 2012)*
- Natixis Lease, *Chairman of the Board of Directors (term expired 11 December 2012)*
- Natixis Paiements, *Chairman of the Board of Directors (term expired 18 December 2012)*
- Nova Crédit (SA), *Chairman of the Board of Directors (term expired 30 November 2012)*
- SICOVAM Holding (SA), *representative of Natixis, director (term expired 31 December 2012)*
- Sopassure (SA), *director (since 6 December 2012)*
- Titres Cadeaux (SAS), *Vice-Chairman of the Board of Directors (term expired 21 December 2012)*

REMY WEBER

BORN:
18 November 1957

NATIONALITY:
French

EDUCATION:
Graduate of *Institut d'études politiques d'Aix en Provence* and HEC

BUSINESS ADDRESS:
La Banque Postale
115 rue de Sèvres
75275 Paris Cedex 06, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:
200

Rémy Weber was co-opted as Director of CNP Assurances by the Board of Directors on 6 November 2013, to replace Jean-Paul Bailly, who had resigned.

The General Meeting of 6 May 2014 ratified his appointment and voted to extend his term of office for an additional four-year period *(current term expires at the Annual General Meeting to be called in 2018 to approve the 2017 financial statements).*

PROFESSIONAL EXPERIENCE

Rémy Weber began his career at the Large Business Division (*direction des grandes entreprises*) of Banque Française du Commerce Extérieur (BFCE), before becoming an advisor at the International Affairs department of the French Treasury. He was then made head of the department responsible for drafting and monitoring credit insurance policies, operating funding procedures and hedging (Coface), before joining Financière BFCE in 1990 as Deputy Head of investments and M&A. In 1993, Rémy Weber joined the Crédit Mutuel-CIC group.

After holding several management positions, he became Chairman and Chief Executive Officer of CIC Lyonnaise de Banque, member of the Executive Board of CIC group from 2002 to 2010 and then member of the Executive Committee of CIC group.

Rémy Weber has been Chairman of the Executive Board of La Banque Postale, Deputy Chief Executive and Director of Financial Services at La Poste since 15 October 2013. He is also a member of the Audit and Risk Committee of CNP Assurances.

Directorships and functions outside the CNP Assurances Group

- La Banque Postale (SA), *Chairman of the Executive Board*
- Association Française des Banques (non-profit organisation), *Vice-Chairman*
- CRSF DOM (SCI), *representative of La Banque Postale, legal manager*
- CRSF Métropole (SCI), *representative of La Banque Postale, legal manager*
- Fédération Bancaire Française (federation), *representative of the Association Française des Banques, member of the Executive Committee*
- Fonds de Garantie des Dépôts (guarantee fund), *member of the Supervisory Board (term expired 1 April 2014)*
- L'Envol Le Campus de La Banque Postale (non-profit organisation), *Director, Vice-Chairman of the Board of Directors*
- La Banque Postale Asset Management (SA), *Chairman of the Supervisory Board (since 28 May 2014), Chairman of the Remuneration Committee, formerly member of the Supervisory Board*
- La Banque Postale Assurances Iard (SA), *Chairman of the Board of Directors, Chairman of the Remuneration Committee*
- La Banque Postale Assurances Santé (SA), *Chairman of the Board of Directors*
- La Banque Postale Prévoyance (SA), *Chairman of the Board of Directors and Chairman of the Remuneration and Nominations Committee*
- La Poste (SA), *Executive Vice-President, Director of Financial Services*
- Paris Europlace (non-profit organisation), *member of the Board (since 24 April 2014)*
- Poste Immo (SA), *director (since 14 February 2014)*
- SCI Tertiaire Saint Romain (SCI), *representative of La Banque Postale, legal manager (since 1 January 2014)*
- SF2 (SA), *Chairman of the Board, formerly Chief Executive Officer (term expired 27 June 2014)*
- SFIL (SA) director, *member of the Internal Audit and Risk Committee and member of the Accounts Committee (since 12 November 2014)*
- Sopassure (SA), *Chairman-CEO (since 5 March 2014) and director*

Directorships and functions held in the period 2009 to 2013

- ACM Iard SA (SA), *representative of Groupe des Assurances du Crédit Mutuel, director (term expired October 2013)*
- CIC (SA), *member of the Executive Committee (term expired 2011)*
- CIC Banque de Vizille (SAS), *Chairman of the Supervisory Board (term expired 2011)*
- CIC Banque Pasche (Switzerland), *Vice-Chairman (term expired 2010)*
- CIC Lyonnaise de Banque (SA), *Chairman and Chief Executive Officer (term expired October 2013)*
- CM-CIC Asset Management (SA), *representative of CIC Lyonnaise de Banque, member of the Supervisory Board (term expired October 2013)*
- CM-CIC FACTOR (SA), *representative of CIC Lyonnaise de Banque, director (term expired October 2013)*
- CIC Production (GIE), *member of the Supervisory Board (term expired 2010)*
- DANIFOS (SAS), *representative of CIC Lyonnaise de Banque, Chairman of the Executive Committee (term expired October 2013)*
- DESCOURS et CABAUD (SA), *representative of CM-CIC Investissement, director (term expired October 2013)*
- EURO Information (SAS), *member of the Management Committee (term expired October 2013)*
- EURO P3C (SA), *director (term expired October 2013)*
- FACTOCIC (SA), *representative of Gesteurop, director (term expired 2009)*
- Gesteurop (SAS), *Chairman (term expired October 2013)*
- SOFEMO (SA), *representative of CIC, director (term expired October 2013)*
- UVP (mutual insurer), *representative of CIC Lyonnaise de Banque, director (term expired October 2013)*

PHILIPPE BAUMLIN

BORN:

16 June 1957

NATIONALITY:

French

BUSINESS ADDRESS:

CNP Assurances
4 place Raoul Dautry
75015 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

1,511

After serving on the Supervisory Board of CNP Assurances since 8 June 2004, and as director since 10 July 2007 acting as employee shareholder representative, Philippe Baumlin's term of office was renewed for four years by the Annual General Meeting of 29 June 2012 *(current term expires at the Annual General Meeting to be called in 2016 to approve the 2015 financial statements).*

PROFESSIONAL EXPERIENCE

Philippe Baumlin is Regional Delegate with the CNP Assurances Midi-Pyrénées Regional Delegation and Chairman of the Supervisory Board of FCPE Actions CNP.

He is also a member of the Audit and Risk Committee of CNP Assurances.

DIRECTORSHIPS AND FUNCTIONS

Within the CNP Assurances Group

- FCPE Actions CNP, *Chairman of the Supervisory Board*

Outside the CNP Assurances Group

- AG2R Retraite AGIRC, *director*
- PRIMA SA (member company of GIE AG2R), *director, Chairman of the Board of Directors*

Directorships and functions held in the period 2009 to 2013

- Union Générale de Retraite des Cadres (UGRC), *director (term expired 5 December 2012)*

ANTOINE SAINTOYANT

BORN:

28 August 1977

NATIONALITY:

French

EDUCATION:

Graduate of *Institut d'études politiques de Paris* and *École nationale d'administration*

BUSINESS ADDRESS:

Agence des participations de l'État
139 rue de Bercy
75572 Paris Cedex 12, France

Antoine Saintoyant was appointed as the French State's representative on the Board of Directors of CNP Assurances by ministerial order of 23 September 2014. The French State was elected to the Board of Directors by the General Meeting of 29 June 2012, for a term of four years *(current term expires at the Annual General Meeting to be called in 2016 to approve the 2015 financial statements).*

PROFESSIONAL EXPERIENCE

After graduating from ENA (as one of the "René-Cassin" graduates) in 2003, Antoine Saintoyant was appointed to the Multilateral Affairs, Trade and Development Department at the Treasury and Economic Policy General Directorate (2003-2007). He then became advisor (to financial institutions and services, banks, stock market, insurance firms) with the European Commission's Economic and Financial Affairs department as part of France's Permanent Representation to the EU in Brussels (2007-2009). Head of the Banking Affairs Bureau at the Treasury and Economic Policy General Directorate (March 2010) which became the Directorate General of the Treasury (2009-2012), he was simultaneously Deputy Secretary General of the CCLRF (consultation committee on banking legislation and regulations).

Since July 2012, Antoine Saintoyant has been with the Government Shareholding Agency (APE), first as Head of the Bureau and then as Deputy Director, Defence and Aeronautical Services (since July 2013). He has been Director of Investment Services and Finance at the APE since July 2014.

Directorships and functions outside the CNP Assurances Group

- Agence des participations de l'État, *director of shareholdings in the services and finance sectors*
- Bpifrance Investissement (SA), *government representative, director (since 23 September 2014)*
- Bpifrance Participations (SA), *government representative, director (since 23 September 2014)*
- La Poste (SA), *director (since 23 May 2013)*
- Nouvelles Société de réalisation de défaisance (NSRD), *government representative, director (from 18 July 2012 to 12 October 2014)*
- ODAS (SA), *government representative, director (from 4 December 2013 to 5 September 2014)*
- Orange (listed SA), *government representative, director (since 15 May 2013)*
- Société de financement local (SFIL), *(SA), government representative, director (from January 2013 to 13 October 2014)*

Directorships and functions held in the period 2009 to 2013

- Société des prises de participation de l'État (SPPE), *director*
- Société de gestion de garanties et de participations (SGGP), *government representative, director (from 28 August 2012 to 12 July 2013)*

MARCIA CAMPBELL

BORN:

30 March 1959

NATIONALITY:

British

EDUCATION:

Degree in French, Business and History of Art from the University of Edinburgh. MBA from the Open University

BUSINESS ADDRESS:

CNP Assurances
4 place Raoul Dautry
75015 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

750

After serving as director since 22 February 2011, Marcia Campbell's term of office was renewed for four years by the Annual General Meeting of 29 June 2012 *(current term expires at the Annual General Meeting to be called in 2016 to approve the 2015 financial statements).*

PROFESSIONAL EXPERIENCE:

Marcia Campbell began her career in 1982 working as an advisor for Proudfoot Plc International Management consultants and became CEO for the UK in 1988. In 1990, she joined Standard Life Plc where, before becoming Director of Operations and Chairman and Chief Executive Officer of Asia-Pacific between 2004 and 2010, she occupied a number of senior positions including: Director of Sales Development (1990-1993), Director of Customer Services (1993-1996), General Advisor and Director of Business Services (1996-2004).

Marcia Campbell was Director of Operations of Ignis Asset Management, a subsidiary of Phoenix Group plc between 2010 and March 2012. She then chaired the Scottish Government's Advisory Committee for environmental strategy until 2014.

Marcia Campbell sits on the boards of directors and Audit Committee of Sainsbury's Bank and Murray International Trust Plc. She is also a member of the Audit and Risk Committee of CNP Assurances.

Directorships and functions outside the CNP Assurances Group

- Sainsbury's Bank, *director, Chairman of the Transmission Committee, member of the Audit Committee*
- Murray International Trust Plc, *director and member of the Audit Committee*
- Scottish Government, *Chairman of the Advisory Committee for environmental strategy (term expired 2014)*

Directorships and functions held in the period 2009 to 2013

- Barnardos Scotland (charitable institution), *member of the Board (term expired 2011)*
- HDFC Standard Life, *director and member of the Audit and Remuneration Committee (2006 to 2010)*
- Heng An Standard Life, *director and Chairman of the Audit Committee (2006 to 2010)*
- Ignis Asset management (subsidiary of Phoenix Group plc), *Director of Operations (2010 to March 2012)*
- Scottish Business in the Community (charitable institution), *director (2006 to 2012)*
- Standard Life Asia, *director and member of the Audit Committee (2006 to 2010)*
- Standard Life Ethical Fund, *Chairman of the Committee supervising ethical funds investments (2002 to 2010)*
- Standard Life Plc, *Director of Operations (2004 to 2010) and Chairman and Chief Executive Officer of Asia-Pacific (2006 to 2010)*

STEPHANE PALLEZ

BORN:

23 August 1959

NATIONALITY:

French

EDUCATION:

Graduate of *Institut d'études politiques de Paris* and *École nationale d'administration*

BUSINESS ADDRESS:

La Française des Jeux
126 rue Galliéni
92643 Boulogne-Billancourt Cedex, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

200

After serving as director since 5 April 2011, Stéphane Pallez's term of office was renewed for four years by the Annual General Meeting of 29 June 2012 *(current term expires at the Annual General Meeting to be called in 2016 to approve the 2015 financial statements).*

PROFESSIONAL EXPERIENCE

Stéphane Pallez began her career in 1984 and served as a Technical Advisor in charge of industrial matters in the Office of the Minister for the Economy and Finance between 1991 and 1993. She spent time at the Treasury Department as Deputy Director of Insurance between 1995 and 1998, and Deputy Director in charge of State Investments between 1998 and 2000. She was appointed head of European and International Affairs at the Treasury Department in 2000 and consequently became Chairman of the Club de Paris and a Director of the EIB. In April 2004, Stéphane Pallez was appointed as Deputy Chief Financial Officer at France Télécom Orange, responsible for financing and treasury strategy, cash management, tax, audit, risk management, internal control, fraud prevention, and financial reporting. Between 2011 and January 2015, she was Chairman and Chief Executive Officer of Caisse centrale de réassurance.

She has been Chairman and Chief Executive Officer of La Française des Jeux since November 2014. Stéphane Pallez is also Chairman of the Audit and Risk Committee and a member of the Strategy Committee of CNP Assurances.

Directorships and functions outside the CNP Assurances Group

- La Française des Jeux, *Chairman and Chief Executive Officer (since 6 November 2014)*
- Caisse centrale de réassurance (SA), *Chairman and Chief Executive Officer (term expired 14 January 2015)*
- Eurazeo (listed SA), *member of the Supervisory Board, Audit Committee and CSR Committee*
- GDF-Suez (listed SA), *government representative, director, member of the Ethics, Environment and Sustainable Development Committee*

Directorships and functions held in the period 2009 to 2013

- Crédit Agricole CIB (SA) (formerly Calyon), *director (term expired 2013)*
- France Télécom Orange (listed SA), *Deputy Chief Financial Officer at France Télécom Orange, responsible for financing and treasury strategy, cash management, tax, audit, risk management, internal control, fraud prevention, and financial reporting. Member of the Group's Investment Committee and Risk Committee, Chairman of the Treasury and Financing Committee, the Tax Committee and the Disclosure Committee (April 2004 to April 2011)*

ROSE-MARIE VAN LERBERGHE

BORN:

7 February 1947

NATIONALITY:

French

EDUCATION:

Graduate of *Institut d'études politiques de Paris*, *École nationale d'administration*, Insead, and *École normale supérieure*. History graduate and philosophy professor

BUSINESS ADDRESS:

Institut Pasteur
25-28 rue du Docteur-Roux
75015 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

200

Rose-Marie Van Lerberghe was co-opted as Director of CNP Assurances by the Board of Directors on 25 September 2013, to replace Henri Proglio, who had resigned.

The Annual Shareholders' Meeting on 6 May 2014 ratified Rose-Marie Van Lerberghe's appointment for the remainder of her predecessor's term of office *(current term expires at the Annual General Meeting to be called in 2017 to approve the 2016 financial statements)*.

PROFESSIONAL EXPERIENCE

Rose-Marie Van Lerberghe worked as Inspector General of Social Affairs and Deputy Director of Defence and Promotion in the Employment department of the French Ministry of Labour. She then worked with the Danone group for 10 years, notably as Head of Human Resources, before becoming delegate general for employment and vocational training at the French Ministry of Labour. She was then appointed Director General for the Paris public hospitals authority (*Assistance Publique – Hôpitaux de Paris*) and between 2006 and December 2011, she acted as Chairman of the Executive Board of the Korian group.

Rose-Marie Van Lerberghe has been Chairman of the Board of Directors of Institut Pasteur (Foundation) since 2013. She is also Chairman of the Remuneration and Nominations Committee of CNP Assurances.

Directorships and functions outside the CNP Assurances Group

- Institut Pasteur (Foundation), *Chairman of the Board of Directors*
- Bouygues (listed SA), *director*
- BPI Group, *senior advisor*
- Casino (listed SA), *director*
- Supreme Judicial Council *(Conseil Supérieur de la Magistrature), member*
- Groupe Hospitalier Paris Saint Joseph (private healthcare institution of public interest), *director*
- Klépierre (listed SA), *director*
- Orchestre des Champs Élysées, *Chairman of the Board of Directors*

Directorships and functions held in the period 2009 to 2013

- Air France-KLM (listed SA), *director*
- Korian (listed SA), *Chairman of the Executive Board (term expired December 2011)*

PIERRE GARCIN

BORN:

8 February 1960

NATIONALITY:

French

EDUCATION:

Graduate of *École Centrale de Paris*

BUSINESS ADDRESS:

BPCE
50 avenue Pierre Mendès France
75013 Paris, France

CNP ASSURANCES SHARES HELD AS OF 31 DECEMBER 2014:

200

After serving as non-voting director since 7 October 2010, Pierre Garcin's term of office was renewed for four years by the Annual General Meeting of 6 May 2014 *(current term expires at the Annual General Meeting to be called in 2018 to approve the 2017 financial statements).*

PROFESSIONAL EXPERIENCE

Pierre Garcin began his career in 1985 at the BFCE where he held various posts within the Major Accounts Division and the Financial Markets Division. He joined the AXA Group in 1992, with responsibility for financial engineering at AXA IM. In 1993, within AXA Corporate Solutions (IARD) he successively held the roles of New Risks Director, Specialist Lines Director, Vehicle Fleet & Alternative Solutions Director and, finally, Technical & Financial Director. In 2004, he was appointed Sales Director France & International of Axa Assurances Collectives (Vie), then in 2008 he was made Deputy Chief Executive Officer of Direct Assurance and Financial Director of AXA Global Direct.

Pierre Garcin has been director of the Insurance Division, BPCE Group since October 2010.

Directorships and functions outside the CNP Assurances Group

- BPCE (SA), *Director of Insurance for BPCE Group*
- ABP Vie, *director (since 23 May 2011)*
- Assurances BP IARD (SA), *representative of BPCE, director*
- BPCE Assurances (SA), *Chairman of the Board of Directors (term expired 24 October 2014)*
- Ecureuil Vie Développement (SAS), *director*
- Holassure (SAS), *Chairman*
- Muracef (mutual insurance company), *Chief Executive Officer, formerly BPCE representative, director (term expired 16 December 2014)*
- Natixis (listed SA), *Director of Insurance Solutions (since 1 December 2014)*
- Natixis Assurances (SA), *representative of BPCE, director*
- Natixis Assurances Partenaires (SA), *director*
- Natixis Assurances Production Services (formerly GCE Assurances Production Services) (SAS), *member of the Supervisory Board*
- Sopassure (SA), *director*
- Surassur (SA), *Chairman of the Board of Directors*

Directorships and functions held in the period 2009 to 2013

- Axa Global Direct, *Finance Director (term expired 2010)*
- CEMM (SAS), *director (term expired 30 December 2012)*
- CGE Courtage (SA), *Chairman of the Board of Directors (term expired 1 January 2010), then Chairman (from 1 September 2010 to 1 January 2011)*
- Direct Assurance, *Deputy Chief Executive Officer (term expired 2010)*
- Fongépar (SA), *representative of BPCE, director (term expired 2 November 2011)*
- GIE Partenariat CEMM (EIG), *representative of BPCE, sole director and member of the Partnership Committee (term expired 30 December 2012) then liquidator (from 30 December 2012 to 31 December 2012)*
- Serena (SA), *Vice-Chairman of the Supervisory Board (term expired 14 November 2011)*
- SOCRAM Banque (SA), *representative of BPCE, director (term expired 25 January 2012)*

JEAN-LOUIS DAVET

BORN:
20 April 1959

NATIONALITY:
French

EDUCATION:
Graduate of *École Centrale de Paris*.
Ph.D in mathematics

BUSINESS ADDRESS:
MGEN
3 square Max Hymans
75015 Paris, France

Jean-Louis Davet was elected to the Board of Directors as a non-voting director by the General Meeting of 6 May 2014, for a term of two years *(current term expires at the Annual General Meeting to be called in 2016 to approve the 2015 financial statements).*

PROFESSIONAL EXPERIENCE

Jean-Louis Davet began his career as a researcher at the CNRS and lecturer at *École Centrale de Paris* and Université Paris 6 in 1985. In 1988 he became Head of Festo France, a subsidiary of German industrial automation group Festo, then from 1992 to 2006 he was associate director of various strategy consulting firms (Gemini Consulting, CMC-Oliver Wyman, Cap Gemini, Ernst & Young). In 2006 he joined Mutualité Française as director and advisor to the Chief Executive Officer before becoming Group Director of MGEN as of 2008.

Directorships and functions outside the CNP Assurances Group

- MGEN (Mutual Insurance Group), *Group Director (since 2008)*
- MGEN Union (Mutual Insurance Union), *Group Director (since 2008)*
- MGEN Action Sanitaire et Sociale (Mutual Insurance Group), *Group Director (since 2008)*
- MGEN Centres de santé (Mutual Insurance Group), *Group Director (since 2008)*
- MGEN Vie (Mutual Insurance Group), *Group Director (since 2008)*
- MGEN Filia (Mutual Insurance Group), *Group Director (since 2008)*
- ISTYA Group (Mutual Insurance Group Union), *Chief Executive Officer (since 2011)*
- OFIVALMO (SA), *non-voting director (since 2012)*
- OFI Asset Management (SA), *non-voting director (since May 2014)*
- MFPrévoyance (SA), *non-voting director on the Supervisory Board (since May 2012)*
- Chorégie (Gie), *Effigie representative, director (since 2011)*
- EGAMO (SA), *MGEN Filia representative, director (since April 2012)*
- ICMIF (Federation), *director (since May 2014)*
- EGAS (SAS), *Chief Executive Officer (since 2014)*
- Mutuelle Intégrale (Belgian mutual insurance union), *director (since May 2014)*
- Egareseaux (SAS), *Chief Executive Officer (since November 2014)*

5.4 Remuneration of corporate officers of CNP Assurances

CNP Assurances uses the AFEP-MEDEF Code, and in particular its recommendations of 16 June 2013 concerning the remuneration paid to executive corporate officers.

In order to improve clarity and comparability, CNP Assurances uses the standardised format recommended by AFEP-MEDEF and the AMF for the disclosure of information concerning the remuneration of executive corporate officers.

Table 1

GROSS REMUNERATION PAYABLE AND STOCK OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER *(IN EUROS)*

Jean-Paul Faugère, Chairman of the Board of Directors	2013	**2014**
Remuneration payable for the year *(see breakdown in Table 2)*	290,822	284,463
Valuation of multi-annual variable remuneration granted over the year		None
Valuation of stock options granted over the year *(Table 4)*		No stock options granted
Valuation of performance shares granted over the year *(Table 6)*		No performance shares granted
TOTAL	**290,822**	**284,463**

Frédéric Lavenir, Chief Executive Officer	2013	**2014**
Remuneration payable for the year *(see breakdown in Table 2)*	450,000	450,000
Valuation of multi-annual variable remuneration granted over the year		None
Valuation of stock options granted over the year *(Table 4)*		No stock options granted
Valuation of performance shares granted over the year *(Table 6)*		No performance shares granted
TOTAL	**450,000**	**450,000**

Table 2

GROSS REMUNERATION OF EACH EXECUTIVE CORPORATE OFFICER *(IN EUROS)*

Jean-Paul Faugère, Chairman of the Board of Directors	2013		2014	
	Payable [1]	Paid [2]	Payable [1]	Paid [2]
Fixed remuneration	250,000	250,000	250,000	250,000
Annual variable remuneration	None	None	None	None
Multi-annual variable remuneration	None	None	None	None
Exceptional remuneration	None	None	None	None
Directors' fees	40,822	22,822	34,463	41,963
Benefits in kind	None	None	None	None
TOTAL	**290,822**	**272,822**	**284,463**	**291,963**

Frédéric Lavenir, Chief Executive Officer	2013		2014	
	Payable [1]	Paid [2]	Payable [1]	Paid [2]
Fixed remuneration	400,000	400,000	400,000	400,000
Annual variable remuneration	48,471	13,000	47,961	48,471
Multi-annual variable remuneration	None	None	None	None
Exceptional remuneration	None	None	None	None
Directors' fees	None	None	None	None
Benefits in kind [3]	1,529	1,529	2,039	1,529
TOTAL	**450,000**	**414,529**	**450,000**	**450,000**

(1) The "Payable" columns indicate the remuneration granted to each executive corporate officer for the duties performed for each year concerned, regardless of the payment date
(2) The "Paid" columns show the total remuneration paid to each executive corporate officer for the duties performed for each of the periods
(3) Benefits relating to the use of a company car

ADDITIONAL INFORMATION ON THE REMUNERATION OF JEAN-PAUL FAUGÈRE, CHAIRMAN OF THE BOARD OF DIRECTORS

2013	2014
Salary and bonus On 21 February 2013, the Board of Directors set Jean-Paul Faugère's annual salary for 2013 at €250,000.	**Salary and bonus** On 19 February 2014, the Board of Directors set Jean-Paul Faugère's annual salary for 2014 at €250,000.
Directors' fees The directors' fees "payable" in 2013 (€40,822) correspond to the amount received from Caixa Seguros Holding (€21,322) and Icade (€19,500). The directors' fees "paid" in 2013 (€22,822) correspond to the amount received from Caixa Seguros Holding (€21,322) and Icade (€1,500).	**Directors' fees** The directors' fees "payable" in 2014 (€34,463) correspond to the amount received from Caixa Seguros Holding (€22,463) and Icade (€12,000). The directors' fees "paid" in 2014 (€41,963) correspond to the amount received from Caixa Seguros Holding (€22,463) and Icade (€19,500).
Benefits in kind Jean-Paul Faugère does not receive any benefits in kind. He is provided with a company car to carry out his duties.	**Benefits in kind** Jean-Paul Faugère does not receive any benefits in kind. He was provided with a company car to carry out his duties during 2014. This benefit was not renewed at 1 January 2015.

ADDITIONAL INFORMATION ON THE REMUNERATION OF FRÉDÉRIC LAVENIR, CHIEF EXECUTIVE OFFICER

<table>
<tr><th>2013</th><th>2014</th></tr>
<tr><td>Salary and bonus
On 21 February 2013, the Board of Directors set Frédéric Lavenir's fixed gross annual salary for 2013 at €400,000, stable since his appointment in 2012.
On the same date, his maximum bonus for 2013 was set at €50,000, i.e., a maximum of 12.5% of his annual salary, stable since his appointment in 2012.
The Board of Directors' meeting of 21 February 2013 also set the targets used to decide on such variable bonus in 2014, on the basis of:
the Group's total administrative costs/recurring NIR ratio
changes in EBIT
assessment of the implementation of strategies decided by the Board of Directors.
At the proposal of the Remuneration and Nominations Committee meeting of 13 February 2014, the Board of Directors' meeting of 19 February 2014 set the amount of Frédéric Lavenir's bonus for 2013 at €48,471, calculated on a prorata temporis basis.</td><td>Salary and bonus
On 19 February 2014, the Board of Directors set Frédéric Lavenir's fixed gross annual salary for 2014 at €400,000, stable since his appointment in 2012.
On the same date, his maximum bonus for 2014 was set at €50,000, i.e., a maximum of 12.5% of his annual salary, stable since his appointment in 2012.
The Board of Directors' meeting of 19 February 2014 also set the targets that will be used to decide on such variable bonus in 2015, on the basis of:
the change in the ratio of Group management costs/total NIR, as per the budget forecasts presented to the Board of Directors in December 2013
the change in EBIT as per the budget forecasts presented to the Board of Directors in December 2013
an appraisal of initiatives and action plans carried out in 2014 by the Chief Executive Officer, with a focus on:
the development and renewal of partnerships in France
the development of the Group's international business model
new initiatives in France and abroad, and
his managerial performance.
In accordance with a proposal made by the Remuneration and Nominations Committee on 4 February 2015, on 18 February 2015 the Board of Directors, on the basis that 50% of the bonus set should depend on quantitative criteria and the remaining 50% on qualitative criteria:
found that the targets set for quantitative criteria had been reached and that the Chief Executive Officer had achieved all of the qualitative targets set
decided on this basis to award him the maximum possible bonus for 2014 of €50,000 including €2,039 worth of benefits in kind relating to his company car.</td></tr>
<tr><td>Benefits in kind
Since 2013, Frédéric Lavenir has had the use of a company car.</td><td>Benefits in kind
Frédéric Lavenir continued to have the use of a company car in 2014.</td></tr>
</table>

Table 3

DIRECTORS' FEES PAID BY CNP ASSURANCES

	Directors' fees paid in 2013 *(in €)*		**Directors' fees paid in 2014** *(in €)*		
Members of the Board of Directors	In respect of second-half 2012	In respect of first-half 2013	**In respect of second-half 2013**	**In respect of first-half 2014**	Paid to
Jean-Paul Faugère [(1)] *	–	–	–	–	-
Frédéric Lavenir [(1)]	–	–	–	–	-
Marc-André Feffer (Sopassure) *	15,500	14,450	15,200	11,400	Sopassure
Jean-Paul Bailly *	17,430	14,450	6,850	-	Sopassure
Philippe Wahl *	12,920	14,450	18,250	10,650	Sopassure
Rémy Weber *	–	–	7,600	17,500	Sopassure
François Pérol *	10,970	3,050	18,250	10,650	Sopassure
Olivier Klein *	6,460	–	–	–	Sopassure
Jean-Yves Forel *		20,550	24,350	10,650	Sopassure
Virginie Chapron du Jeu *	20,660	20,550	21,300	11,400	CDC
Jean-Pierre Jouyet	–	–	3,800	3,800	CDC
Pierre-Rene Lemas			-	3,800	CDC
Antoine Gosset-Grainville *	20,010	6,100	–	–	CDC
Odile Renaud-Basso *	–	–	7,600	10,650	CDC
Olivier Mareuse *	–	7,600	20,550	13,700	CDC
Anne-Sophie Grave *	15,500	14,450	11,400	7,600	CDC
André Laurent Michelson	9,690	3,800	7,600	–	CDC
Franck Silvent *	9,690	11,400	15,200	3,800	CDC
Ramon Fernandez (State)	3,230	7,600	7,600	0	French treasury
Michel Bouvard	12,920	11,400	–	–	Michel Bouvard
Henri Proglio *	13,550	6,850	3,800	–	Henri Proglio
Rose-Marie Van Lerberghe	–	–	20,550	29,700	Rose-Marie Van Lerberghe
Stéphane Pallez *	28,400	29,700	48,750	35,050	Stéphane Pallez
Marcia Campbell *	17,430	20,550	36,550	29,700	Marcia Campbell
Philippe Baumlin [(2)] *	20,660	20,550	27,400	17,500	Philippe Baumlin
Alain Quinet	12,920	3,800	11,400	0	Alain Quinet
Jacques Hornez (non-voting director)	9,690	11,400	15,200	3,800	Jacques Hornez
Pierre Garcin (non-voting director)	9,690	11,400	11,400	11,400	Sopassure
TOTAL	**267,320**	**254,100**	**360,600**	**242,750**	

* *Also a member of a Committee of the Board during all or part of the period between 1 July 2012 and 30 June 2014*

(1) *Jean-Paul Faugère and Frédéric Lavenir do not receive any directors' fees for participating in meetings of the Board of Directors or its committees in accordance with the decisions of the Board of Directors based on the recommendations of the Remuneration and Nominations Committee*

(2) *Philippe Baumlin decided to pay his total fees to charity including CDC Tiers-Monde*

ADDITIONAL INFORMATION ON DIRECTORS' FEES

These amounts are gross of withholding tax.

The Board of Directors' meeting held on 18 December 2007 decided to pay directors' fees as follows: the first payment is for the Board and the Committee meetings held during the first half of the year and is made at the end of the first half; the second payment is for meetings held during the second half of the year and is made at the beginning of the following year.

The total fees awarded to the Board of Directors by the Annual General Meeting of 21 April 2009 (for 2008 and subsequent years) amount to €721,650. Based on the recommendations of the Remuneration and Nominations Committee and the notifications received by the Company, directors' fees were allocated as follows:

For the 2013 financial year

- for each meeting attended during the first six months and second six months of 2013, the fee per Board meeting was set at €3,800 and the fee per meeting of the committees of the Board at €3,050
- the fee allocated to Stéphane Pallez was double the amount allocated to the other members of the Audit and Risk Committee by virtue of her chairmanship of that Committee
- having attended meetings of the Ad Hoc Committee for major consequences due to changes in sales agreements on 5 and 20 November and 17 December, Ms Campbell, Ms Pallez and Ms Van Lerberghe received directors' fees of €3,050 per meeting attended.

For the 2014 financial year

- for each meeting attended during the first six months and second six months of 2014, the fee per Board meeting was set at €3,800 and the fee per meeting of the committees of the Board at €3,050
- the fee allocated to Stéphane Pallez was double the amount allocated to the other members of the Audit and Risk Committee by virtue of her chairmanship of that Committee
- having attended meetings of the Ad Hoc Committee for major consequences due to changes in sales agreements on 21 January, 18 February, 8 April, 29 April, 25 June, 15 July, 29 July, 23 September, 17 October and 3 November, Ms Campbell, Ms Pallez and Ms Van Lerberghe received directors' fees of €3,050 per meeting attended.

Table 4 (1)

STOCK OPTIONS GRANTED DURING THE YEAR TO EACH EXECUTIVE CORPORATE OFFICER

Stock options granted to each executive corporate officer by the issuer and by all Group companies (list of names)	Plan no. and date	Type of stock options (purchase or subscription)	Valuation of stock options based on the method used for the consolidated financial statements	Number of stock options granted during the year	Exercise price	Exercise period
Not applicable	Not applicable	Not applicable	Not applicable	None	Not applicable	Not applicable

(1) *Tables 4 to 9: to date, there are no stock option or performance share plans for any CNP Assurances senior executives or employees*

Table 5 [1]

STOCK OPTIONS EXERCISED DURING THE YEAR BY EACH EXECUTIVE CORPORATE OFFICER

Stock options exercised by executive corporate officers (list of names)	Plan No. and date	Number of stock options exercised during the year	Exercise price	Year granted
Not applicable	Not applicable	None	Not applicable	Not applicable

Table 6 [1]

PERFORMANCE SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER

Performance shares granted during the year to each executive corporate officer by the issuer and by all Group companies (list of names)	Plan no. and date	Number of shares granted during the year	Valuation of shares based on the method used for the consolidated financial statements	Vesting date	Availability date
	Not applicable	None	Not applicable	Not applicable	Not applicable

Table 7 [1]

PERFORMANCE SHARES THAT BECAME AVAILABLE DURING THE YEAR FOR EACH EXECUTIVE CORPORATE OFFICER

Executive corporate officers for whom performance shares became available (list of names)	Plan no. and date	Number of shares that became available during the year	Vesting conditions	Year granted
Not applicable	Not applicable	None	Not applicable	Not applicable

(1) Tables 4 to 9: to date, there are no stock option or performance share plans for any CNP Assurances senior executives or employees

Table 8 (1)

HISTORICAL INFORMATION CONCERNING STOCK OPTION GRANTS

Information on stock options	Date of AGM	Plan 1	Plan 2	Plan 3
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Table 9 (1)

Ten employees (other than corporate officers) having received the greatest number of stock options and number of options exercised	Total number of stock options granted/ exercised	Average weighted price	Plan 1	Plan 2
Not applicable	None	Not applicable	Not applicable	Not applicable

Table 10

HISTORICAL INFORMATION CONCERNING SHARE GRANTS INFORMATION ON SHARES GRANTED

	Plan 1	Plan 2
Date of AGM	7 June 2005	7 June 2005
Date of Executive Board meeting	5 July 2006	19 June 2007
Total number of shares granted to employees	201,120	202,260
Total number of shares granted to corporate officers	0	0

Table 11

ADDITIONAL INFORMATION CONCERNING THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER

Executive corporate officers	Employment contract		Supplementary pension plan (Article 39 of the French Tax Code)		Allowances or benefits payable or likely to be payable in the event of termination or change of duties		Benefits arising from non-compete clauses	
Corporate officers	Yes	No	Yes	No	Yes	No	Yes	No
Jean-Paul Faugère Chairman of the Board of Directors Term of office started: 29.06.2012 Term of office expires: 2017 AGM to approve the 2016 financial statements		X		X		X		X
Frédéric Lavenir Chief Executive Officer Term of office started: 26.09.2012 Term of office expires: 2017 AGM to approve the 2016 financial statements		X		X		X		X

SUPPLEMENTARY PENSION PROVISIONS

	Gross annual benefit *(in €)* under the supplementary pension plan	
	31.12.2013	**31.12.2014**
Jean-Paul Faugère, Chairman of the Board of Directors	-	-
Frédéric Lavenir, Chief Executive Officer	-	-

CNP Assurances set up a defined benefit supplementary pension plan as approved by the 20 December 2005 Supervisory Board meeting.

Jean-Paul Faugère, Chairman of the Board of Directors since 29 June 2012 and Frédéric Lavenir, Chief Executive Officer since 26 September 2012, do not qualify for this supplementary pension plan.

TERMINATION BENEFITS

	At 30.06.2013 (Theoretical gross amount)	At 30.06.2013 (Gross amount paid)	**At 31.12.2014 (Theoretical gross amount)**
Jean-Paul Faugère Chairman of the Board of Directors since 29 June 2012	None		None
Frédéric Lavenir, Chief Executive Officer since 26 September 2012	None	None	None

As Jean-Paul Faugère, Chairman of the Board of Directors, and Frédéric Lavenir, Chief Executive Officer, do not have employment contracts with the Company, no termination benefits will be paid to them.

RETIREMENT BENEFITS

(Article 43 of the Company-wide agreement relating to all the employees)

	At 31.12.2013 (Gross amount paid)	At 31.12.2014 (Gross amount paid)
Jean-Paul Faugère, Chairman of the Board of Directors	None	None
Frédéric Lavenir, Chief Executive Officer	None	None

As Jean-Paul Faugère, Chairman of the Board of Directors, and Frédéric Lavenir, Chief Executive Officer, do not have employment contracts with the Company, no retirement benefits will be paid to them.

Remuneration of members of Executive Management

In the following table, the remuneration paid to Frédéric Lavenir, Chief Executive Officer, is presented in full, and the breakdown of remuneration is described in more detail in the tables regarding the remuneration of corporate officers.

SUMMARY TABLE OF EXECUTIVE MANAGEMENT REMUNERATION

Frédéric Lavenir, Chief Executive Officer	Remuneration paid in 2013 *(in €)*	Remuneration paid in 2014 *(in €)*
Fixed remuneration	400,000	400,000
Variable remuneration	13,000 *	48,471
Directors' fees received from CNP Assurances, its subsidiaries and other companies		
Miscellaneous (holiday and retirement indemnities, EPI, bonus, company car)	1,529	1,529
TOTAL	**414,529**	**450,000**

* *The 2012 bonus was calculated on a prorata temporis basis as Mr Lavenir was appointed Chief Executive Officer at end-September 2012*

Information relating to the remuneration of Deputy Chief Executive Officers is not required by law and is presented voluntarily for reasons of transparency.

Antoine Lissowski, Deputy Chief Executive Officer **Xavier Larnaudie-Eiffel, Deputy Chief Executive Officer**	Remuneration paid in 2013 *(in €)*	Remuneration paid in 2014 *(in €)*
Total fixed remuneration for the Deputy Chief Executive Officers	654,999.96	655,000.00
Total variable remuneration for the Deputy Chief Executive Officers	320,260	344,818.00
Benefits in kind for the Deputy Chief Executive Officers (company car)	5,477.28	5,477.00
Directors' fees (subsidiaries of CNP Assurances)	70,325.44	54,888.88
Miscellaneous (holiday indemnities, EPI, bonus)	84,496.90	78,078.34
Total remuneration – Deputy Chief Executive Officers	**1,135,559.58**	**1,138,262.22**
Giving an average remuneration per Deputy CEO of	567,779.79	569,131.11
TOTAL REMUNERATION – EXECUTIVE MANAGEMENT (CEO + DEPUTY CEOS)	**1,550,088.55**	**1,588,262.22**
Giving an average remuneration per Executive Committee member	516,696.18	529,420.74

5.5 Statement on convictions, bankruptcies, conflicts of interest and other disclosures concerning corporate officers

Absence of convictions for fraud, association with bankruptcy or official public incrimination or sanctions

To the best of the Company's knowledge, at the date of publication of this document:

- none of the members of the Board of Directors or Executive Management has been convicted of fraud within the last five years
- none of the members of the Board of Directors or Executive Management has been associated with any bankruptcy, receivership or liquidation acting as member of an administrative, management or supervisory body or as Chief Executive Officer
- none of the members of the Board of Directors or Executive Management has been the subject of any official public incrimination or sanctions by statutory or regulatory authorities (including relevant professional organisations), and no member of the Board of Directors or Executive Management has been disqualified by a court of law from acting as member of an administrative, management or supervisory body of any issuer or from participating in the management or conduct of the business of any issuer.

Service contracts

None of the members of the Board of Directors or Executive Management is linked by a service contract with CNP Assurances or any of its subsidiaries.

Conflicts of interest

To the best of the Company's knowledge and at the date of the publication of this document, there are no potential conflicts of interest between the duties of members of the Board of Directors or Executive Management and CNP Assurances, in their capacity as corporate officer, and their private interests and/or other duties. To the best of the Company's knowledge and at the date of the publication of this document, no arrangements or agreements have been entered into with the main shareholders, customers or suppliers providing for the appointment of a member of the Board of Directors or Executive Management. To the best of the Company's knowledge and at the date of the publication of this document, with the exception of the issue noted in the "Shareholders' Agreement" section, no restrictions have been accepted by the members of the Board of Directors or Executive Management concerning the sale of their interests in the Company's capital.

In accordance with the internal rules of the Board of Directors and in order to prevent risks associated with conflicts of interest, each member of the Board of Directors is required to report to the Board any situation that leads to or could lead to a conflict of interest between the interests of CNP Assurances and the member's personal interests or those of the shareholder or group of shareholders that he represents, as soon as he is aware of it (see section 1.2 C, paragraph 6 of the internal rules of the Board of Directors, available at http://www.cnp.fr).

5.6 Risk factors

INTRODUCTION: MACRO-ECONOMIC ENVIRONMENT

The Group's economic and financial environment in 2014 is analysed in section 2.1.

The risks described hereinafter are inherent to the economic, competitive and regulatory environment in which the Group operates.

In view of the contingencies and uncertainty related to these risks, the Group cannot always measure their impact with the accuracy it would like. However, risk management processes and controls have been set up to track and manage the risks on an ongoing basis. Risk management processes and controls are analysed in the "Report of the Chairman of the Board of Directors of CNP Assurances" and in section 7 "Governance structure" of this Registration Document.

Although the main risks to which the Group is exposed are set out in this section, the list is by no means exhaustive and other risks that are currently unknown or deemed of minor or non-material importance could prove to have a material impact on the Group in the future.

This section presents the risks to which the Group is exposed by nature of risk and the extent of their potential impact on the Group's results and assets.

In addition to the sections covering the overall Group risk management system and internal control procedures in the report of the Chairman of the Board of Directors of CNP Assurances and section 7 on the governance structure of CNP Assurances, the following are successively dealt with:

- **underwriting risk factors linked to the insurance business:** insurance risk on savings contracts, pension and personal risk products, concentration of insurance risk, reinsurance risk and the risk of inadequate reserves due to changes in assumptions
- **risk factors linked to the financial markets:** specific risks related to asset/liability mismatches, interest rate risk, credit risk, sovereign debt risk, country risk, liquidity risk, equity risk, real estate risk, infrastructure risk, private equity risk, currency risk and the risk of insufficient hedging cover
- **risk factors linked to the business:** operational risk, business continuity risk, compliance and litigation risk, risk of money-laundering and fraud, information system risk and social and environmental risk
- **other risk factors:** tax risk, ratings downgrade risk, partner risk, regulatory and antitrust risk, modelling risk.

This presentation should be read in conjunction with the tables in the financial statements of the CNP Assurances Group, which include a quantified analysis of all of these risks. The tables are included in the consolidated financial statements and have been reviewed by the Statutory Auditors.

5.6.1 Underwriting risk factors linked to the insurance business

The Group offers a full range of insurance products both inside and outside France.

The main traditional individual insurance policies written are savings products, term life insurance, endowment policies and deferred annuity contracts with or without contingency insurance. The Group also markets products that combine a traditional savings component and one or several unit-linked components.

Group policies are mainly defined contribution pension plans, points-based pay-as-you-go group pension plans, personal risk policies and term creditor insurance.

In addition, the Group's subsidiaries in Brazil (Caixa Seguros) and in Cyprus and Greece (CNP Cyprus Insurance Holdings) write property & casualty and liability insurance. Commitments under property & casualty and liability insurance are marginal in relation to those arising from the personal insurance written by the Group.

CNP Assurances is exposed to the risks inherent in marketing and pricing new products and it manages these risks through specific processes and *ad hoc* committees.

CNP Assurances may also be exposed to emerging risks – in other words new, continually evolving risks whose impact is very difficult to measure. Risks that are currently unknown or deemed of minor importance could prove to have a material impact on the Group in the future.

Specific processes exist to identify and analyse emerging risks and the Group keeps abreast of relevant scientific publications, market trends, regulations and case law, etc.

The insurer's risks differ depending on the type of policy:

SAVINGS CONTRACTS GIVE RISE TO MAINLY FINANCIAL RISKS

Savings contracts fall into two broad categories:

- traditional savings products, where the insurer may commit to pay a minimum guaranteed yield plus a share of the investment yield. The yield guarantee is for a fixed period (see Note 24.4 to the consolidated financial statements – Risk of guaranteed yields on insurance and financial liabilities)

Most savings contracts include an early surrender option for a contractually fixed amount. The policy surrender rate will depend on stock market performance, the performance of contracts being marketed by the competition, policyholder behaviour (*e.g.*, a need to raise cash), customer confidence, and tax-related matters. A wave of surrenders could materially impact earnings or even solvency in extreme conditions. Traditional savings products are exposed to surrender risk in the event of a sharp rapid increase in interest rates. This would generate unrealised losses, some of which would be recognised directly in equity, thus impacting both the Group's earnings and solvency (see section 5.2 on exposure to an increase in interest rates)

- unit-linked products, where the policyholder bears the financial risk and the insurer's commitment is limited to the additional cover provided, consisting generally of a guaranteed death benefit. A bear market combined with higher-than-expected losses could severely hit earnings on savings products.

PENSION PRODUCTS GIVE RISE TO MAINLY FINANCIAL AND UNDERWRITING RISKS

Risks associated with annuity-based pension portfolios depend on:

- the benefit payment period, which is not known in advance
- the interest rate, corresponding to the return on the funds managed by the insurer.

For these contracts, results are determined by long-term financial management policies and actual mortality rates compared with assumptions. Technical reserves are calculated using regulatory mortality tables based on statistical data on population trends. In certain cases, experience-based data is also used. Earnings or equity are potentially exposed to the risk that actual demographic trends may turn out to be significantly different to those predicted in the mortality tables or the risk that yields on plan assets will fall significantly short of the underwriting rate used in the pricing model.

PERSONAL RISK POLICIES GIVE RISE TO MAINLY UNDERWRITING RISKS

Personal risk contracts comprise various types of primary guarantees covering such risks as death, temporary or permanent disability, long-term care, health and unemployment.

The Group establishes risk selection and reinsurance policies and monitors statistical data concerning the policyholder base and related loss ratios.

Deteriorating loss ratios on temporary disability risks provided under term creditor and personal risk policies – especially under Group policies – has led to a major rethink of the pricing strategy for these products.

The increase in the legal retirement age in France has also had an adverse impact as benefits are payable until the policyholder retires.

Asymmetric information available to policyholders and insurers gives rise to a risk of anti-selection although the risk is limited somewhat by the use of certain types of medical questionnaires and the enforcement of a waiting period.

The Group's business may be affected by the occurrence of natural or human catastrophes.

Although CNP Assurances' business model focuses primarily on personal insurance, a wave of global climate-related disasters, acts of terrorism, the spread of pandemics such as the H5N1 and Ebola viruses, or fallout from global warming, aside from the immediate damage that such events would cause, could also significantly impact the results of certain businesses.

THE GROUP IS EXPOSED TO CONCENTRATION RISK

The Group has potential exposure to concentration risk which could arise from:

- one or a number of Group entities underwriting the same risk
- one or a number of Group entities underwriting different risks likely to result in claims arising from the same loss event or primary cause.

Identifying and containing concentration risk is part of the product development and validation process and product portfolio management and includes reinsurance strategy (see Note 24.5 to the consolidated financial statements – Concentration of insurance risk).

THE GROUP HAS SET UP A REINSURANCE PROGRAMME TO LIMIT RISK EXPOSURE

Our reinsurance programme is an important part of managing both the insurance business and the related risk. It has the following features and objectives:

- we implement a Group-wide reinsurance policy covering business written by the Company and by its subsidiaries
- overall underwriting results are protected by non-proportional treaties that are geared to the size of the Group and its claims-paying ability
- risks are shared on large-scale new Personal Risk business.

Other reinsurance treaties have been set up for strategic and commercial reasons.

Applications have been developed to monitor reinsured portfolios and these are presented in Note 10.5 to the consolidated financial statements – Credit risk on reinsured business. The Group's exposure to its main reinsurers is also analysed to ensure that cumulative exposure remains within defined risk thresholds. Even if all relevant exposure limits are complied with, certain reinsurers may be unable to honour their financial obligations and this could adversely impact the Group's consolidated earnings.

The availability, amount and cost of reinsurance also hinges on numerous factors and these may vary considerably over time. An increase in the cost of reinsurance may impact Group earnings either directly *via* the reinsured business or because a reduction in outward reinsurance increases the risk of losses.

A CHANGE IN ASSUMPTIONS MAY RESULT IN INADEQUATE TECHNICAL RESERVES OR ADVERSELY IMPACT EARNINGS OR SOLVENCY

The approach used to ensure that technical reserves are adequate focuses on:

- managing the risks associated with a fall in interest rates
- taking into account any increase in life expectancies compared with the periods reflected in regulatory mortality tables, by using an approved experience-based table developed internally
- regularly assessing risks *via*:
  - prospective monitoring of yield commitments
  - detailed analyses and statistical studies of personal risk contracts, including loss monitoring (by contract/underwriting year/loss year) and tracking of the utilisation of reserves.

The main categories of technical reserves are disclosed in Note 24.3 to the consolidated financial statements – Valuation of insurance liabilities.

Statistical and actuarial approaches are used to:

- develop new products
- build up technical reserves and ensure their adequacy by performing liability adequacy testing (LAT), and calculating the amount and recoverability of deferred participation assets or reserves
- measure indicators such as the value of new business or embedded value (see embedded value report)
- measure the value of In-Force business and expected future cash flows used in goodwill impairment testing.

Certain assumptions use data extrapolated from past experience or prospective data that draw upon:

- economic, demographic, social, legislative, regulatory or financial trends
- policyholder behaviour (surrender rate, renewal/non-renewal rate, etc.)
- factors specific to life insurance such as mortality, morbidity or longevity.

While the assumptions used appear reasonable at the measurement date, actual future experience may be significantly different. In particular, changes in technical assumptions or in the financial markets may affect provisioning rates, underwriting costs, embedded value and the value of new business, and negatively impact the Group's consolidated earnings and solvency (see Note 22.4 to the consolidated financial statements – Sensitivity of MCEV© to market risks).

5.6.2 Risk factors linked to the financial markets

CNP ASSURANCES MUST ENSURE THAT MATURITIES AND YIELDS ON PLAN ASSETS ALWAYS MATCH ITS LIABILITIES

The Group has established management information systems to optimise its asset allocation strategies and to measure asset/liability mismatch risk. Asset/liability management (ALM) strategies match the structures of plan asset portfolios to policyholder commitments while seeking to maximise investment yields for a given level of risk.

ALM techniques use deterministic and stochastic modelling of financial market behaviour for the assets side of the balance sheet, and measurement of insurance commitments under various different scenarios for liabilities.

The maturities of plan assets may then be matched to the profiles of the Group's different liabilities. However, as with all modelling techniques, there are inherent risks. If assumptions used were to be invalidated by actual events or if a situation not provided for under any of the models were to arise, CNP Assurances may be forced to sell off assets at a loss or it may have insufficient amounts of profitable assets to meet its commitments to policyholders.

CNP IS EXPOSED TO THE RISK OF A FALL IN INTEREST RATES

The impact of a possible fall in interest rates on the Group's ability to fulfil its commitments to policyholders is analysed at regular intervals.

During a period of falling interest rates, yields on reinvested premiums and the Group's investment portfolios gradually decline (see Note 22.3 to the consolidated financial statements – Interest rate risk on financial assets).

A prolonged fall in interest rates makes planned premium loading more difficult and exposes the insurer to a risk of lower margins on traditional life insurance products.

In more extreme scenarios, despite the relatively low weighting of contracts with a guaranteed rate of return, there is a risk that yields would be insufficient to meet contractually guaranteed amounts, forcing the Group to eat into its own funds portfolio to pay the amounts in question.

Pension products – especially group pensions – as well as certain personal risk contracts are particularly exposed to the risk of a fall in interest rates.

These hypotheses have been confirmed by asset/liability simulations based on falling interest rates. However, the negative impact is attenuated by certain measures implemented in recent years such as limited yield guarantees and dynamic investment strategies.

In 2014, very low interest rates across all of Europe increased the Group's exposure to this risk.

A SHARP RISE IN INTEREST RATES INCREASES POLICY SURRENDER RISK

In the event of a sharp increase in interest rates, yields on the Group's investment portfolios may lag behind the market, generating a mismatch between the interest being paid out on Group products and the returns available on other financial products.

CNP Assurances may then have to contend with an increase in life insurance policy surrenders as policyholders seek higher yields elsewhere.

A spike in the surrender rate could force the Group to sell off bonds at a loss. This could then trigger a negative spiral whereby such losses accentuate the mismatch between the return being paid to the Group's policyholders and those available on the market, thus pushing the surrender rate even higher (see Note 22.4 to the consolidated financial statements – Sensitivity of MCEV© to market risks).

The risk associated with an increase in interest rates is closely monitored and this is a key focus of our asset/liability management strategy.

Liabilities:

- combined unit-linked/traditional savings products include contractual clauses limiting or banning transfers between portfolios in the event of an unfavourable change in market conditions
- the duration and level of yield guarantees is limited thereby allowing asset managers to reduce the weighting of long-dated bonds in the managed portfolios.

Assets:

- investment in floating rate and index-linked bonds
- investment in bonds with different maturities
- investing part of the portfolio in money market funds
- part of the portfolio of fixed-rate bonds is hedged using caps (see Note 9.6 to the Consolidated financial statements – Derivative instruments).

The Group hedges against the risk of higher interest rates. In the case of a sharp rise in interest rates to above certain trigger points, the hedges acquired by the Group would generate additional revenues corresponding to the difference between the trigger rate and actual long-term interest rates on the financial markets, thereby improving the return on the hedged assets in a period of rising interest rates.

The hedging programme is extended each year, to keep pace with growth in assets under management.

AS A LONG-TERM INVESTOR, CNP ASSURANCES IS EXPOSED TO CREDIT RISK (OR COUNTERPARTY RISK) ON ITS INVESTMENTS

See Note 9.8 to the consolidated financial statements – Credit risk.

The credit risk (or counterparty risk) on a bond is the risk of issuer default and this depends on the issuer's financial bill of health as reflected in agency ratings (which can range from AAA to D). The credit "spread" is the risk premium – in other words, the difference between the yield on a bond and that on an investment-grade government bond with the same characteristics.

Credit spreads vary according to investor perceptions of the issuer's counterparty risk.

Historically, spreads on corporate bonds tend to narrow in periods of growth and they widen during a recession when the number of issuer defaults generally increases.

CNP Assurances would be exposed to losses in the event of one or a number of issuer defaults. But even without an actual default, at certain periods there may be an inflated perception of risk and spreads in general may reflect excessively gloomy business forecasts that push down the value of the investment portfolio.

Consequently, changing credit spreads directly impact the market value of the bond portfolio and by definition unrealised gains or losses thereon.

CNP Assurances manages this risk using a series of investment thresholds and by diversifying its portfolio and tracking its investments constantly.

Counterparty risk also extends to derivative instruments (such as interest rate swaps – *i.e.*, caps and floors – and swaptions), reinsurance and repos. Margin calls and overcollateralization (OC) arrangements are used to reduce counterparty risk through an exchange of collateral.

See the tables in Note 9.3 – Repurchase agreements, Note 9.4 – Lent securities, and Note 9.6 – Derivative instruments to the consolidated financial statements.

A LARGE PORTION OF THE GROUP'S INVESTMENT PORTFOLIO IS EXPOSED TO SOVEREIGN RISK ON GOVERNMENT BONDS

See Note 9.9 to the consolidated financial statements – Classification of investments by type of asset and by geographic region.

Sovereign debt risk is the risk that a sovereign issuer defaults and that bondholders are unable to recover part or all of their investment.

Due to the nature of the assets it holds, CNP Assurances has significant exposure to this type of risk.

During periods of increased government borrowing, fears may grow concerning the ability of certain sovereign issuers to continue to service their debt, leading to investor distrust of the corresponding bonds and significantly wider spreads. In extreme situations, CNP Assurances may have to contend with an actual default or a debt restructuring and have to take a huge write-down on the securities in question.

Following the difficulties encountered by private issuers in 2008 and 2009, the past few years have been characterised by increased sovereign risk. The Greek debt crisis has heightened uncertainty over the ability of sovereign issuers to service their debt. Despite the creation of a European financial stability mechanism, these uncertainties spread to other European states, including Italy, Spain and Portugal.

A large proportion of the Group's financial assets is invested in European government – especially French – bonds and is sensitive to any widening in spreads. A rise in interest rates coupled with a large number of policy surrenders would trigger losses on the sale of bonds which could in turn impact the Group's equity. Since 2011, exposure to sovereign debt issued by "peripheral" governments has been monitored especially closely and the Group has also paid very close attention to the debts of sovereigns in whose countries its subsidiaries are located, *i.e.*, principally Spain, Italy and Portugal. Consequently, over the past three years, CNP Assurances has stepped up its oversight of developments in these countries, as well as monitoring of their sovereign debt.

OUTSIDE THE EUROZONE, THE GROUP'S INVESTMENTS MAY BE SUBJECTED TO COUNTRY RISK DUE TO NON-TRANSFERABILITY OF ASSETS

CNP Assurances has developed a significant international presence and may be confronted with various different country risks culminating in an inability to repatriate the capital it has invested abroad. This risk relates chiefly to investments in its South American subsidiaries.

IN THE EVENT OF A SHARP RISE IN THE POLICY SURRENDER RATE, THE GROUP WOULD BE EXPOSED TO SIGNIFICANTLY HIGHER LIQUIDITY RISK

See Note 23.1 to the consolidated financial statements – Liquidity risk.

Liquidity measures a debtor's ability to pay its debts and honour its obligations as and when they fall due. For CNP Assurances, liquidity risk is the possibility that it will be unable to pay policyholders in the event of a sharp rise in surrender rates and it varies inversely with the trust of policyholders.

The Company could find that it has insufficient liquidity to deal with a wave of surrenders. A lack of confidence in the Group could also mean that it may no longer be able to find any takers on the market for its subordinated notes.

In practice, liquidity risk may be exacerbated by a sharp decline in new money, forcing CNP Assurances to sell off investments to make policyholder payments. In order to deal with such an eventuality, the Group maintains liquidity reserves and highly liquid investments. Although these are for large amounts, they could still prove to be insufficient under extreme conditions.

It should be noted that the Group's subordinated debt is not subject to financial covenants.

CNP ASSURANCES IS EXPOSED TO EQUITY RISK

See Note 20 to the consolidated financial statements – Investment income.

Equity risk measures the sensitivity of portfolio share values to changes in stock market prices. By extension, non-controlling interests in unlisted companies and funds with an equity bias are also considered equities. Volatility measures the extent of equity price changes and is used to quantify the equity yield and price risk. High volatility means high potential gains, however the risk of losses is high as well.

The insurer may have to set aside impairment provisions for unrealised losses on certain securities and this will negatively affect earnings.

For example, CNP Assurances may be carrying shares in relatively indebted companies whose value is underpinned by forecasts of future profitability. If the sales of such companies come in under plan, or if they have trouble making debt repayments, their share price may take a big hit.

Moreover, while CNP Assurances may not be directly affected by a fall in the value of unit-linked portfolios, there is still a risk that its margins will suffer.

See Note 23.3 to the consolidated financial statements – Reconciliation of unit-linked assets and liabilities.

Although French and international equity markets have rallied since mid-2012, they remain volatile and subject to major fluctuations (see Note 22.4 to the consolidated financial statements – Sensitivity of MCEV© to market risks).

CNP ASSURANCES HAS INVESTED IN REAL ESTATE, INFRASTRUCTURE AND PRIVATE EQUITY FUNDS AND IS EXPOSED TO THE RISK OF A FALL IN THE VALUE OF THESE INVESTMENTS

Real estate risk measures the sensitivity of property portfolio values to changes in real estate market prices and concerns all property regardless of use, *i.e.*, owner-occupied and rental or investment property.

The rental income from a property portfolio is exposed to market risk (*i.e.*, changes in supply/demand, vacancy rates and their impact on rental value) as well as to the risk of default by tenants and unfavourable movements in the underlying rent revaluation indices.

The value of real estate owned directly or through a fund is exposed to variations in rental income and in the investment market itself, as well as to the potential risks that certain buildings will be rendered obsolete by new regulations (on energy consumption, for example) that may result in losses in the event of sale or additional costs to renovate and restore the value of such assets.

See Note 8 to the consolidated financial statements – Investment and owner-occupied property.

Private equity involves investors acquiring part of the capital of unlisted companies and is a much more complex activity than buying shares in listed companies.

Most investments of this type are made through venture-capital and innovation funds and, to a lesser degree, venture capital companies in France.

There are two types of risk inherent to private equity: the return on equity and the illiquid nature of these investments, which require a medium-term perspective.

A decline in the value of such investments (equities, property, infrastructure, private equity or unlisted investments) can have an adverse impact on consolidated earnings due to the provisions that must be set aside under the French Insurance Code.

5

CNP ASSURANCES IS EXPOSED TO CURRENCY RISK

See Note 9.10 to the consolidated financial statements – Foreign currency balances.

CNP Assurances publishes its consolidated financial statements in euros. Most of the Group's currency risk is centred around the Brazilian subsidiary, Caixa Seguros Holding, which keeps its accounts in Brazilian real. Indeed, the Brazilian subsidiary's contribution to the Group's performance – both in terms of premium income and earnings – is already substantial and continuing to grow so fluctuations in the Brazilian real have a material impact both in terms of consolidated net profit and cash flows. The Group has contracted currency hedges to manage this risk, however these are based on analyses and forecasts and could prove inadequate or ineffective.

With the exception of Caixa Seguros Holding, the bulk of asset portfolios are invested in the securities of eurozone issuers. As a result, the investment portfolios' exposure to currency risks is very limited.

The report of the Chairman of the Board of Directors of CNP Assurances analyses the Group's currency risk exposure.

CNP Assurances has issued deeply-subordinated notes denominated in US dollars and in sterling. It has contracted currency hedges for two of these issues and a third issue has been match-funded to investments denominated in the same currency.

See the following notes to the consolidated financial statements: Note 11.1 – Subordinated liabilities at 31 December 2014 and Note 9.7 – Derivative instruments qualifying for hedge accounting.

THE HEDGING PROGRAMMES SET UP BY CNP ASSURANCES MAY PROVE INADEQUATE OR INCOMPLETE

See the following notes to the consolidated financial statements: Note 9.6 – Derivative instruments, and Note 9.7 – Derivative instruments qualifying for hedge accounting.

CNP Assurances tracks all types of financial market risk very closely and manages the exposure of both its assets and its liabilities through various hedging programmes.

However, these programmes may prove incomplete or ill-adapted to protecting the Group against increased exposure under extreme conditions or against losses that it had wished to contain, all of which would negatively impact the business, consolidated earnings and the Group's financial position.

Consequently, even the Group's comprehensive hedging strategies do not alleviate all risk of loss. Moreover, CNP Assurances may incur losses if one of the various instruments or hedging strategies it uses proves to be ineffective.

Any unexpected market developments may lessen the effectiveness of hedging strategies and recognition of gains and losses arising on the ineffective portion of certain hedges may subject the Group's reported results to greater volatility.

5.6.3 Risk factors linked to the business

Operational risk is defined as "the risk of loss resulting from inadequate or failed processes, people and systems or from external events". This definition includes legal and compliance risks.

Risk management systems are designed to enhance operating managers' risk management capabilities and to be clearly identifiable to facilitate the crucial work of monitoring. Procedures are structured around the risk profile of the parent company and each of the subsidiaries. These operational risk management procedures round out the Group's internal control system – which could prove fallible – by tackling risks by category instead of using a unitary risk level approach based around processes and an upstream focus and they include risk mapping.

CERTAIN ACTIVITIES OUTSOURCED TO PARTNERS OR OUTSIDE CONTRACTORS MAY GIVE RISE TO A RISK OF NON-COMPLIANCE WITH INSURANCE REGULATIONS OR TO QUALITY-RELATED RISKS

Subcontracting risk – as defined under Solvency II – has been highlighted as a significant Group risk within CNP Assurances' business model: activities may be outsourced to partners (sales and marketing and certain management operations, notably asset management) as well as to outside contractors.

The main subcontracting risks are reviewed on a regular basis – *i.e.*, regulatory compliance, improper subcontracting practices, dependency, loss of know-how, conflict of interest, etc. – and areas at risk are gradually being secured. Group-wide processes are currently being rolled out to the main subsidiaries.

CNP ASSURANCES MAY BE EXPOSED TO COMPLIANCE RISK OVER ITS PRODUCTS AND SERVICES

A number of changes have been made recently to the insurance regulatory framework, including the national inter-professional agreement on supplementary social protection.

By constantly monitoring regulations and industry standards, CNP Assurances keeps abreast of potential compliance risks throughout its diverse range of businesses.

The life insurance section of the CNP Assurances business model (covering insurer liability) is frequently prepared by the partner networks. The product range and policy terms and conditions must guarantee the Group appropriate legal protection and provide policyholders with clear information about the content and scope of all proposed guarantees or commercial offerings.

There are also numerous regulatory and contractual obligations throughout the life of a policy.

In the interests of customer service quality, over the past few years CNP Assurances has obtained quality certification labels from recognised professional standards bodies (ISO 9001 for key management or commercial activities, CMMI or ITIL for IT activities). The Group constantly uses new standards and ACPR guidelines as opportunities to reinforce or recast its processes. Nevertheless, the ACPR decided to fine CNP Assurances following a review of the treatment of unclaimed insurance policies, which also involved other major insurance companies.

The number of lawsuits brought by French policyholders has remained stable for the past three years and the use of mediation has become much more popular, especially as all correspondence with policyholders now clearly explains how to use the mediation service. Recourse to procedures of this type concern only a very small proportion of the total number of policies managed by the Group but a provision is set aside for the estimated financial risk when appropriate.

AS A FINANCIAL INTERMEDIARY, THE COMPANY IS EXPOSED TO THE RISK OF MONEY-LAUNDERING AND FRAUD AS WELL AS TO SPECIFIC TYPES OF COMPLIANCE RISK

Combating money laundering and the financing of terrorism is a constant concern for the Company which is exposed to these risks due to the nature of the businesses themselves and our business model, in which a lot of operations are conducted by intermediaries, has shaped the related controls. The tasks entrusted by the Group to intermediaries are set out in the distribution agreements between CNP and its partners.

When policyholder relations are handled by our partners, they also play a key role in data gathering and know-your-customer processes. Most transactions go through customer bank accounts referenced in the networks of the partners who perform background checks on cash flows.

All of the Group's foreign subsidiaries sign a pledge to uphold either local legislation or French regulations, whichever is stricter.

Taking on board the observations of the French financial services supervisor (ACPR) and participating in industry studies helps the Group to adapt its processes where necessary and in particular to prepare for the Fourth EU directive which will require stricter prevention mechanisms.

CNP also has to contend with fraud. In addition to leveraging processes and expertise already deployed to combat money laundering together with controls performed by our partners and our own in-house services, processes for analysing data on financial flows and contracts have also been beefed up. Any suspicion of fraud detected by our services – either inside or outside the Group – or ethically questionable practices or abuse of people in a vulnerable position by sales personnel are subject to an in-depth investigation by a specialised unit within CNP Assurances. The enquiry is followed up with a detailed report and recommendations where necessary.

GROUP ENTITIES HAVE SET UP INSURANCE PROGRAMMES AND CONTINGENCY PLANS TO MITIGATE OPERATIONAL RISKS

CNP Assurances has designed a series of measures to ensure that all potential risks are efficiently managed. These include two cross-functional measures: the insurance programme and the contingency plan.

As part of the risk assessment process, property and casualty insurance has been taken out to protect assets and cover liability risks, comprising both Group-wide policies and subsidiary-level policies.

The levels of cover and of self-insurance are determined according to the type of business, the size and the claims experience of the main Group entities.

A contingency plan has been drawn up describing the immediate action to be taken in a crisis situation.

The plan seeks to minimise the disruption to operations and to continue to offer clients and partners an adequate level of service. Its practicality and effectiveness are tested several times a year, through emergency drills conducted at our various facilities.

This three-pronged approach – comprising crisis management, back-up facilities and an IT back-up plan – is essential to the entire Group, which is constantly looking for ways of improving and adapting it. In particular, action plans are being developed to consolidate the process, including large claims management procedures, an IT back-up plan, key sub-contractor contingency plans and international deployment of existing action plans.

AS A MAJOR GLOBAL INSURANCE PLAYER, ANY SECURITY INCIDENT EXPOSES CNP ASSURANCES' IT SYSTEM AND DATA TO RISK

The Group's business, sales and marketing operations are all organised around information systems. These systems are of critical importance and they must be able to adapt to a rapidly changing environment.

Granting access to partners and outside contractors exposes CNP Assurances to risks of intrusion and malicious acts that could result in the divulgation of sensitive data.

Although the Group has invested considerable resources in ensuring that IT systems and processes are secure and fluid and that data integrity is protected, systems could still be hit by technical problems that adversely impact activities.

THE GROUP COULD BE EXPOSED TO SOCIAL OR ENVIRONMENTAL RISK

The Group's reputation could be adversely affected by poor Human Resources management. This could concern the handling of psychosocial risks or a failure to promote gender equality, for example. The Group's image could also be tarnished by poor management of its woodland or property portfolios and the related environmental risk.

5.6.4 Other risk factors

CHANGES IN TAX LEGISLATION MAY HAVE A MATERIAL IMPACT ON THE GROUP'S SITUATION

Tax risk covers all taxes and levies that CNP Assurances collects on behalf of the government, as well as those it has to pay.

It concerns the application and interpretation – sometimes retrospectively – of changes to tax regulations and the risk of failure to comply with the Group's tax obligations.

Poor tax risk management can result in demands to pay additional tax charges and fines.

When CNP is devising new insurance products, particularly in life insurance, it takes many factors into account and one of these is fiscality and tax legislation currently in force. Any changes in tax regulations, particularly the removal of tax breaks, higher rates of taxation or new rules, could negatively impact current and future premium income, assets under management, net profit, cash flows and the Group's financial position and possibly even its share price.

ANY RATINGS DOWNGRADE SUFFERED BY CNP ASSURANCES COULD MAKE IT MORE EXPENSIVE TO RAISE DEBT

One of the key criteria used by investors to estimate risk is a potential investee's rating, particularly in increasingly globalised financial markets where it is getting harder to get good information and to manage all aspects of risk.

Consequently, any ratings downgrade suffered by CNP Assurances can push up the cost of raising debt which may impact its future earnings.

Standard and Poor's regularly reviews the ratings of CNP Assurances and its subsidiaries and the Group seeks to maintain a healthy rating as proof of its financial strength.

See Note 11 to the consolidated financial statements – Subordinated liabilities.

RISKS RELATED TO THE GROUP'S LONG-TERM PARTNERSHIPS

To consolidate its presence in certain markets and to spread its economic and financial risk exposure, CNP Assurances enters into long-term partnerships either directly or through one of its subsidiaries. These may be commercial arrangements such as a distribution arrangement or the creation of joint ventures.

Joint ownership and operating arrangements both reduce the Group's investment risk exposure and act as an incentive for the effective participation and involvement of the partner.

As part of CNP's external growth strategy, whenever the Group identifies a potential acquisition, it commissions an in-depth audit of the target's financial position. Moreover, each stage of the operation is framed by governance processes that analyse the potential fit of the acquiree, thus enabling the relevant decision-making body to establish the conditions and parameters for finalising the operation.

Integrating these partnerships into the Group can sometimes take longer, be more difficult and require bigger teams of employees and managers than expected, and this may negatively impact consolidated earnings.

The constantly evolving nature of business means that there is no guarantee that the financial performance of acquirees or partners will come in on plan and big negative variances may result in impairment losses being recognised on goodwill or other intangible assets that will negatively impact the Group's financial position (see Note 7.1 to the consolidated financial statements – Intangible assets by category).

Any partnership may have to be reviewed in the event of changes either to the project itself or to the local political and economic situation or the partner's own financial situation, or because of a disagreement between partners.

In order to manage all of these risks, the investment (or long-term partnership) is integrated into the Group's financial reporting system. Its performance is monitored and any necessary adjustments and corrective action is taken, sometimes in conjunction with the distribution partner.

Special attention is paid to when long-term partnerships are due to expire and the Group strives to anticipate these developments in good time as any change in situation will affect its earnings, financial position and business model.

For example, in November 2014, CNP Assurances announced the conclusion of a preliminary protocol setting out the proposed terms of the agreement renewing the partnership between CNP Assurances and BPCE Group for a seven-year period as from 1 January 2016.

Moreover, in December 2014, CNP Assurances sold its 50% stake in Spanish-based CNP Barclays Vida y Pensiones (CNP BVP) to Barclays Bank for a total of €453 million, including a special dividend. The deal, which is subject in particular to approval by the relevant anti-trust authorities and the Spanish insurance supervisor, is scheduled to be completed before the end of the first-half of 2015.

CNP Assurances has entered into a long-term strategic partnership in Europe with Banco Santander by acquiring a 51% stake in Santander Consumer Finance's life and non-life insurance subsidiaries. It has also entered into an exclusive long-term distribution agreement covering a full range of protection insurance products in ten European countries where Santander Consumer Finance enjoys leading market positions (*i.e.*, Germany, Poland, Italy, Spain, Austria, Portugal, Norway, Sweden, Denmark and Finland).

RISKS RELATED TO NEW REGULATIONS

The introduction of new regulations either inside or outside Europe could prove both complex and costly for the Group, which may have to mobilise several different divisions, adapt Group-wide information systems and train people to comply with the new rules.

There are still big question marks over what the new prudential framework will look like and it may require the Group to make changes to its investment portfolio. This would require adjustments to work already carried out and the costs of implementation could be considerable.

CNP'S HIGHLY COMPETITIVE MARKET IS A SOURCE OF CONSTANT RISKS FOR BOTH ITS BUSINESS AND EARNINGS

CNP Assurances does business in a fiercely competitive market comprising diverse types of players (insurance companies, mutual insurers, provident institutions, and commercial and investment banks, etc.) subject to different regulations and using many different distribution channels to market alternative products, some of which may be cheaper than the Group's offering.

This competitive pressure may force CNP Assurances to cut prices for certain products and services, which could put a strain on margins and negatively affect its earnings and financial position.

Any harm done to the Group's image or reputation could have an adverse impact on future earnings.

5.7 Statutory Auditors' report on the report prepared by the Chairman of the Board of Directors

For the year ended 31 December 2014

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of CNP Assurances, and in accordance with Article L.225-235 of the French Commercial Code (*Code de commerce*), we hereby report to you on the report prepared by the Chairman of your company in accordance with Article L.225-37 of the French Commercial Code for the year ended 31 December 2014.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report describing the internal control and risk management procedures implemented by the Company and providing the other information required by Article L.225-37 of the French Commercial Code in particular relating to corporate governance.

It is our responsibility:

- to report to you on the information set out in the Chairman's report on internal control and risk management procedures relating to the preparation and processing of financial and accounting information and
- to attest that the report sets out the other information required by Article L.225-37 of the French Commercial Code, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted our work in accordance with professional standards applicable in France.

INFORMATION CONCERNING THE INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

The professional standards require that we perform procedures to assess the fairness of the information on internal control and risk management procedures relating to the preparation and processing of financial and accounting information set out in the Chairman's report. These procedures mainly consisted of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information on which the information presented in the Chairman's report is based, and of the existing documentation
- obtaining an understanding of the work performed to support the information given in the report and of the existing documentation
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly described in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control and risk management procedures relating to the preparation and processing of financial and accounting information, set out in the Chairman of the Board's report, prepared in accordance with Article L.225-37 of the French Commercial Code.

OTHER INFORMATION

We attest that the Chairman's report sets out the other information required by Article L.225-37 of the French Commercial Code.

Neuilly-sur-Seine and Courbevoie, 5 March 2015

The Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT	MAZARS
Éric Dupont	Jean-Claude Pauly

5.8 Statutory Auditors' special report on related-party agreements and commitments

Annual General Meeting for the approval of the financial statements for the year ended 31 December 2014

This is a free translation into English of the Statutory Auditors' special report on related party agreements and commitments issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of CNP Assurances, we hereby report to you on related-party agreements and commitments.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. Under the provisions of Article R.225-31 of the French Commercial Code (*Code de commerce*) and Article R.332-7 of the French Insurance Code (*Code des assurances*), it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.

Where applicable it is also our responsibility to provide shareholders with the information required by Article R.225-31 of the French Commercial Code and Article R.332-7 of the French Insurance Code in relation to the implementation during the year of agreements and commitments already approved by the Annual General Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

AGREEMENTS AND COMMITMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE ANNUAL GENERAL MEETING

We were not informed of any agreement or commitment entered into during the year to be submitted for approval at the Annual General Meeting pursuant to the provisions of Article L.225-38 of the French Commercial Code and Article R.332-7 of the French Insurance Code.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE ANNUAL GENERAL MEETING

Agreements and commitments approved in previous years

In accordance with Article R.225-30 of the French Commercial Code and Article R.332-7 of the French Insurance Code, we were informed of the following agreements and commitments authorised by the Board of Directors.

1) Acquisition of a 25% interest in the share capital of GRTgaz by the public consortium comprising CNP Assurances, Caisse des Dépôts and CDC Infrastructure

Nature and purpose

On 12 July 2011, a public consortium comprising CNP Assurances, CDC Infrastructure and Caisse des Dépôts laid the foundations for a long-term partnership with GDF Suez in natural gas transportation in France and the rest of Europe. The partnership is based on the acquisition of a 25% non-controlling interest in GRTgaz for an amount of €1.1 billion.

On 27 June 2011, CNP Assurances signed an investment agreement (hereinafter "the Investment Agreement") with GDF Suez, Société d'Infrastructures Gazières (SIG), CDC Infrastructure and Caisse des Dépôts.

The Investment Agreement sets out the terms and conditions of SIG's investment in GRTgaz's share capital. This investment was completed on 12 July 2011 *via* (i) an increase in GRTgaz's share capital subscribed by SIG, and (ii) SIG's simultaneous acquisition of GRTgaz shares held by GDF Suez.

The acquisition price for around 18.2% of the share capital was set at €810 million and the subscription of shares representing 6.8% of the share capital totalled €300 million. The total cost of the operation was therefore €1.1 billion.

A shareholders' agreement relating to GRTgaz was signed on 27 June 2011 between GDF Suez and SIG in the presence of GRTgaz, CNP Assurances, CDC Infrastructure and Caisse des Dépôts (hereinafter "the Shareholders' Agreement"). The Shareholders' Agreement sets out the rights and obligations of GRTgaz shareholders and establishes governance arrangements in compliance with the specific regulations applicable to GRTgaz. The Shareholders' Agreement was entered into for a term of 20 years and is renewable once for a term of ten years. The Shareholders' Agreement grants SIG the usual rights of a non-controlling shareholder.

At its meeting on 5 April 2011, the Board of Directors authorised the Investment Agreement and the Shareholders' Agreement.

Terms and conditions

This interest was acquired *via* two companies: Holding d'Infrastructures Gazières (HIG) controlled jointly by the consortium and Société d'Infrastructures Gazières (SIG) wholly owned by HIG, and which holds a non-controlling interest of 25% in GRTgaz. HIG financed the investment through (i) a capital increase (of which €358 million – or 54.4% of the total – was subscribed by the CNP Assurances Group) which allowed HIG to subscribe to a capital increase by SIG, and (ii) a bond issue by SIG in the amount of €500 million subscribed in full by the consortium (including an amount of €270 million subscribed by the CNP Assurances Group).

At 31 December 2014, CNP Assurances held 51.2% of the share capital of HIG (€337 million) as well as bonds issued by SIG in the amount of €211 million.

2) Agreement between CNP Assurances and La Banque Postale Prévoyance (LBPP)

Nature and purpose

At its meeting on 7 October 2010, the Board of Directors authorised the signing of an agreement between CNP Assurances and La Banque Postale for the purpose of defining the terms and conditions for giving greater autonomy to La Banque Postale Prévoyance (LBPP).

This agreement, applicable with retroactive effect as from 1 January 2010, sets out the measures taken in terms of governance, operating mode, and updating of the cost of policy administration services provided by CNP Assurances on behalf of LBPP.

Within the framework of this agreement, technical assistance and financial management services provided by CNP Assurances for LBPP will be invoiced at a maximum amount of €1,550 thousand for 2010, €1,100 thousand for 2011 and €650 thousand for 2012.

Terms and conditions

In connection with the increased autonomy of its subsidiary LBPP, CNP Assurances invoiced the following amounts in 2014:

- €0.64 million for technical assistance and financial management services
- €21 million for policy administration services.

3) Sale of CNP Assurances' interest in its subsidiary, CNP Seguros de Vida, and of most of its interests in Argentina to the Brazilian company, CNP Assurances Brasil Holding Limitada

Nature and purpose:

At its meeting on 17 September 2008, the Board of Directors authorised Gilles Benoist, in his capacity as legal representative of CNP Assurances, to sell CNP Assurances' interest in its subsidiary, CNP Seguros de Vida, and to sell most of the other non-controlling interests held by CNP Assurances in Argentina to the Brazilian company Brasil Limitada ("CNP BHL"), a subsidiary of CNP Assurances.

In 2008, the following Argentine interests were sold: Provincia Seguros de Vida (to CNP BHL for €2,084,526), Prévisol Compania de Seguros de Retiro (to CNP BHL for €1,000), Asociart (ARS 180,058.94), and Prévisol Compania de Seguros de Vida (ARS 44,700).

The interest in Provincia Aseguradora de Riesgos des Trabajo was sold in 2009 for ARS 3,460.

Terms and conditions

The sale of the CNP Seguros de Vida and Previsol Administradora de Fondos de Jubilaciones y Pensiones interests did not take place in 2014.

4) Real estate management agreement with AEW Europe

Nature and purpose

At its meeting on 24 June 2008, the Board of Directors authorised Gilles Benoist, in his capacity as legal representative of CNP Assurances, to enter into and sign a real estate portfolio management agreement with AEW Europe. A framework agreement was signed on 11 July 2008 and amended on 25 January 2012 and later in January 2015 for a period of 3 years.

Pursuant to this agreement, AEW Europe is responsible for:

- managing the real estate portfolio set out in the agreement and
- providing assistance and advice in defining and implementing the investment strategy.

Terms and conditions

AEW Europe receives a fee determined as follows:

- for its real estate management services: a percentage of rents collected based on property type, exclusive of taxes and charges
- for real estate rental marketing: a percentage of the rent under the signed lease
- for its strategic asset management services: a percentage of rents collected, exclusive of taxes and charges, where AEW Europe provides rental and technical management services
- for its corporate management services: an annual lump sum payment based on the number of assets held by the subsidiary and the number of account closings
- for project management: fees based on the amount invoiced, excluding tax
- for consolidation purposes: a half-yearly lump sum payment
- a percentage of the purchase and/or sale price of the real estate properties purchased or sold with its assistance.

In 2014, fees paid by CNP Assurances to AEW for these services amounted to €1.7 million.

5) Securities management agreement with Natixis AM

Nature and purpose

At its meeting on 24 June 2008, the Board of Directors authorised Gilles Benoist, in his capacity as legal representative of CNP Assurances, to enter into and sign a securities portfolio management agreement with Natixis AM, formerly IXIS Asset Management, a BPCE Group company. The contract signed on 30 June 2008 was amended in 2013.

Pursuant to this agreement, CNP Assurances gives full powers to Natixis AM to manage – in its name and on its behalf, or in the name and on behalf of its insurance subsidiaries – the portfolios and the cash deposited in a related account, subject to compliance with the applicable regulations and the investment guidelines and instructions issued by CNP Assurances.

Terms and conditions

Natixis AM receives a fee for its financial management services, determined as follows:

- a fixed annual fee per portfolio (except for portfolios invested exclusively in mutual funds)
- a variable fee calculated at a declining rate based on the value of assets under management, with different rates applying according to the type of securities held.

Fees paid by CNP Assurances pursuant to this agreement in 2014 amounted to €19.11 million. This amount was rebilled to the subsidiaries concerned.

6) Extension of the master partnership agreement between CNP Assurances and Groupe Caisse d'Epargne (since renamed Groupe BPCE)

Nature and purpose

At its meeting on 18 July 2006, the Supervisory Board authorised the extension until 31 December 2015 of the master partnership agreement between CNP Assurances and Groupe Caisse d'Epargne setting the terms and conditions of their cooperation in the individual life insurance and savings market through Ecureuil Vie, which merged with CNP Assurances on 1 January 2007.

Terms and conditions

The remuneration received by Groupe Caisse d'Epargne as distributor corresponds mainly to a share of the premium and asset loadings and the management fees charged on financial products.

The amount paid by CNP Assurances under the commission agreement between CNP Assurances and Groupe Caisse d'Epargne came to €562.5 million in 2014.

7) Extension of the master partnership agreement between CNP Assurances and La Banque Postale

Nature and purpose

On 18 July 2006, the Supervisory Board authorised the extension until 31 December 2015 of the master partnership agreement between CNP Assurances and La Banque Postale. The agreement sets the terms and conditions of the two partners' cooperation in the individual life insurance and savings market through La Banque Postale.

Terms and conditions

The remuneration received by La Banque Postale as distributor corresponds mainly to a share of the premium and asset loadings and the management fees charged on financial products.

Fees paid by CNP Assurances pursuant to this agreement in 2014 amounted to €517.9 million.

8) Agreement for the issue of perpetual subordinated notes between CNP Assurances and Caisse Nationale des Caisses d'Epargne et de Prévoyance

Nature and purpose

At its meeting on 18 April 2006, the Supervisory Board of Ecureuil Vie authorised the Company to issue perpetual subordinated notes in the amount of €108 million.

On 18 December 2007, Ecureuil Vie was merged into CNP Assurances, which replaced Ecureuil Vie as borrower.

Terms and conditions

Interest rate on the notes: Euribor 3 months +95 bps until 20 December 2026, then Euribor 3 months +195 bps.

The interest expense recorded by CNP Assurances in 2014 amounted to €1.3 million.

9) Asset management contract with La Banque Postale Asset Management (formerly Sogéposte)

Nature and purpose

On 4 April 2006, the Supervisory Board authorised an asset management contract with La Banque Postale Asset Management (LBPAM), a subsidiary of La Banque Postale (formerly Sogéposte). The contract signed on 28 April 2006 was amended in 2009, 2010 and 2011.

Pursuant to this agreement, CNP Assurances gives full powers to LBPAM to manage – in its name and on its behalf, or in the name and on behalf of its insurance subsidiaries – the portfolios and the cash deposited in a related account, subject to compliance with the applicable regulations and the investment guidelines and instructions issued by CNP Assurances.

Terms and conditions

LBPAM receives a fee for its financial management services, determined as follows:

- an annual commission based on the value of assets under management, and the type of securities held
- fees on portfolio transactions carried out.

Fees paid by CNP Assurances pursuant to this agreement in 2014 amounted to €14.4 million. This amount was rebilled to the subsidiaries concerned.

10) Agreement for the issue of perpetual subordinated notes between CNP Assurances and Caisse Nationale des Caisses d'Epargne et de Prévoyance

Nature and purpose

At its meeting on 2 April 2004, the Supervisory Board of Ecureuil Vie authorised the Company to enter into an agreement for the issue of perpetual subordinated notes with Caisse Nationale des Caisse d'Epargne et de Prévoyance for a total of €183 million, divided into two tranches of €90 million and €93 million.

On 18 December 2007, Ecureuil Vie was merged into CNP Assurances, which replaced Ecureuil Vie as borrower.

Terms and conditions

Interest rate on the notes:

- first tranche: 4.93% until 2016, then Euribor +160 bps from 15 November 2016

- second tranche: Euribor 3 months +70 bps until 2016, then Euribor 3 months +160 bps from 15 November 2016.

The interest expense recorded by CNP Assurances in 2014 amounted to €4.4 million for the first tranche and €0.9 million for the second tranche.

11) Agreement for the issue of perpetual subordinated notes between CNP Assurances and Caisse Nationale des Caisses d'Epargne et de Prévoyance

Nature and purpose

At its meeting on 10 April 2002, the Supervisory Board of Ecureuil Vie authorised the Company to sign an agreement for the issue of perpetual subordinated notes with Caisse Nationale des Caisse d'Epargne et de Prévoyance for a total of €200 million.

On 18 December 2007, Ecureuil Vie was merged into CNP Assurances, which replaced Ecureuil Vie as borrower.

Terms and conditions

Interest rate on the notes is Euribor +200 bps.

The interest expense recorded by CNP Assurances in 2014 amounted to €4.5 million.

12) Partnership agreement between CNP Assurances and Sofaxis (formerly Dexia Crédit Local de France and SOFCA)

Nature and purpose

At its meeting on 20 March 2000, the Supervisory Board of CNP Assurances authorised the partnership agreement between Dexia Crédit Local de France and SOFCA (collectively, Sofaxis) and CNP Assurances concerning cooperation in the local government market. The agreement, entered into and amended in 2006, sets out the arrangements for loading management expenses and determining the remuneration to be received by each partner, based on their respective tasks.

Sofaxis was sold by Dexia Crédit Local de France in September 2013 to a consortium which is majority-owned by Société hospitalière d'assurance mutuelle (SHAM).

Terms and conditions

The amounts recorded in CNP Assurances' financial statements in 2014 in respect of this agreement consisted of an expense for brokerage fees totalling €1.9 million and a working capital advance granted to Sofaxis for €7.8 million.

Neuilly-sur-Seine and Courbevoie, 5 March 2015

The Statutory Auditors

PRICEWATERHOUSECOOPERS AUDIT	MAZARS
Éric Dupont	Jean-Claude Pauly

6

ADDITIONAL INFORMATION ABOUT THE COMPANY AND ITS CAPITAL

6.1 General information – Company information

6.1.1 Name, headquarters, Trade and Companies Registry number and APE business identifier code

CNP Assurances

4 place Raoul Dautry

75716 Paris Cedex 15

Paris Trade and Companies Registry number 341 737 062 – APE business identifier code: 6511 Z

6.1.2 Legal form and governing law

CNP Assurances is a French *société anonyme* (public limited company) created in its current legal form by French Act No. 92-665 of 16 July 1992 adapting insurance and credit legislation to the single European market.

The General Meeting of 10 July 2007 approved a change in CNP Assurances' governance structure replacing the two-tier structure with a Supervisory Board and an Executive Board by a new governance structure with a Board of Directors only.

Its activities are supervised by the French prudential supervision and resolution authority appointed by the French State (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR). CNP Assurances is listed on NYSE Euronext Paris and is also regulated by the AMF.

6.1.3 Date of incorporation and term of the Company

The origins of the Company date back to 1850 when the National Insurance Funds (*Caisses nationales d'assurance*) were founded. CNP Assurances was created in 1959 and was given the status of a public industrial and commercial establishment (*Établissement public à caractère industriel et commercial* – EPIC) by French Decree No. 87-833 of 12 October 1987. Its current status, that of a *société anonyme d'assurances* results from Act No. 92-665 of 16 July 1992 (Official Journal of 17 July 1992). CNP Assurances is a public sector company.

The Company was incorporated for a term of 99 years, until 15 July 2086.

6.1.4 Corporate purpose (Article 2 of the Articles of Association)

CNP Assurances' corporate purpose is to:

- write life and endowment insurance
- write bodily injury insurance covering accident and health risks
- hold majority interests in insurance companies.

For this purpose, it can:

- hold stakes in companies whose business activities may assist it in performing the corporate purpose
- and more generally carry out all operations of any kind whatsoever directly or indirectly related to this purpose and liable to facilitate its development or performance.

6.1.5 Financial year

1 January to 31 December (calendar year).

6.1.6 Appropriation and allocation of profit (Article 29 of the Articles of Association)

Net income for the financial year as shown by the annual statement of assets and liabilities, after deduction of overheads and other payroll charges, all depreciation and amortisation of assets and all contingency provisions, forms net profit.

Distributable profit consists of the profit for the financial year, less prior losses and amounts appropriated to the reserves pursuant to the law and the Articles of Association, and increased by retained earnings.

On the recommendation of the Board of Directors, the Ordinary General Meeting may decide to allocate any amounts it considers appropriate to retained earnings or to one or more extraordinary, general or special reserve funds. They may be allocated in any manner decided by the General Meeting, on the recommendation of the Board of Directors. It may also decide, on the recommendation of the Board of Directors, to distribute all or part of the profit in the form of dividends.

The General Meeting may decide to grant each shareholder an option of either payment in cash or in shares, for all or part of the dividend distributed or the interim dividends.

6.1.7 Participation in General Meetings

6.1.7.1 PROVISIONS OF THE ARTICLES OF ASSOCIATION (EXTRACT FROM ARTICLE 27 – GENERAL MEETINGS)

In accordance with Article 27 of the Company's Articles of Association, General Meetings are convened and are held in accordance with the conditions set down by law. Meetings take place at the Company's headquarters or at any other place indicated in the notice of meeting.

6.1.7.2 EXERCISE OF VOTING RIGHTS BY SHAREHOLDERS

All shareholders are invited to attend the General Meeting regardless of the number of shares they hold. Shareholders may be represented at any General Meeting by any individual or legal entity of their choice (Article L.225-106 of the French Commercial Code [*Code de commerce*]).

How to participate in the General Meeting

- Shareholders wishing to participate in the General Meeting, to be represented or to vote by post will have to provide proof of registration of their shares at least two business days before the General Meeting by midnight (Paris time)
- Holders of registered shares must record their shares in the Company's registers
- Holders of bearer shares must record their shares, in their name or in the name of the intermediary acting on their behalf if they are domiciled outside France, in their share accounts held by the bank or broker managing the share account

This recording of shares must be evidenced by a share ownership certificate (or proof of registration) issued by the bank or broker.

This share ownership certificate issued by the bank or broker must be attached to the postal voting form, the request for a share ownership certificate from holders of bearer shares wishing to participate in the General Meeting by Internet, the proxy form or the admission card request form sent, *via* the bank or broker, to Caceis Corporate Trust [(1)] – Assemblées générales centralisées, 14 rue Rouget-de-Lisle, 92862 Issy-les-Moulineaux Cedex 9.

Only the shareholders meeting these conditions, at least two business days before the General Meeting at midnight (Paris time) in accordance with Article R.225-85 of the French Commercial Code, will be able to participate in the General Meeting.

How to exercise voting rights

Please note, voting by video conference will not be used at this meeting.

1. Shareholders wishing to attend the General Meeting in person:

Shareholders wishing to attend the General Meeting in person can ask for an admission card as follows:

a) request an admission card by post

- holders of registered shares (pure and administered) should complete the form attached to the notice of the Annual General Meeting that they automatically received, specifying that they wish to attend the meeting and obtain an admission card, sign and return it, using the prepaid (France only) envelope enclosed with the notice of the Annual General Meeting, to Caceis Corporate Trust, Service Assemblées Générales – 14 rue Rouget de Lisle, 92862 Issy-les-Moulineaux Cedex 9 (hereinafter Caceis Corporate Trust)
- holders of bearer shares should ask the bank or broker responsible for managing their share account (hereinafter financial intermediary) to send them an admission card.

Shareholders who have not received their admission card three days before the General Meeting can go directly to the relevant desk on the day of the meeting, simply with an identity card for holders of registered shares, and also with the share ownership certificate issued by the financial intermediary for holders of bearer shares. Holders of bearer shares who are in this situation are invited to contact the call centre for admission cards of Caceis Corporate Trust at +33 (0)1 57 78 32 32.

b) request an admission card online

Shareholders wishing to attend the General Meeting can also ask for an admission card online *via* the Votaccess platform according to the following conditions:

- holders of registered shares (pure and administered) should use the username on the voting form to log on to the OLIS-Actionnaire website (https://www.nomi.olisnet.com)
- holders of registered shares who have already logged on to OLIS-Actionnaire should click on "Access my account"
- when connecting for the first time, shareholders should click on "First connection" and follow the on-screen instructions

(1) As registrar, Caceis Corporate Trust holds CNP Assurances' share accounts

- once connected, shareholders should click on the "Vote online" link to be automatically redirected to the Votaccess platform where they can request an admission card
- holders of bearer shares: only holders of bearer shares, whose account-keeping institution is a member of the Votaccess system and offers this service for the General Meeting, will have access to Votaccess.

If the shareholders' account-keeping institutions are connected to the Votaccess platform, they will have to connect to their account-keeping institution's internet portal with their usual access codes. Shareholders will then have to follow the on-screen instructions to access the Votaccess platform and vote, request an admission card, or appoint or revoke a proxy.

Consequently, holders of bearer shares who are interested in this service are invited to contact their account keeper to acquire information on the conditions of use.

The Votaccess platform will be open from 7 April 2015 to 5 May 2015, the day before the General Meeting at 3pm (Paris time). Shareholders are advised not to wait until the last few days before exercising their voting rights to avoid any bottlenecks of the platform.

2. Shareholders wishing to vote by post or by proxy

a) Paper proxy/postal voting form

Instructions for shareholders wishing to vote by post or by proxy in paper form:

- holders of registered shares (pure and administered) should complete the form attached to the notice of the Annual General Meeting that they automatically received, specifying that they wish to be represented or vote by post, sign and return it, using the prepaid (France only) envelope enclosed with the notice of the Annual General Meeting or by letter addressed to Caceis Corporate Trust, Service Assemblées Générales – 14 rue Rouget de Lisle, 92862 Issy-les-Moulineaux Cedex 9
- holders of bearer shares should request the form from the financial intermediary managing their shares, as from the date of the notice of the Annual General Meeting, complete it, specifying that they wish to be represented or vote by post, sign and return the form, together with a share ownership certificate issued by the financial intermediary by letter addressed to Caceis Corporate Trust, Service Assemblées Générales – 14 rue Rouget de Lisle, 92862 Issy-les-Moulineaux Cedex 9.

Shareholders wishing to be represented will have to send their form to Caceis Corporate Trust according to the conditions set out above, it being specified that Caceis Corporate Trust will have to receive the forms duly completed and signed no later than 3 May 2015, otherwise they will not be accepted.

b) Online proxy/postal voting form

Shareholders may give their voting instructions and appoint or revoke a proxy online before the General Meeting on the Votaccess platform dedicated to the General Meeting in the conditions described below:

- holders of registered shares (pure and administered) should use the username on the voting form to log on to the OLIS-Actionnaire website (https://www.nomi.olisnet.com)
- holders of registered shares who have already logged on to OLIS-Actionnaire should click on "Access my account"
- when connecting for the first time, shareholders should click on "First connection" and follow the on-screen instructions.

Once connected, shareholders should click on the "Vote online" link to be automatically redirected to the Votaccess platform where they can give their voting instructions.

Holders of bearer shares should find out whether their account-keeping institution is connected to the Votaccess platform and acquire information on the Votaccess conditions of use, if applicable. If the shareholders' account-keeping institutions are connected to the Votaccess platform, shareholders will have to connect to their account-keeping institution's internet portal with their usual access codes. Shareholders will then have to follow the on-screen instructions to access the Votaccess platform and vote, or appoint or revoke a proxy.

If the shareholders' account-keeping institutions are not connected to the Votaccess platform, the form appointing and revoking a proxy can be sent electronically in accordance with the provisions of Article R.225-79 of the French Commercial Code, by sending an email to: ct-mandataire-assemblee-cnpassurances@caceis.com.

A digital copy of the proxy voting form stating their last name, first name, address and banking details, as well as the last name, first name and address of the appointed or revoked proxy, together with the share ownership certificate issued by the accredited intermediary must be attached to this email. Shareholders will have to ask the financial intermediary that manages their account to send written confirmation no later than 3 May 2015 by post to Caceis Corporate Trust – Service Assemblées Générales – 14 rue Rouget de Lisle, 92862 Issy-les-Moulineaux Cedex 9, or by email to the following address: ct-mandataire-assemblee-cnpassurances@caceis.com or by fax at +33 (0)1 49 08 05 82 or +33 (0)1 49 08 05 83.

Only appointed or revoked proxies duly signed, completed received and confirmed no later than three days before the date of the Annual General Meeting will be accepted. In addition, only appointed or revoked proxies can be sent to the above email address, any other request or notice on another subject-matter will not be accepted and/or processed.

The Votaccess platform for the General Meeting of Wednesday, 6 May 2015 will be open as from 7 April 2015.

Shareholders will have the possibility to vote, appoint or revoke a representative, or request an admission card online before the General Meeting until 5 May 2015 at 3pm (Paris time).

To avoid any bottlenecks of the Votaccess platform, shareholders are advised not to wait until the day before the General Meeting to enter their instructions.

Request for items and draft resolutions to be added to the agenda, written questions and consultation of documents made available to shareholders

1. Requests to have items and draft resolutions added to the agenda from shareholders meeting the conditions required by Articles R.225-71 and R.225-73 of the French Commercial Code must be sent to CNP Assurances' headquarters by registered letter with return receipt requested or by email to actionnaires@cnp.fr, up to twenty (20) days of the notice of meeting being published in the BALO (French legal gazette) of 18 March 2015.

This request must include the share ownership certificate evidencing that the fraction of capital required by Article R.225-71 of the French Commercial Code is registered by the shareholders making the request. The request to add draft resolutions to the agenda must include the text of the draft resolutions and the reasons for the request, where appropriate. Reasons for adding items to the agenda unrelated to a draft resolution must be provided.

Furthermore, the review by the General Meeting of the items or draft resolutions submitted by the shareholders is subject to the provision, by the shareholders of a new certificate evidencing that the shares are recorded under the same conditions as of the second business day preceding the General Meeting at midnight (Paris time).

If the draft resolution concerns the presentation of candidates to sit on the Board of Directors, it must include the information provided in paragraph 5 of Article R.225-83 of the French Commercial Code. The text of the draft resolutions presented by the shareholders and the list of the items to be added to the agenda at the shareholders' request will be promptly published on the Company's website. The Company can also publish a comment from the Board of Directors for each item to be added to the agenda.

2. Shareholders may send written questions to the Chairman of the Board of Directors, in accordance with Article R.225-84 of the French Commercial Code, once the notice of meeting has been published and by the fourth business day preceding the General Meeting at the latest together with a share ownership certificate. The Board of Directors will reply at the General Meeting or the reply will be deemed given if it is posted on the website at http://www.cnp.fr under the heading "replies" in accordance with Article L.225-108 of the French Commercial Code.

3. In accordance with the applicable law and regulations, all documents that must be provided to General Meetings will be made available to the shareholders at CNP Assurances' headquarters within the time limits set by law, and all documents referred to in Article R.225-73-1 of the French Commercial Code will be available on the Company's website at http://www.cnp.fr from the twenty-first (21st) day preceding the General Meeting.

6.1.7.3 DOCUMENTS AND INFORMATION MADE AVAILABLE TO SHAREHOLDERS

The documents and information relating to CNP Assurances, including the Articles of Association, the annual and consolidated financial statements, all reports and documents relating to the Company for the year ended 31 December 2014 and prior years, are made available to shareholders at the Company's headquarters in accordance with the applicable legal and regulatory provisions. The Registration Documents of CNP Assurances, filed with the AMF for each of the last five financial years, the Interim Financial Reports and the Group's results presentations and outlook are accessible on the Company's website. In accordance with Article L.451-1-1 of the French Monetary and Financial Code (*Code monétaire et financier*), the annual information document summarising certain information published by CNP Assurances can also be viewed on the Company's website.

6.1.8 Existence of disclosure thresholds

FORM RIGHTS AND TRANSFER OF SHARES (ARTICLES 11, 13 AND 14 OF THE ARTICLES OF ASSOCIATION)

CNP Assurances' Articles of Association are available on the Company's website at www.cnp.fr

Article 11 of the Articles of Association – Form and transfer of shares: disclosure thresholds with regard to the holding of the share capital

6.1.8.1 FORM OF SHARES

"Shares may be held either in registered or bearer form, at the shareholder's discretion. Holders of bearer shares will be identified under the conditions set out below. The Company may request information, in accordance with the applicable laws and regulations, from any organisation or accredited intermediary including the share transaction clearing organisation or the intermediary registered on behalf of a shareholder not domiciled in France within the meaning of Article 102 of the French Civil Code related to the holders of securities which convey immediate or future voting rights in its General Meetings, including their identity, nationality, address, the number of shares they hold, and any restrictions on the shares or securities held.

The shares are registered in an account held by the Company or an accredited intermediary."

6.1.8.2 TRANSFER OF SHARES

"The shares are freely transferable subject to legal and regulatory provisions and according to the conditions provided by law."

6.1.8.3 DISCLOSURE THRESHOLDS WITH REGARD TO INTERESTS IN THE SHARE CAPITAL OR VOTING RIGHTS

"Any person who, acting alone or in concert raises his direct or indirect interest in the capital or voting rights to at least 0.5%, 1% or any multiple of 1% is required to notify the Company by registered letter with return receipt requested within five days of the recording in the share account of the shares that lead to this threshold being reached or crossed, of the total number of shares and the number of voting rights held. The same disclosure formalities shall apply when each of these disclosure thresholds is crossed or in the case of a reduction in a shareholder's interest to below a disclosure threshold.

(…)

The above disclosure thresholds are an addition to the disclosures of thresholds provided by law."

In connection with the application of this provision of the Articles of Association, CNP Assurances has been notified that:

On 10 November 2014, Schroders Plc held 6,745,807 shares representing 0.95% of the capital and voting rights. Norges Bank Investment Management exceeded the 0.5% threshold and held 0.642% of the capital on 21 February 2014.

Article 13 of CNP Assurances' Articles of Association – Rights attached to shares

"Each share shall entitle its holder to a share of the Company's profits and net assets proportionate to the number of outstanding shares as set out below. Share ownership shall automatically entitle shareholders to participate in General Meetings and to vote on resolutions, in accordance with the applicable laws and these Articles of Association.

Where a shareholder must own a specific number of shares to exercise a particular right the shareholders concerned shall be personally responsible for obtaining the necessary number of shares or rights, including through purchases or sales of shares or rights where required."

Article 14 of CNP Assurances' Articles of Association – Transfer of rights and seals

"The rights and duties attached to shares shall be transferred with title to the shares. Share ownership shall automatically require shareholders to comply with these Articles of Association and the decisions made at General Meetings. The heirs or creditors of a shareholder may not, on any pretext whatsoever, demand that seals be affixed to the property and documents of the Company, or that they be sold by auction or divided, nor shall they interfere in any way in its administration. In order to exercise their rights, they shall refer to the Company's statements of assets and liabilities and to the resolutions of the General Meetings."

6.2 General information – Information about the Company's capital

6.2.1 Share capital, par value of the shares

Amount of fully subscribed and paid-up share capital at 31 December 2014:

€686,618,477, divided into 686,618,477 shares with a par value of €1.

6.2.2 Delegations of authority

6.2.2.1 DELEGATION OF AUTHORITY GIVEN TO THE BOARD OF DIRECTORS TO ISSUE SHARES

Ninth and tenth resolutions adopted by the Ordinary and Extraordinary General Meeting of 6 May 2015. Expiry: 6 July 2017

6.2.2.2 DELEGATION OF AUTHORITY GIVEN TO THE BOARD OF DIRECTORS WITH A VIEW TO GRANTING SHARES

Eleventh resolution adopted by the Ordinary and Extraordinary General Meeting of 6 May 2015. Expiry: 6 July 2018

6.2.3 Financial authorisations

6.2.3.1 AUTHORISATION TO IMPLEMENT A SHARE BUYBACK PROGRAMME

The terms of the resolution to be adopted by the Annual General Meeting of 6 May 2015 are set out below.

Having considered the Board of Directors' report and the details of the proposed programme as published in accordance with Article 241-2 of the General Regulations of the French financial markets authority (*Autorité des Marchés Financiers* – AMF), the General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings:

- decides to cancel, in advance and with immediate effect, the authorisation given by the Ordinary General Meeting of 6 May 2014 pursuant to its seventh resolution
- decides to adopt the programme referred to below and, for this purpose:
  - authorises the Board of Directors (which may sub-delegate this authorisation in accordance with Articles L.225-209 *et seq.* of the French Commercial Code and Articles 241-1 to 241-6 of the AMF's General Regulations) to purchase shares of the Company, capped at the statutory limit of 10% of the Company's share capital at the date of this General Meeting, it being specified that the maximum percentage of shares that may be bought back by the Company for the purpose of being held and subsequently delivered as payment or exchange in connection with a merger, demerger or contribution, is limited to 5%
  - decides that the shares bought back may be used for the following purposes:
    - to maintain a liquid market in the Company's shares, under a liquidity contract entered into with an independent investment services firm that complies with the code of ethics of AMAFI (French association of financial and investment firms) recognised by the AMF
    - to hold shares for subsequent delivery as payment or exchange in connection with future business acquisitions initiated by the Company
    - to grant shares to eligible employees of the Company or the Group, under a share grant plan within the scope of

Articles L.225-197-1 *et seq.* of the French Commercial Code, or under an employee profit-sharing or employee share ownership or savings plan

- to deliver shares on exercise of rights attached to securities that are convertible, redeemable, exchangeable or otherwise exercisable for shares of the Company, pursuant to applicable securities regulations
- to cancel shares, particularly in order to increase return on equity and earnings per share, and/or to neutralise the dilutive impact of share issues for shareholders (subject to shareholders adopting the extraordinary resolution authorising capital reductions)

- decides that the maximum purchase price per share may not exceed thirty euros (€30), excluding transaction costs
- decides that the Board of Directors may, however, adjust the above-mentioned purchase price in the event of a change in the par value of the shares, an increase in share capital by means of capitalisation of reserves and the grant of shares, share splits or reverse share splits redemption or reduction of the share capital, distribution of reserves or other assets and any other equity-related transactions, in order to take into account the impact of these transactions on the value of the share
- decides that the maximum amount of funds used to carry out this share buyback programme may not exceed two billion, fifty-nine million, eight hundred and fifty five thousand, four hundred and thirty one euros (€2,059,855,431)
- decides that the shares may be bought back by any means under the conditions provided for by the regulations in force, and in particular, in whole or in part, in on-market transactions or by block trades and, where applicable, by off-market transactions or through the use of options or derivatives other than the sale of put options, at the times that the Board of Directors considers appropriate subject to the limits provided for by stock market regulations. The shares purchased pursuant to this authorisation may be retained, sold or transferred under the conditions provided for by the regulations in force, by all means including through block trades, at any time
- grants full powers to the Board of Directors (which may delegate such powers) to ensure that these transactions are effectively completed, and to set their terms and conditions, and in particular to:
  - enter into, amend and/or extend the term of any liquidity contract in compliance with the AMAFI code of ethics recognised by the AMF
  - place any and all buy and sell orders on or off the market
  - adjust the purchase price of the shares in order to take into account the impact of the above-mentioned transactions on the value of the share
  - enter into all agreements, in particular with a view to keeping registers of share purchases and sales
  - prepare all documents and make all disclosures and filings with the AMF and any other organisation
  - carry out all formalities and issue all publications and
  - in general, do whatever is necessary in order to make use of this authorisation
- decides that this authorisation is given for a term that will expire at the close of the Annual General Meeting called to approve the financial statements for the year ending 31 December 2015, without exceeding 18 months as from the date of this General Meeting.

In accordance with Article L.225-209 of the French Commercial Code, the Board of Directors will inform the Annual General Meeting of transactions carried out within the scope of this resolution.

6.2.3.2 AUTHORISATION TO ISSUE AND BUY BACK BONDS, SECURITIES OR DEBT SECURITIES

The Board of Directors' decision taken at the meeting of 18 February 2015 is reproduced below:

a) according to Article L.228-40 of the French Commercial Code, the Board of Directors has the authority to decide or authorise the issue of bonds, unless the Articles of Association reserve this power for the General Meeting or unless the General Meeting decides to exercise it.

As none of the provisions of the Articles of Association of CNP Assurances reserve this power for the General Meeting, the Board of Directors may authorise the Chief Executive Officer (or one or more directors) to issue bonds, within one year, and set the terms and conditions thereof.

The Board of Directors authorises the Chief Executive Officer of the Company, under the conditions provided for by law, to issue (on his decision alone), on one or more occasions, bonds or similar securities (where applicable within the scope of an EMTN programme), either in France or another country. The securities issued may be subordinated or unsubordinated, fixed term or open ended and may pay interest at a fixed or variable rate (or any other form of remuneration, including indexation), or any other securities and/or debt securities (it being specified that they may not carry warrants giving a right to the allotment, acquisition or subscription of other securities and/or debt securities).

Within the framework of this authorisation, the Board of Directors sets the maximum nominal amount of the securities to be issued at one billion euros (€1,000,000,000) or the equivalent of such amount in foreign currency, or in any other unit of account established by reference to a set of currencies (or basket of currencies).

Full powers are given to the Chief Executive Officer, under the conditions provided for by law and for the maximum amount of the authorisation set above, in order to:

- decide on the nature, forms, terms and conditions of the issues
- decide on the features of the securities to be issued and, in particular, set the conditions for their exercise, their ranking which may be subordinated where applicable, the method of amortisation and payment of the securities, the frequency of the interest payments and the date and method of redemption of the capital, with or without a premium, as well as the amount of any redemption premium which will be added to the total maximum amount of the securities that may be issued pursuant to this delegation of authority, and determine the governing law
- decide, where appropriate, to attach a guarantee to the securities to be issued and, where applicable, define and grant such guarantee and
- in general, decide on all the rates, terms and conditions that the Chief Executive Officer considers appropriate in light of market conditions and the Company's interests.

This authorisation shall be valid for a one-year period.

b) The Board also authorises, as necessary, the Chief Executive Officer of the Company to buy back, on one or more occasions, at the prices and according to terms and conditions that he shall determine at his sole discretion, bonds or similar securities issued by the Company, to be held or cancelled, in accordance with contractual provisions and the applicable laws and regulations.

The maximum nominal amount of the securities that can be bought back pursuant to this authorisation may not exceed five hundred million euros (€500,000,000) or the equivalent of this amount in foreign currencies, or any other unit of account established by reference to a set of currencies (or currency basket).

This authorisation shall be valid for a one-year period.

c) The Board also authorises, as necessary, the Chief Executive Office of the Company to establish or unwind, on one or several occasions, at his sole discretion, in France or abroad, hedging positions for bonds or securities issued or to be issued by CNP Assurances up to a nominal maximum ceiling of one billion euros (€1,000,000,000) or equivalent value in foreign currencies in the form of swaps with the following options: convert the interest and principal into euros (currency swaps) or exchange future interest payments (interest rate swap).

This authorisation shall be valid for a one-year period.

6.2.4 Changes in share capital

Between 1987 and the legislative reform of 16 July 1992, CNP Assurances was a public industrial and commercial institution with no share capital within the meaning of the French Act of 24 July 1966. The changes in the capital of CNP Assurances since it became an insurance company limited by shares on 9 December 1992 are set out below.

Date	Description of the transactions carried out	Issued capital	Aggregate par value	Net premium
31.12.1991	Initial capital	50,000	FRF 5,000,000 (1)	–
01.01.1992	Shares issued in payment for assets acquired from CNP EPIC	28,500,000	FRF 2,850,000,000 (1)	FRF 4,243,612,960 (credited to reserve accounts)
23.04.1993	Shares issued for cash	3,170,000	FRF 317,000,000 (1)	FRF 538,900,000
27.10.1994	Four-for-one share split	126,880,000	FRF 3,172,000,000 (2)	–
18.09.1998	Shares issued for cash	9,803,922	FRF 245,098,050 (2)	FRF 1,244,619,067
31.12.2000	Employee rights issue	443,786	FRF 11,094,650 (2)	FRF 67,620,016
01.01.2001	Capital increase paid up by capitalising reserves, carried out in connection with the conversion of the capital into euros	n/a	€25,886,223.98 (3)	–
21.06.2002	Employee rights issue	726,356	€2,905,424	€17,105,683.80
25.06.2004	Employee rights issue	731,402	€2,925,608	€20,508,512.08
22.12.2004	Employee rights issue	49,836	€199,344	€1,678,476.48
06.02.2007	Share issue with pre-emptive subscription rights	9,902,521	€39,610,084	€660,003,024.65
06.07.2010	Four-for-one share split	n/a	n/a	n/a
24.07.2012	Shares issued for cash following the 2011 dividend reinvestment plan	49,348,883	€49,348,883	€339,520,315.04
28.05.2013	Shares issued for cash following the 2012 dividend reinvestment plan	43,118,302	€43,118,302.00	€395,826,012.36

(1) Par value of FRF 100
(2) Par value of FRF 25
(3) Par value of €4
n/a not applicable

6.2.5 Shareholder structure and changes in share capital

2012 FINANCIAL YEAR

Number of shares: 643,500,175

Voting rights: 642,246,405

Shareholders	Number of shares	% share capital	% voting rights (1)
Caisse des Dépôts	260,883,688	40.54%	40.62%
Sopassure (*La Banque Postale* and BPCE holding company)	231,422,531	35.96%	36.03%
French State	7,108,108	1.10%	1.11%
TOTAL SHARES HELD IN CONCERT (2)	**499,414,327**	**77.61%**	**77.76%**
Public, Company employees and other	144,085,848	22.39%	22.24%
of which:	of which:	of which:	of which:
CNP Assurances (treasury shares)	1,253,770	0.19%	-
TOTAL CNP ASSURANCES SHARES	**643,500,175**	**100.0%**	**100.0%**

(1) The difference between the percentages in share capital and voting rights can be attributed to the Company's treasury shares that are stripped of voting rights

(2) The concert shares are the result of a shareholders' agreement, the main terms of which are outlined in the following table. Note that 44,456,535 CNP Assurances shares (including 23,223,172 held by Caisse des Dépôts, 20,600,619 by Sopassure and 632,744 by the French state) included in the shareholdings above in the total concert shares and issued from the payment on 24 July 2012 of a share dividend by the Company are excluded from the definition of "shares" as per the shareholders' agreement signed on 12 September 1998 by the concert party

2013 FINANCIAL YEAR

Number of shares: 686,618,477

Voting rights: 686,157,804

Shareholders	Number of shares	% share capital	% voting rights (1)
Caisse des Dépôts	280,616,540	40.87%	40.90%
Sopassure (*La Banque Postale* and BPCE holding company)	248,926,986	36.25%	36.28%
French State	7,645,754	1.11%	1.11%
TOTAL SHARES HELD IN CONCERT (2)	**537,189,280**	**78.24%**	**78.29%**
Public, Company employees and other	149,429,197	21.76%	21.71%
of which:	of which:	of which:	of which:
CNP Assurances (treasury shares)	460,673	0.07%	-
TOTAL CNP ASSURANCES SHARES	**686,618,477**	**100.0%**	**100.0%**

(1) The difference between the percentages in share capital and voting rights can be attributed to the Company's treasury shares that are stripped of voting rights

(2) The concert shares are the result of a shareholders' agreement, the main terms of which are outlined in the following table. Note that 82,231,488 CNP Assurances shares (including 42,956,024 held by Caisse des Dépôts, 38,105,074 by Sopassure and 1,170,390 by the French State) included in the shareholdings above in the total concert shares and issued from the payment on 24 July 2012 and on 28 May 2013 of a share dividend by the Company are excluded from the definition of "shares" as per the shareholders' agreement signed on 12 September 1998 by the concert party. As far as the Company is aware, no other shareholder owns more than 5% of the Company's share capital or voting rights

2014 FINANCIAL YEAR

Number of shares: 686,618,477

Voting rights: 686,163,654

Shareholders	Number of shares	% share capital	% voting rights (1)
Caisse des Dépôts	280,616,540	40.87%	40.90%
Sopassure (*La Banque Postale* and BPCE holding company)	248,926,986	36.25%	36.28%
French State	7,645,754	1.11%	1.11%
TOTAL SHARES HELD IN CONCERT (2)	**537,189,280**	**78.24%**	**78.29%**
Public, Company employees and other	149,429,197	21.76%	21.71%
of which:	of which:	of which:	of which:
CNP Assurances (treasury shares)	454,823	0.07%	-
TOTAL CNP ASSURANCES SHARES	**686,618,477**	**100.0%**	**100.0%**

(1) The difference between the percentages in share capital and voting rights can be attributed to the Company's treasury shares that are stripped of voting rights

(2) The concert shares are the result of a shareholders' agreement, the main terms of which are outlined in the following table. Note that 82,231,488 CNP Assurances shares (including 42,956,024 held by Caisse des Dépôts, 38,105,074 by Sopassure and 1,170,390 by the French State) included in the shareholdings above in the total concert shares and issued from the payment on 24 July 2012 and on 28 May 2013 of a share dividend by the Company are excluded from the definition of "shares" as per the shareholders' agreement signed on 12 September 1998 by the concert party. As far as the Company is aware, no other shareholder owns more than 5% of the Company's share capital or voting rights

There are no voting rights other than those held by the Company's shareholders.

SHAREHOLDERS' AGREEMENT

MAIN TERMS OF THE CNP ASSURANCES SHAREHOLDERS' AGREEMENT (1998-2009)

(Unchanged in 2014)

CNP Assurances – Quoted on the Eurolist compartment A – First listed: 6 October 1998
(The shareholders' agreement and addenda described below were disclosed to and published by the French securities regulator – *Conseil des marchés financiers/Autorité des Marchés Financiers*)

Signature date, duration of the agreement and addenda	Signatories and % interest	Main terms	Main clauses concerning the capital
Signing of the CNP Assurances shareholders' agreement: **2 September 1998** **Initial term: 5 years, automatically renewable for 2-year periods.**	■ Caisse des Dépôts: 40% ■ La Poste: 20% ■ CENCEP: 12.5% ■ French State: 1%	Under the terms of the renewable 5-year agreement signed on 2 September 1998, CNP Assurances' main shareholders (Caisse des Dépôts, La Poste, Cencep and the French State) affirmed their intention to remain shareholders of the Company over the long term and to implement a common policy. They agreed to consult each other prior to all major decisions, such as proposed amendments to the Articles of Association, capital projects excluding financial investments, membership of the Executive Board and Supervisory Board and, more generally, all strategic decisions for CNP Assurances.	The agreement contains clauses placing a temporary ban on the sale of the parties' CNP Assurances shares and a pre-emptive subscription right applicable to all sales except for those made by the State: ■ 100% of the shares the first year, 80% the following year and 75% thereafter until the fifth year are temporarily non-transferable ■ all sales give the parties a pre-emptive right to purchase the shares held by the other parties, with the exception of the French State ■ the parties that are State-controlled must together hold 61% of the capital.

CNP Assurances – Quoted on the Eurolist compartment A – First listed: 6 October 1998
(The shareholders' agreement and addenda described below were disclosed to and published by the French securities regulator – *Conseil des marchés financiers/Autorité des Marchés Financiers*)

Signature date, duration of the agreement and addenda	Signatories and % interest	Main terms	Main clauses concerning the capital
First addendum			
Signed: **19 December 2000** **Term:** **Amended to** 3 years following the decision by La Poste and Cencep to combine their interests within a joint holding company, Sopassure on: **5 January 2004**	▪ Caisse des Dépôts: 37% (40% R 37%) 36% [▪ La Poste (20% R 18%) ▪ CNCE (formerly Cencep) (12.5% R 18%)] ▪ French State: 1.2% (1.7% R 1.2%)	In October 2000, the signatories reorganised their interests, while retaining combined majority control of CNP Assurances. As a result, *Sopassure* took over the rights and obligations of La Poste and Caisses d'Epargne. Sopassure's term and the term of the shareholders' agreement between La Poste and Caisse d'Epargne group are aligned with that of the shareholders' agreement. When the CNP Assurances shareholders' agreement ends, La Poste and Caisse d'Epargne group will recover direct ownership of their CNP Assurances shares and will decide whether to continue their joint policy with regard to the Company. The number of seats on the Supervisory Board held by each signatory remained unchanged (Caisse des Dépôts: five seats; La Poste: three seats; CNCE: two seats; French State: one seat). The French securities regulator ruled that the decision by La Poste and Caisse d'Epargne group to combine their interests within Sopassure did not materially affect the original balance of powers among the signatories, with Caisse des Dépôts continuing to be the leading shareholder in the majority group (CMF ruling dated 24 November 2000).	Reorganisation of the interests held by shareholders representing the majority group: ▪ acquisition by Caisse d'Epargne group of 5.5% of the capital from Caisse des Dépôts (3%), La Poste (2%) and the French State (0.5%) ▪ interests held by CNP Assurances, La Poste and Caisse d'Epargne group combined within a joint holding company, Sopassure (a public sector entity) 50.1%-owned by La Poste ▪ Sopassure's interest will remain below that of Caisse des Dépôts (at around 36% and 37% respectively).
Second addendum			
Signed: **26 May 2003** **Term:** **Extended until** **31 December 2008**	▪ Caisse des Dépôts: 37% 36% [▪ La Poste ▪ CNCE (formerly Cencep)] ▪ French State: 1%	The second addendum extended the term of the shareholders' agreement to 31 December 2008.	The addendum includes a standstill agreement applicable to Caisse des Dépôts, Sopassure, CNCE and La Poste. To maintain the balance of shareholders' interests, Caisse des Dépôts' interest is maintained at 50,582,880 shares and that of Sopassure at 49,191,780 shares.

CNP Assurances – Quoted on the Eurolist compartment A – First listed: 6 October 1998
(The shareholders' agreement and addenda described below were disclosed to and published by the French securities regulator – *Conseil des marchés financiers/Autorité des Marchés Financiers*)

Signature date, duration of the agreement and addenda	Signatories and % interest	Main terms	Main clauses concerning the capital
Third addendum			
Signed: **8 January 2007** **Term:** **Extended until** **31 December 2015** AMF ref.: 207C0117-16.01.2007	■ Caisse des Dépôts: 37% 36% [■ La Banque Postale ■ CNCE] ■ French State: 1%	The third addendum extended the term of the shareholders' agreement to 31 December 2015. Caisse des Dépôts, Sopassure, La Banque Postale and CNCE have given an undertaking not to sell any shares while the agreement is in force. Seats on the Supervisory Board have been allocated as follows: one person proposed by the French State, six by Caisse des dépôts et consignations, five by Sopassure, one by shareholders having acquired shares through cooperation agreements, one employee shareholder representative and four independent members.	Caisse des Dépôts, Sopassure, La Banque Postale and CNCE have given an undertaking not to sell any shares while the agreement is in force. The signatories undertake not to carry out any share purchases or other transactions, that would result in (i) Caisse des Dépôts holding over 40% of CNP Assurances' capital, directly or indirectly, and/or (ii) Sopassure, La Banque Postale and CNCE together holding over 35.48% * of its capital, directly or indirectly.
Fourth addendum			
Signed: **9 July 2007** **Term (unchanged):** **31 December 2015** AMF ref.: 207C1599-27.07. 2007	■ Caisse des Dépôts: 40% 35.48% [■ La Banque Postale ■ CNCE] ■ French State: 1%	The shareholders' agreement was aligned with the change in the Company's governance structure replacing the Executive Board and Supervisory Board with a Board of Directors. For the full term of the shareholders' agreement, the signatories will recommend that members of the Board be proposed as follows: one member appointed by the French State; six by Caisse des Dépôts; five by Sopassure; one employee representative; and four independent directors.	The main clauses relative to the capital are not amended by this fourth addendum. They remain unchanged and in full force and effect.

* *The percentages indicated do not include shares issued to pay scrip dividends*

CNP Assurances – Quoted on the Eurolist compartment A – First listed: 6 October 1998
(The shareholders' agreement and addenda described below were disclosed to and published by the French securities regulator – *Conseil des marchés financiers/Autorité des Marchés Financiers*)

Signature date, duration of the agreement and addenda	Signatories and % interest	Main terms	Main clauses concerning the capital
Fifth addendum			
Signed: **28 July 2009** **Term (unchanged):** **31 December 2015** AMF ref.: 209C1086-04.09. 2009	35.48% [■ Caisse des Dépôts: 40% ■ La Banque Postale ■ BPCE (formerly CNCE) ■ French State: 1.09%	As a result of the alliance between Caisses d'Epargne and Banques Populaires, the new cooperative banking group, BPCE, was formed on 31 July 2009. Pursuant to the fifth addendum to the shareholders' agreement, BPCE acquired CNCE's interest in Sopassure (jointly owned by La Banque Postale and CNCE) and took over all of CNCE's rights and obligations arising from the agreement. This will not, however, change the balance of interests of CNP Assurances' shareholders or the business agreements, which will remain unchanged as a result of the operation. The other provisions of the agreement that are not amended by the fifth addendum remain unchanged and in full force and effect.	The main clauses relative to the capital are not amended by this fifth addendum, which does not affect the existence of Sopassure, jointly owned by La Banque Postale and BPCE.

6.2.6 Changes in ownership structure

1998

On 23 September 1998, the interest held by Caisse des Dépôts was raised from 30% to 40% and the interest held by La Poste from 17.5% to 20%, through the acquisition of shares held by the French State in preparation for the transfer to the private sector of a minority stake held by the French State in the capital of CNP Assurances.

In accordance with the favourable opinion of the commission on shareholdings and transfers and the order adopted by the French Minister of Economy and Finance on 23 September 1998, the French State sold approximately 6.5% of the Company's capital to new shareholders: the civil service mutual insurance companies AGRR Prévoyance and Compagnie Suisse de réassurances.

The above two share sales had the effect of reducing the French State's interest in CNP Assurances' capital from 42.38% to 23.39%.

Following the transfer of CNP Assurances to the private sector, the French State continued to hold a residual stake of approximately 2.24% of the Company's capital. A total of 61% of CNP Assurances' capital was nevertheless still in the hands of public sector shareholders, through the interests held by Caisse des Dépôts and La Poste.

Using the authorisation given at the Extraordinary General Meeting of 18 September 1998, the Executive Board decided to increase the Company's capital by FRF 245,098,050 to FRF 3,417,098,050 through the issuance of 9,803,922 new shares with a par value of FRF 25 each, by reference to the prices at which the shares held by the French State were sold to private sector shareholders and the price spread of FRF 149 to FRF 153 set by the French Minister of Economy and Finance for the CNP Assurances initial public offering.

The new shares were issued at a price of FRF 153 each, including a premium of FRF 128, and are in the same class as existing shares.

1999

There were no changes in ownership structure during the year.

2000

On 25 September 2000, the Executive Board decided to use the authorisation given at the Annual General Meeting of 6 June 2000. A total of 443,786 new FRF 25 par value shares reserved for employees were issued on 15 December 2000 ranking *pari passu* with existing shares. The issue proceeds totalled €11,999,973.44 (FRF 78,714,665.78), including FRF 11,094,650 credited to the capital account and FRF 67,620,015.78 to the share premium account. At 31 December 2000, current and former employees of the Company held a total of 1,207,896 shares either directly or indirectly through Group employee share ownership plans.

On 19 December 2000, the main shareholders of CNP Assurances that signed the shareholders' agreement in September 1998 – Caisse des Dépôts, La Poste, Caisse d'Epargne group and the French State – decided to reorganise their majority interests in CNP Assurances. At the end of this process, which was completed on 5 January 2001, the situation of the majority shareholders of the Company was as follows:

- the respective 18% interests of La Poste and Caisse d'Epargne group were held by a joint holding company, Sopassure, which thus owned 36% of the capital of CNP Assurances
- the interest of Caisse des Dépôts stood at around 37% versus 40% prior to the reorganisation and the interest of the French State came to 1.2% versus 1.7%.

2001

The Executive Board decided to use the authorisation given at the Annual General Meeting of 6 June 2000 to convert the share capital into euros effective as of 1 January 2001, by converting the par value of the shares and rounding up the converted amount to the nearest whole number of euros. The resulting capital increase – from FRF 3,428,192,700 to €548,510,832 (divided into 137,127,708 fully paid up ordinary shares with a par value of €4) – was paid up by capitalising reserves.

Within the scope of this authorisation, the Executive Board was given the power to amend the Articles of Association accordingly.

2002

On 17 April 2002, the Executive Board decided to use the authorisation given at the Annual General Meeting of 6 June 2000 to carry out a second employee rights issue. A total of 726,356 new €4 par value shares reserved for employees were issued on 21 June 2002 ranking *pari passu* with existing shares. The issue proceeds totalled €20,011,107.80, including €2,905,424 credited to the capital account and €17,105,683.80 to the share premium account. Following this issue, the share capital amounted to €551,416,256, divided into 137,854,064 fully paid up ordinary shares with a €4 par value.

At 31 December 2002, current and former employees of the Company held a total of 1,744,969 shares, directly or indirectly through Group employee share ownership plans representing 1.26% of the capital.

2003

There were no changes in the Company's capital in 2003. At 31 December 2003, current and former employees of the Company held a total of 1,482,563 shares, directly or indirectly through Group employee share ownership plans representing 1.08% of the capital.

2004

On 7 January 2004, the Executive Board decided to use the authorisation given at the Annual General Meeting of 4 June 2002 to carry out an employee right's issue. A total of 731,402 new €4 par value shares reserved for employees were issued on 25 June 2004 ranking *pari passu* with existing shares.

The issue proceeds totalled €23,434,120.08, including €2,925,608 credited to the capital account and €20,508,512.08 to the share premium account. Following this issue, the share capital was raised from €551,416,256 to €554,341,864, divided into 138,585,466 fully paid up ordinary shares.

On 19 July 2004, the Executive Board decided to carry out another employee rights issue reserved for members of the CNP Assurances International Group employee share ownership plan. A total of 49,836 new €4 par value shares reserved for employees were issued on 22 December 2004 ranking *pari passu* with existing shares.

The issue proceeds totalled €1,877,820.48, including €199,344 credited to the capital account and €1,678,476.48 to the share premium account. Following this issue, the share capital was raised from €554,341,864 to €554,541,208, divided into 138,635,302 fully paid up ordinary shares.

2005

There were no changes in ownership structure during the year.

At 31 December 2005, employees and former employees held 148,300 shares directly and 1,445,276 shares indirectly through the corporate mutual fund "Actions" representing approximately 1.15% of the capital.

2006

There were no changes in ownership structure during the year.

At 31 December 2006, employees and former employees held 1,458,866 shares indirectly through the corporate mutual fund "Actions" representing approximately 1% of the capital.

2007

A rights issue with pre-emptive subscription rights was launched on 8 January 2007 to finance part of the cost of acquiring 49.9% of Ecureuil Vie. 9,902,521 new shares were issued. The gross issue proceeds amounted to €699,613,108.65.

On 6 February 2007, after the new shares had been listed on Eurolist by Euronext Paris, the number of shares outstanding stood at 148,537,823.

At 31 December 2007, employees held 0.58% of the capital, directly and indirectly through Group employee share ownership plans.

2008

At 31 December 2008, employees held 0.6% of the capital, directly and indirectly through Group employee share ownership plans.

2009

BPCE acquired CNCE's interest in Sopassure (holding company owned jointly by La Banque Postale and CNCE).

At 31 December 2009, employees held 0.37% of the capital, directly and indirectly through Group employee share ownership plans.

2010

The only change to the structure of the share capital in 2010 was a four-for-one share split decided on 6 July 2010 bringing the number of shares in circulation to 594,151,292.

At 31 December 2010, employees held 0.36% of the capital, directly and indirectly through Group employee share ownership plans.

2011

At 31 December 2011, employees held 0.35% of the capital, directly and indirectly through Group employee share ownership plans.

2012

CNP Assurances increased its capital following the payment of a scrip dividend for 2011. The dividend reinvestment option was enthusiastically received by shareholders, particularly the major shareholders (Caisse des Dépôts, Sopassure and the French State).

These signatories of the shareholders' agreement declared to the AMF that the balance of shareholders' interests had not changed by reference to the situation prevailing before 24 July 2012, Caisse des Dépôts remaining the majority shareholder (AMF decision and information no. 212C1016 of 6 August 2012).

86.2% of dividends were reinvested. On 24 July 2012, 49,348,883 new shares were issued to cover the scrip dividend. On 31 December 2012, the Company's share capital stood at 643,500,175 shares with a par value of €1 each.

At 31 December 2012, employees held 0.33% of the capital, directly and indirectly through Group employee share ownership plans.

2013

CNP Assurances increased its capital following the payment of a scrip dividend for 2012. The dividend reinvestment option was again well received by shareholders, particularly the major shareholders (Caisse des Dépôts, Sopassure and the French State).

The new shares from the dividend reinvestment plan ranking *pari passu* with existing shares, were listed on the NYSE Euronext Paris stock exchange on 30 May 2013. As a result of the reinvestment dividend plan, CNP Assurances' capital was 40.87%-held by Caisse des Dépôts, 36.25%-held by Sopassure and 1.11%-held by the French State.

At 31 December 2013, employees held 0.29% of the capital, directly and indirectly through Group employee share ownership plans.

2014

At 31 December 2014, employees held 0.23% of the capital, directly and indirectly through Group employee share ownership plans.

6

6.2.7 Listing of CNP Assurances shares

CNP Assurances was floated on the Paris Stock Exchange on 6 October 1998.

The shares are traded on the Eurolist compartment A, ISIN code FR 0000120222. The CNP share is included in the following indices: SBF 120, Euronext 100 and DJ Eurostoxx Insurance.

TRANSACTIONS CARRIED OUT ON CNP ASSURANCES SHARES OVER THE LAST 24 MONTHS (SOURCE: BLOOMBERG)

Date	Trading Volume	Low * *(in €/share)*	High * *(in €/share)*
31.01.2013	5,831,010	11.7	12.9
28.02.2013	6,533,495	11.05	12.52
29.03.2013	6,801,224	10.4	11.92
30.04.2013	7,645,713	10.445	11.7
31.05.2013	8,240,129	10.78	11.975
28.06.2013	8,158,946	10.6	11.87
31.07.2013	6,907,256	10.915	13.07
30.08.2013	8,898,484	12.635	14.6
30.09.2013	8,105,364	13.21	14.575
31.10.2013	8,253,881	12.755	13.645
29.11.2013	8,114,893	12.805	14.2
31.12.2013	7,602,937	12.91	14.9
31.01.2014	9,306,803	14.31	15.7
28.02.2014	6,496,679	13.845	15.7
31.03.2014	7,109,055	14.405	16.1
30.04.2014	5,968,659	15.255	16.75
30.05.2014	5,358,910	15.545	16.85
30.06.2014	5,300,739	15.035	16.335
31.07.2014	5,844,042	14.62	15.9
29.08.2014	5,402,636	13.99	15.34
30.09.2014	4,891,260	14.71	15.5
31.10.2014	7,589,203	13.435	14.97
28.11.2014	5,073,983	14.39	15.04
31.12.2014	5,308,985	13.85	15.22

* *Intraday lows and highs*

6.2.8 Dividends

Dividends paid by CNP Assurances for 2010, 2011, 2012, 2013 and 2014 were as follows:

Year of distribution	2010 *	2011	2012	2013	2014 **
Earnings per share	€1.67	€1.37	€1.46	€1.46	€1.49
Dividend per share	€0.77	€0.77	€0.77	€0.77	€0.77
Number of shares with dividend rights	594,151,292	594,151,292	643,500,175	686,618,477	686,618,477

* *In July 2010, the CNP Assurances Group carried out a four-for-one share split*

** *Subject to the decision of the General Meeting of 6 May 2015*

Dividends not claimed within five years are statute-barred and are paid over to the French State.

DIVIDEND POLICY

The Company's dividend policy is determined by the Board of Directors after review of the financial position and results of the Group.

This policy takes into account the Group's investment needs, the economic environment and any other factor deemed relevant.

The Company's dividend policy has always been consistent with its development strategy while seeking to ensure dividend sustainability by maintaining a reasonable payout ratio for its shareholders.

6.2.9 Guarantees and endorsements

To the best of the Company's knowledge, at the date of publication of this Registration Document, none of the Company's shares were subject to a pledge, guarantee or collateral.

See Note 9.11 "Commitments given and received" in Chapter 3.1 "Consolidated financial statements".

6.2.10 Discretionary and statutory profit-sharing plans

DISCRETIONARY PROFIT-SHARING PLAN

The amounts awarded to employees under discretionary profit-sharing plans are based on collective performance objectives. These amounts do not include any complementary contributions by the Company.

Amounts allocated on this basis to employees of CNP Assurances over the last five years:

Year	Total discretionary profit-sharing amount	Number of recipients
2010	€6,139,919.08	3,283
2011	€6,364,630.08	3,339
2012	€6,505,676.46	3,301
2013	€6,570,565.60	3,293
2014	€6,418,171.17	3,175

STATUTORY PROFIT-SHARING PLAN

The CNP Assurances Group statutory profit-sharing agreement was signed on 17 May 2000 and was implemented retroactively from 1 January 1999. The amount recorded in the special profit-sharing reserve is allocated among eligible employees (*i.e.*, employees with at least three months' service at 31 December of the reference year) based on the period worked during the reference year and their gross salaries.

If it is not paid immediately to the beneficiary, the net profit share attributable to each eligible employee is either held in a blocked current account generating interest at 5% per year (from 1 May of the payment year) or in an employee share ownership plan or Group insurance plan, both of which are managed by Inter Expansion-Fongepar. Funds are frozen for five years in the case of the blocked current account and the employee share ownership plan, or until the employee concerned retires in the case of the Group insurance plan, and are fully exempt from tax. Early withdrawals are allowed by law only in certain specific circumstances, but employees may apply at any time within the five-year lock-up period to transfer the entire amount of funds held in the blocked current account to the Group employee share ownership plan.

Year	Total statutory profit-sharing	Number of recipients
2010	€11,487,075.00	3,015
2011	€12,947,254.00	3,083
2012	€17,387,983.00	3,083
2013	€17,278,647.00	3,095
2014	€17,151,466.00	2,995

6.2.11 Employee stock options

Not applicable.

6.2.12 Disputes

From time to time CNP Assurances Group is involved in legal proceedings in the ordinary course of business.

The principal proceedings are presented in Note 24.5.4 to the consolidated financial statements and in section 5.6.3 under the heading "Risk factors related to the business". The CNP Assurances Group is not currently aware of any legal proceedings or claims that it believes will have in the aggregate a material adverse effect on the Company's financial position or the results of its operations.

Neither the Company nor the Group has knowledge of any legal, governmental or arbitration proceedings, including either instances of which it is already aware, or any which may be pending or threatened against the Company, that may have had in the past 12 months, or may subsequently have a material adverse effect on its financial position or the results of its operations.

6.3 Transactions carried out in 2014 under the share buyback programme

The AGMs held on 25 April 2013 and 6 May 2014 renewed the share buyback programme introduced to coincide with the Company's IPO.

6.3.1 Purchase and sale of shares

Using the authorisations given at the Annual General Meetings of 25 April 2013 and 6 May 2014, in the period from 1 January 2014 to 31 December 2014, the Company bought back 7,221,525 shares at an average price of €15.00 and sold 7,227,375 shares at an average price of €15.06.

FROM 1 JANUARY 2014 TO 31 DECEMBER 2014

	Aggregate gross amounts		Open positions on the day the prospectus was filed					
	Purchases (in €)	Sales (in €)	Open buy positions			Open sell positions		
Number of shares	7,221,525	7,227,375	Call options purchased	Put options sold	Futures	Call options purchased	Put options sold	Futures
Maximum average security	None	None	None	None	None	None	None	None
Average transaction price *(in €)*	15.00	15.06						
Average exercise price	None	None	None	None	None	None	None	None
Total *(in €)*	108,324,278	108,885,752						

SUMMARY

Treasury share transactions in the period from 1 January 2014 to 31 December 2014	
Percentage of issued capital held by the Company, directly and indirectly:	0.07%
Number of shares cancelled in the last 24 months	None
Number of shares held in treasury as of 31 December 2014	454,823
Book value (fair value *)	€6,697,269
Market value *	€6,697,269

* *At closing price on 31 December 2014: €14.725*

6.3.2 Purpose of the transactions

All of the transactions were carried out as part of a market-making initiative by an investment services provider. The Company did not buy back any shares with a view to assigning them to other target categories in its 2014 share buyback programme. All of the shares held on 31 December 2014 were allocated to maintaining a liquid market in the Company's shares, apart from 7,205 shares held in a separate account.

6.3.3 Cancelled shares

No shares were cancelled.

6.4 Persons responsible for the information and the audit of the financial statements

PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Frédéric Lavenir, Chief Executive Officer of CNP Assurances

STATEMENT BY THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

"I hereby declare that having taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I declare that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the Company and the entities included in the scope of consolidation, and that the report of the Board of Directors, the different sections of which are listed on the contents page of the Registration Document, presents fairly the changes in business results and financial position of the Company and the entities included in the scope of consolidation, as well as a description of their principal risks and contingencies.

I have received a letter from CNP Assurances' Statutory Auditors confirming that they have verified the information about the Company's financial position and financial statements provided in this Registration Document and that they have also verified the embedded value information for the 2014 financial year.

The Statutory Auditors' reports on the financial statements and the consolidated financial statements for the year ended 31 December 2014 included in this Registration Document are presented on pages 162 to 163 and 218 to 219 respectively. The Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2014 contains an observation by the Auditors, without qualifying their opinion referring to Note 3.1 on the mandatory application of new accounting standards.

The Statutory Auditors' report on the financial statements for the year ended 31 December 2014 contains an observation by the Auditors, without qualifying their opinion, drawing readers' attention to the change in accounting policy as presented in Note 3.

The Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2013, which is presented on pages 150 and 151 of the Registration Document filed with the AMF on 10 April 2014 under number D.14-0321, contains an observation.

The Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2012, which is presented on pages 226 and 227 of the Registration Document filed with the AMF on 4 April 2013 under number D.13-0283, contains an observation."

Frédéric Lavenir

STATUTORY AUDITORS

Statutory Auditors of CNP Assurances	First appointed	Current term expires
PricewaterhouseCoopers Audit 63 rue de Villiers 92200 Neuilly-sur-Seine Represented by Éric Dupont *	2010 financial year	AGM to be held to approve the 2015 financial statements
Deputy: Yves Nicolas *	2010 financial year	AGM to be held to approve the 2015 financial statements
Mazars 61 rue Henri Regnault – Tour Exaltis 92400 Courbevoie Represented by Jean-Claude Pauly *	1998 financial year Renewed in 2010	AGM to be held to approve the 2015 financial statements
Deputy: Michel Barbet-Massin *	2010 financial year	AGM to be held to approve the 2015 financial statements

* *Member of the Versailles Regional Association of Statutory Auditors*

Information policy

Person responsible for financial information

Antoine Lissowski, Deputy Chief Executive Officer

4 place Raoul Dautry – 75716 Paris CEDEX 15

Documents concerning the Company may be consulted at its headquarters

Service "Droit des sociétés"

4 place Raoul Dautry – 75716 Paris CEDEX 15

Phone: +33 (0)1 42 18 88 88

6.5 Fees paid to the Statutory Auditors

	MAZARS				PWC			
	Amount incl. VAT		%		Amount incl. VAT		%	
(in € thousands)	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Audit								
Audit of the financial statements of the Company and the Group	1,981	1,886	71%	79%	1,910	1,814	80%	89%
Issuer	*819*	*876*	*29%*	*37%*	*826*	*882*	*34%*	*43%*
Fully consolidated companies	*1,162*	*1,010*	*42%*	*42%*	*1,084*	*932*	*45%*	*46%*
Other audit-related services	813	487	29%	20%	412	176	17%	9%
Issuer	*324*	*108*	*12%*	*5%*	*410*	*174*	*17%*	*9%*
Fully consolidated companies	*489*	*379*	*18%*	*16%*	*2*	*2*	*0%*	*0%*
Sub-total	**2,794**	**2,373**	**100%**	**99%**	**2,322**	**1,990**	**97%**	**98%**
Other services rendered by the Auditors to the fully consolidated companies								
Legal, tax and labour-law advisory services		15		1%	73	47	3%	2%
Other services								
Sub-total		**15**		**1%**	**73**	**47**	**3%**	**2%**
TOTAL	**2,794**	**2,388**	**100%**	**100%**	**2,395**	**2,037**	**100%**	**100%**

"Other audit-related services" mainly concern the issue of subordinated notes, the review of the English translation of the Registration Document, the review of sustainable development indicators and the review of MCEV©

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7

ANNUAL GENERAL MEETING OF 6 MAY 2015

7.1 Annual General Meeting of 6 May 2015

7.1.1 Board of Directors' additional report on the draft resolutions (outline and goals)

The draft resolutions to be submitted for the approval of CNP Assurances' shareholders at the Ordinary and Extraordinary General Meeting are outlined hereinafter. An introductory paragraph explains the reasoning behind each resolution and the goal to be achieved. The resolutions and Company activities are outlined in the Board of Directors' management report presented at the General Meeting.

RESOLUTIONS OF THE ORDINARY GENERAL MEETING

Approval of the 2014 financial statements (1st and 2nd resolutions)

Purpose: The 1st and 2nd resolutions invite the shareholders, after having consulted the Board of Directors' management report, the Chairman's report pursuant to paragraph 6, Article L.225-37 of the French Commercial Code (*Code de commerce*), the composition of the Board of Directors and application of the principle of equal male/female representation therein, the conditions governing the preparation and the organisation of the Board's work as well as the internal audit and risk management procedures introduced by the Company and the Statutory Auditors' report, to approve the Group's financial statements for the year ended 31 December 2014.

The notes to the aforementioned financial statements are contained in the CNP Assurances 2014 Registration Document and published in accordance with the applicable legal and regulatory requirements on the Company's website (www.cnp.fr).

Consolidated profit attributable to owners of the parent amounted to €1,079.8 million (versus €1,030.2 million in 2013).

Appropriation of 2014 distributable profit (3rd resolution)

Purpose: At a meeting on 18 February 2015, the Board of Directors decided to propose a cash dividend for payment in 2015 of €0.77 per share. The amount of the proposed cash dividend is similar to last year and corresponds to a dividend payout rate of 49% of consolidated profit attributable to owners of the parent.

This proposed dividend is evidence of the Company's goal of promoting a "responsible dividend", *i.e.*, of maintaining a balance between its investment capacity, employee remuneration and offering shareholders a fair rate of return on their investment.

The Company's financial statements show a profit of €714,073,224.49 for 2014 (versus €735,288,827.27 in 2013).

In view of the distributable profit for 2014 of €921,671,354.26, which corresponds to the sum of the above-mentioned profit and retained earnings of €207,598,129.77, the Board of Directors recommends that shareholders appropriate the distributable profit and set the dividend amount and payment date as from 13 May 2015, as proposed under the third resolution.

Dividends paid to private shareholders resident in France for tax purposes are subject to:

- a 21% withholding tax treated as an instalment of income tax unless these shareholders have formally requested a waiver within the time limit
- income tax at a progressive rate, after application of a 40% tax relief in accordance with Article 158-3-2 of the French Tax Code (*Code général des impôts*).

The following dividends were distributed to CNP Assurances shareholders in respect of the previous three financial years:

Financial year	Number of shares with dividend rights	Dividend per share
2011	594,151,292	€0.77
2012	643,500,175 *	€0.77
2013	686,618,477 **	€0.77

* *Further to the option offered to shareholders at the Annual General Meeting of 29 June 2012 to settle the 2011 dividend in Company shares, CNP Assurances increased its share capital by creating 49,348,883 new shares with a par value of €1 each*

** *Further to the option offered to shareholders at the Annual General Meeting of 25 April 2013 to settle the 2012 dividend in Company shares, CNP Assurances increased its share capital by creating 43,118,302 new shares with a par value of €1 each*

Related party agreements and commitments referred to in Article L.225-38 of the French Commercial Code (4th resolution)

Purpose: On the basis of the Statutory Auditors' report that the shareholders have been asked to approve, the 4th resolution informs shareholders that no new related party agreements pursuant to Articles L.225-38 *et seq.* of the French Commercial Code or new commitments pursuant to Article L.225-42-1 of the same Code were entered into in 2014. The related party agreements and commitments entered into and approved in prior fiscal years and still ongoing in 2014 are outlined in the aforementioned report.

Previous related party agreements that still have an impact on business are reviewed annually by the Board of Directors pursuant to new provisions outlined in Article L.225-40-1 of the French Commercial Code.

CNP Assurances did not enter into any agreements pursuant to the final paragraph of Article L.225-102-1 of the French Commercial Code during the year, *i.e.*, agreements (aside from arm's length agreements relating to recurring operations) negotiated directly or *via* intermediaries between one of the directors, the Chief Executive Officer or a shareholder of CNP Assurances owning more than 10% of the Group's voting rights, and a company in which CNP Assurances holds more than a 50% interest.

Recommendation regarding the individual remuneration of the Chairman of the Board of Directors and of the Chief Executive Officer (5th and 6th resolutions)

Purpose: The AFEP-MEDEF Corporate Governance Code (section 24.3), to which the Company refers in accordance with Article L.225-37 of the French Commercial Code, recommends that the components of the remuneration payable or granted for the year ended to Mr Jean-Paul Faugère in his position as Chairman of the Board of Directors of CNP Assurances and to Mr Frédéric Lavenir in his position as Chief Executive Officer of CNP Assurances be submitted to an advisory vote by shareholders at the Annual General Meeting.

Remuneration granted in 2014 to executive corporate officers by the Board of Directors was established in accordance with public authority guidelines applicable to corporate offices within public sector companies.

Remuneration is set out in detail in the management report presented by the Board of Directors for the year ended 31 December 2014 and in point 4 of section 5 "Remuneration of corporate officers of CNP Assurances" of the 2014 Registration Document.

The advisory vote by shareholders applies to the components of the remuneration payable or granted in 2014 to executive directors of the CNP Assurances Group, *i.e.*, CNP Assurances and its subsidiaries. The components are summarised in the table below. Given the lack of share-based remuneration arrangements, for example, CNP Assurances' senior executives receive only remuneration that is payable and none that is granted.

	2014	
Jean-Paul Faugère, Chairman of the Board of Directors	Payable (1)	Granted (2)
Fixed remuneration	€250,000	Not applicable
Annual variable remuneration	Not applicable	Not applicable
Deferred annual variable remuneration	Not applicable	Not applicable
Multi-annual variable remuneration	Not applicable	Not applicable
Exceptional remuneration	Not applicable	Not applicable
Stock options, performance shares and other long-term remuneration	Not applicable	Not applicable
Benefits linked to taking up or terminating office	Not applicable	Not applicable
Supplementary pension plan	Not applicable	Not applicable
Directors' fees (Caixa Seguros Holding)	€22,463	Not applicable
Benefits in kind	Not applicable	Not applicable
TOTAL	**€272,463**	**NOT APPLICABLE**

	2014	
Frédéric Lavenir, Chief Executive Officer	Payable (1)	Granted (2)
Fixed remuneration	€400,000	Not applicable
Annual variable remuneration	€48,471	Not applicable
Deferred annual variable remuneration	Not applicable	Not applicable
Multi-annual variable remuneration	Not applicable	Not applicable
Exceptional remuneration	Not applicable	Not applicable
Stock options, performance shares and other long-term remuneration	Not applicable	Not applicable
Benefits linked to taking up or terminating office	Not applicable	Not applicable
Supplementary pension plan	Not applicable	Not applicable
Directors' fees	Not applicable	Not applicable
Benefits in kind (company car)	€2,039	Not applicable
TOTAL	**€450,000**	**NOT APPLICABLE**

(1) Remuneration "Payable" corresponds to vested cash components of senior executives' remuneration, the amount and principle of which are certain, irrespective of whether or not they have already been paid

(2) Remuneration "Granted" corresponds to payments in the form of cash and/or shares, where the principle is certain but where the amount and/or number of shares is not definitive at the time that they are decided (or "Granted") and which, therefore, cannot be valued for accounting purposes

Authorisation for the Board of Directors to implement a share buyback programme Maximum purchase price: €30/share (7th resolution)

Purpose: The authorisation granted to the Board of Directors by the shareholders at the Annual General Meeting on 6 May 2014 to trade in the Company's shares expires in October 2015. The 7th resolution proposes renewing this authorisation for the statutory period of 18 months.

This resolution is identical in its entirety to the resolution submitted for approval at the Annual General Meeting held on 6 May 2014 The maximum ceiling authorised for the share buyback programme of €2,059,855,431 is unchanged.

In accordance with legal provisions, the Board of Directors requires the shareholders' authorisation to implement the share buyback programme. The draft resolution also provides that the Board of Directors may delegate its powers to implement the programme.

As the next Board of Directors' meeting will be held several weeks after the Annual General Meeting of 6 May 2015, the Board of Directors, having already approved the 2014 financial statements and the draft resolutions, has already delegated all powers to the Chief Executive Officer to implement the buyback programme. This delegation is subject to the shareholders' approval at the Annual General Meeting.

The approval by the Annual General Meeting will automatically entail fulfilment of the condition precedent and the Chief Executive Officer will be able to immediately implement the share buyback programme.

RESOLUTIONS OF THE EXTRAORDINARY GENERAL MEETING

Amendment to Article 27.2 of the Articles of Association to comply with amended Article R.225-85 of the French Commercial Code (8th resolution)

Purpose: The Decree of 8 December 2014 amended the date for drawing up the list of persons authorised to attend the Annual General Meeting, hereby referred to as the "record date".

This amendment, which results from the European harmonisation of the delivery and settlement dates for securities listed on regulated markets, was brought into line with Article R.225-85 of the French Commercial Code, whose provisions stipulate that the record date must now be set two trading days before the date of the Annual General Meeting (compared to three previously). Shareholders registered on the record date will be authorised to vote at the Annual General Meeting, which means that only those transactions unwound on or before that date will be taken into consideration.

As the provisions contained in the CNP Assurances Articles of Association still refer to the previous regulations, it is necessary to ask permission from the shareholders to update them in compliance with the new regulations.

Delegation of authority to the Board of Directors to issue ordinary shares of CNP Assurances with pre-emptive subscription rights for existing shareholders (9th resolution)
&
Delegation of authority to the Board of Directors to carry out employee rights issues reserved for members of an employee share ownership plan within a limit of 3% of the share capital (10th resolution)

Purposes: As the delegations of authority granted by shareholders to the Board of Directors on 25 April 2013 as per the 10th and 11th resolutions are due to expire on 25 June 2015, shareholders are invited to renew these delegations of authority for the same reasons.

The purpose of the 9th resolution is to delegate authority to the Board of Directors for a 26-month period to issue ordinary shares with pre-emptive subscription rights as and when the Board feels necessary and in keeping with the Company's financing requirements.

This delegation of authority would give the Board of Directors the flexibility required whenever necessary to issue shares under conditions best suited to the market and the Company's requirements. These share issues could be carried out according to the rules governing increases in the number of shares to be issued.

The aggregate total nominal ceiling for share issues that can be carried out under this resolution has been set at 50 million euros.

In accordance with the law, the delegations of authority granted to the Board of Directors to increase the Company's share capital include a legal requirement to submit a draft resolution to the Annual General Meeting authorising a possible capital increase reserved for employees.

The 10th resolution therefore invites the shareholders to authorise the Board of Directors to carry out, at its sole discretion, on one or several occasions, capital increases reserved for members of a CNP Assurances employee share ownership plan or a CNP Assurances Group and associated companies savings plan pursuant to Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labour Code (*Code de travail*), by issuing shares or securities convertible, redeemable, exchangeable or otherwise exercisable for shares.

The use of this authorisation may not, under any circumstances, exceed 3% of the number of shares comprising the share capital on the date the Board of Directors decides to use it.

This authorisation is granted to the Board of Directors for a period of eighteen (18) months as of the date of this Annual General Meeting.

Renewal of the authorisation given to the Board of Directors to make share grants to employees (11th resolution)

Purpose: Employee share grants are one of the means the Group uses to develop employee share ownership. It is a system of deferred remuneration that rounds out the traditional forms of remuneration such as basic salary and annual bonus, etc.

The system does not replace rights issues for employees who are members of an employee share ownership scheme, which are open to all employees.

Under the terms of the resolution, the General Meeting will set the duration of the authorisation (not to exceed 38 months) and the maximum percentage of capital concerned by the grant programme. The Board recommends setting the plan ceiling at 0.5%.

The Board is also asking the General Meeting for the necessary powers to draw up the list of grantees and any eligibility criteria, such as years of service, continued employment by the Company during the vesting period, or any other individual or collective financial or performance criteria.

The draft resolution to be submitted for approval at the Annual General Meeting of 6 May 2015 includes most of the provisions of the resolution previously adopted by shareholders in 2011.

This previous authorisation expired on 6 July 2014 and was never used.

Powers to carry out formalities (12th resolution)

Purpose: The 12th resolution is a standard resolution that authorises the bearer to carry out all registration and filing formalities required by law after the Annual General Meeting.

7.1.2 Agenda

ORDINARY RESOLUTIONS

The Board of Directors' management report, the Board of Directors' report on the draft resolutions, the report of the Chairman of the Board of Directors and Statutory Auditors' reports

- I – Approval of the financial statements of the Company for the year ended 31 December 2014
- II – Approval of the consolidated financial statements for the year ended 31 December 2014
- III – Appropriation of 2014 profit and setting of the dividend
- IV – Approval of the Statutory Auditors' special report on related-party agreements and commitments referred to in Article L.225-38 of the French Commercial Code
- V – Advisory vote on the remuneration of the Chairman of the Board of Directors
- VI – Advisory vote on the remuneration of the Chief Executive Officer
- VII – Authorisation for the Board of Directors to implement a share buyback programme

EXTRAORDINARY RESOLUTIONS

- VIII – Amendment to Article 27.2 of the Articles of Association to comply with amended Article R.225-85 of the French Commercial Code
- IX – Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing ordinary shares, with pre-emptive subscription rights, limited to a maximum aggregate nominal amount of €50 million
- X – Delegation of authority to the Board of Directors to carry out employee rights issues reserved for members of the Company's and/or the Group's employee share ownership plan, without pre-emptive subscription rights, within a limit of 3% of the share capital
- XI – Authorisation to be given to the Board of Directors to make share grants to employees within a limit of 0.5% of the share capital

ORDINARY RESOLUTIONS

- XII – Powers for formalities

7.1.3 Draft resolutions

PROJETS DE RÉSOLUTION À CARACTÈRE ORDINAIRE

First resolution

(Approval of the financial statements of the Company for the year ended 31 December 2014)

Having considered:

- the Board of Directors' report on the operation and management of CNP Assurances and the CNP Assurances Group during financial year 2014
- the Board of Directors' report on the draft resolutions
- the Company's annual financial statements (income statement, balance sheet, notes) and the consolidated financial statements
- the Statutory Auditors' general report
- the Chairman's report on the composition of the Board of Directors and application of the principle of equal male/female representation therein, the conditions governing the preparation and the organisation of the Board's work as well as the internal audit and risk management procedures introduced by the Company
- the Statutory Auditors' special report, prepared in accordance with Article L.225-235 of the French Commercial Code (*Code de commerce*)

- the General Meeting approves the Company's financial statements for the year ended 31 December 2014, as presented to it, as well as the transactions entered in said financial statements or referred to in said reports, which show net profit of €714,073,224.49.

The General Meeting also approves the deduction of €1,689,810 from the Company's optional reserves and the appropriation of the full amount to the guarantee fund reserve set up in accordance with the French Act of 25 June 1999.

Second resolution

(Approval of the consolidated financial statements for the year ended 31 December 2014)

Having considered the reports of the Board of Directors and the Statutory Auditors, the General Meeting expressly approves the consolidated financial statements for the year ended 31 December 2014 as presented to it, which show profit attributable to owners of the parent of €1,079.8 million, as well as the management of the Group, as shown by these financial statements and reports.

Third resolution

(Appropriation of 2014 profit and setting of the dividend)

Having noted that net profit for the year ended 31 December 2014 came in at €714,073,224.49 and retained earnings amounted to €207,598,129.77, resulting in distributable profit of €921,671,354.26, the General Meeting approves the Board of Directors' proposals concerning the appropriation of profit and the setting of the dividend.

Consequently, the General Meeting decides:

- to distribute a total dividend of €528,696,227.29 to be shared between all shareholders
- to transfer the balance of €392,975,126.97 to retained earnings.

Each of the 686,618,477 shares making up the share capital at the date of the General Meeting will bear a dividend of €0.77 per share.

The dividend will be paid as from 13 May 2015 and the shares will trade ex-dividend on NYSE Euronext Paris from 11 May 2015.

Private shareholders resident in France for tax purposes will be entitled to 40% tax relief on their dividends pursuant to Article 158-3-2 of the French Tax Code (*Code général des impôts*).

The total amount of the dividend distributed will be reduced by the amount corresponding to the number of any treasury shares held by the Company which will be transferred to the retained earnings account in accordance with Article L.225-210 of the French Commercial Code.

In accordance with Article 243 *bis* of the French Tax Code, the General Meeting recalls the amount of dividends distributed in respect of the previous three financial years.

The following dividends were distributed in respect of the previous three financial years:

Financial year	Number of shares with dividend rights	Dividend per share
2011	594,151,292	€0.77
2012	643,500,175 *	€0.77
2013	686,618,477 **	€0.77

* *Further to the option offered to shareholders at the Annual General Meeting of 29 June 2012 to settle the 2011 dividend in Company shares, CNP Assurances increased its share capital by creating 49,348,883 new shares with a par value of €1 each*

** *Further to the option offered to shareholders at the Annual General Meeting of 25 April 2013 to settle the 2012 dividend in Company shares, CNP Assurances increased its share capital by creating 43,118,302 new shares with a par value of €1 each*

In accordance with the disclosure requirements set out in Article 243 *bis* of the French Tax Code, distributions for the financial years ended 31 December 2011, 31 December 2012 and 31 December 2013 were eligible for the 40% tax relief available for private shareholders resident in France for tax purposes pursuant to Article 158, section 3, subsection 2 of said Code.

Fourth resolution

(Approval of the Statutory Auditors' special report on related-party agreements and commitments governed by Article L.225-38 of the French Commercial Code)

Having considered the Board of Directors' report and the Statutory Auditors' special report on the agreements and commitments referred to in Article L.225-38 of the French Commercial Code, the General Meeting approves said report.

Fifth resolution

(Advisory vote on the remuneration of the Chairman of the Board of Directors)

Pursuant to the AFEP-MEDEF Corporate Governance Code for listed companies (paragraph 24.3), the General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, delivers a favourable opinion on the remuneration payable or granted to Jean-Paul Faugère in his capacity as Chairman of the Board of Directors of CNP Assurances, as set out in the Board of Directors' report and in point 1 of section 7 "Annual General Meeting of 6 May 2015" of the 2014 Registration Document.

Sixth resolution

(Advisory vote on the remuneration of the Chief Executive Officer)

Pursuant to the AFEP-MEDEF Corporate Governance Code for listed companies (paragraph 24.3), the General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings, delivers a favourable opinion on the remuneration payable or granted to Frédéric Lavenir in his capacity as Chief Executive Officer of CNP Assurances, as set out in the Board of Directors' report and in point 1 of section 7 "Annual General Meeting of 6 May 2015" of the 2014 Registration Document.

Seventh resolution

(Authorisation for the Board of Directors to implement a share buyback programme)

Having considered the Board of Directors' report and the details of the proposed programme as published in accordance with Article 241-2 of the General Regulations of the French financial markets authority (*Autorité des Marchés Financiers* – AMF), the General Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary General Meetings:

- decides to cancel, in advance and with immediate effect, the authorisation given by the Ordinary General Meeting of 6 May 2014 pursuant to its seventh resolution
- decides to adopt the programme referred to below and, for this purpose:
  - authorises the Board of Directors (which may sub-delegate this authorisation in accordance with Articles L.225-209 *et seq.* of the French Commercial Code and Articles 241-1 to 241-6 of the AMF's General Regulations) to purchase shares of the Company, capped at the statutory limit of 10% of the Company's share capital at the date of this General Meeting, it being specified that the maximum percentage of shares that may be bought back by the Company for the purpose of being held and subsequently delivered as payment or exchange in connection with a merger, demerger or contribution, is 5%
  - decides that the shares bought back may be used for the following purposes:
    - to maintain a liquid market in the Company's shares, under a liquidity contract entered into with an independent investment services firm that complies with the code of ethics of AMAFI (French association of financial and investment firms) recognised by the AMF
    - to hold shares for subsequent delivery as payment or exchange in connection with future business acquisitions initiated by the Company
    - to grant shares to eligible employees of the Company or the Group, under a share grant plan within the scope of Articles L.225-197-1 *et seq.* of the French Commercial Code, or under an employee profit-sharing or employee share ownership or savings plan
    - to deliver shares on exercise of rights attached to securities that are convertible, redeemable, exchangeable or otherwise exercisable for shares of the Company, pursuant to applicable securities regulations
    - to cancel shares, particularly in order to increase return on equity and earnings per share, and/or to neutralise the dilutive impact of share issues for shareholders (subject to shareholders adopting the extraordinary resolution authorising capital reductions)
  - decides that the maximum purchase price per share may not exceed thirty (30) euros, excluding transaction costs
  - decides that the Board of Directors may, however, adjust the above-mentioned purchase price in the event of a change in the par value of the shares, an increase in share capital by means of capitalisation of reserves and the grant of shares, share splits or reverse share splits, redemption or reduction of the share capital, distribution of reserves or other assets and any other equity-related transactions, in order to take into account the impact of these transactions on the value of the share
  - decides that the maximum amount of funds used to carry out this share buyback programme may not exceed two billion, fifty-nine million eight hundred and fifty-five thousand four hundred and thirty-one (2,059,855,431) euros
  - decides that the shares may be bought back by any means under the conditions provided for by the regulations in force, and in particular, in whole or in part, in on-market

transactions or by block trades and, where applicable, by off-market transactions or through the use of options or derivatives other than the sale of put options, at the times that the Board of Directors considers appropriate subject to the limits provided for by stock market regulations. The shares purchased pursuant to this authorisation may be retained, sold or transferred under the conditions provided for by the regulations in force, by all means including through block trades, at any time

- grants full powers to the Board of Directors (which may delegate such powers) to ensure that these transactions are effectively completed, and set their terms and conditions, and in particular to:
  - enter into, amend and/or extend the term of any liquidity contract in compliance with the AMAFI code of ethics recognised by the AMF
  - place any and all buy and sell orders on or off the market
  - adjust the purchase price of the shares in order to take into account the impact of the above-mentioned transactions on the value of the share
  - enter into all agreements, in particular with a view to keeping registers of share purchases and sales
  - prepare all documents and make all disclosures and filings with the AMF and any other organisation
  - carry out all formalities and issue all publications and
  - in general, do whatever is necessary in order to make use of this authorisation
- decides that this authorisation is given for a term that will expire at the close of the Annual General Meeting called to approve the financial statements for the year ending 31 December 2015, without exceeding eighteen (18) months as from the date of this General Meeting.

In accordance with Article L.225-209 of the French Commercial Code, the Board of Directors will inform the Annual General Meeting of transactions carried out within the scope of this resolution.

EXTRAORDINARY RESOLUTIONS

Eighth resolution

(Amendment to Article 27.2 of the Articles of Association to comply with amended Article R.225-85 of the French Commercial Code)

Having considered the Board of Directors' report and the new rules regarding participation in General Meetings of issuers whose shares are listed on Euronext markets, applicable since October 2014, the General Meeting, deliberating in accordance with the quorum and majority requirements for Extraordinary General Meetings, decides to amend Article 27.2 of the Articles of Association of CNP Assurances, as follows:

"2. Every shareholder has the right to attend General Meetings and to take part in the deliberations regardless of the number of shares he or she holds, if proof is provided, under the conditions set down by law, of the registration for accounting purposes, of the shares in his or her name or in that of the intermediary registered on his or her behalf pursuant to the seventh paragraph of Article L.228-1 of the French Commercial Code, two business days before the General Meeting at midnight (Paris time) either in the registered share accounts kept by the Company, or in the bearer share accounts kept by the accredited intermediary."

Ninth resolution

(Delegation of authority to the Board of Directors to issue ordinary shares of the Company, with pre-emptive subscription rights for existing shareholders, limited to a maximum aggregate nominal amount of €50 million)

Having regard to the Board of Directors' report, the General Meeting, deliberating in accordance with the quorum and majority requirements for Extraordinary General Meetings, decides to cancel, in advance and with immediate effect, the authorisation given by the Ordinary General Meeting of 25 April 2013 pursuant to its tenth resolution and:

1. delegates to the Board of Directors the authority to decide to issue ordinary shares of the Company, on one or more occasions, in the proportions and at the times it considers appropriate, in France or in other countries, in euros or in foreign currency, with pre-emptive subscription rights for existing shareholders
2. decides that the maximum nominal amount of the increases in the Company's share capital, resulting from all the share issues carried out pursuant to this delegation of authority may not exceed a cap of fifty million euros (€50,000,000)
3. decides that shareholders may exercise their pre-emptive subscription rights, under the conditions provided for by law, to the shares to which they are entitled as of right. The Board of Directors may, moreover, give shareholders the right to subscribe for a number of ordinary shares in excess of those to which they are entitled as of right, in proportion to their subscription rights and for the amount of their requests; if the subscriptions as of right, and where applicable, those for excess shares, have not covered the full amount of the issue of ordinary shares, the Board of Directors may choose to limit the share issue to the amount of the subscriptions received, on condition that they have reached at least three-quarters of the share issue decided, allocate the shares that have not been subscribed as it considers appropriate, and/or offer them to the public
4. delegates to the Board of Directors all the necessary powers to implement this resolution, set the terms and conditions for the share issue, record the completion of the resulting capital increases, make any adjustments where applicable in order

to take into account the impact of this transaction on the Company's share capital, amend the Articles of Association accordingly, enable the deduction of any capital increase costs from the share premium and more generally, do everything that may be necessary; the Board of Directors shall be responsible for setting the issue price of the ordinary shares. The amount received by the Company shall be at least equal to the par value of each ordinary share issued

5. decides that the Board of Directors may, within the limits it will have set, delegate to the Chief Executive Officer the powers granted to it under this resolution, in compliance with applicable laws and regulations.

This delegation is granted to the Board of Directors for a period of twenty-six (26) months as from the date of this General Meeting.

Tenth resolution

(Delegation of authority to the Board of Directors to carry out employee rights issues reserved for members of an employee share ownership plan within a limit of 3% of the share capital)

Having regard to the Board of Directors' report and the Statutory Auditors' special report, the General Meeting, deliberating in accordance with the quorum and majority requirements for Extraordinary General Meetings, decides to cancel, in advance and with immediate effect, the authorisation given by the Ordinary General Meeting of 25 April 2013 in its eleventh resolution and in accordance with Articles L.225-129 to L.225-129-6 and L.225-138-1 of the French Commercial Code and L.3332-1 *et seq.* of the French Labour Code (*Code du travail*):

1. delegates to the Board of Directors (which may sub-delegate this authorisation) the authority to carry out, at its sole discretion, on one or several occasions, capital increases reserved for members of a Company and/or Group employee share ownership plan, by issuing shares or securities convertible, redeemable, exchangeable or otherwise exercisable for shares
2. decides that the total number of shares that may be issued based on this delegation of authority and pursuant to this resolution, may not, under any circumstances, exceed 3% of the number of shares comprising the share capital on the date the Board of Directors decides to use it
3. sets the period of validity of this authorisation at twenty-six (26) months as from the date of this General Meeting
4. decides that this delegation will entail elimination of the pre-emptive subscription right for existing shareholders in favour of the members of the Company and/or Group employee share ownership plan, to the shares in the capital and securities to be issued within the scope of this resolution, and also their waiver of the pre-emptive subscription right to the shares to which the securities issued on the basis of this delegation of authority may grant entitlement
5. decides, pursuant to Article L.3332-2 of the French Labour Code, that the Board of Directors may make a matching payment in the form of shares or securities convertible, redeemable, exchangeable or otherwise exercisable for shares, and/or, where appropriate, in substitution for the discount, provided that when the equivalent pecuniary value (assessed at the subscription price) is taken into account, it does not have the effect of exceeding the limit provided for in paragraph 7(b) below and in Article L.3332-11 of the French Labour Code
6. decides that the characteristics of the Company's securities convertible, redeemable, exchangeable or otherwise exercisable for shares will be determined by the Board of Directors under the conditions laid down by the law
7. gives full powers to the Board of Directors, within the limits set above, to set the conditions of the share capital increase(s), and in particular to:
   - decide on the group of companies whose employees may benefit from the subscription offer within the limit set by Article L.225-180 referred to above
   - determine the subscription price for the new shares, which will not be lower than 80% of the average opening market price of CNP Assurances shares listed on the Eurolist market of Euronext Paris during the twenty (20) trading days preceding the date of the Board of Directors' decision to open the subscription
   - decide that subscriptions may be made directly or through an employee investment fund or an open-ended investment company (*société d'investissement à capital variable* – SICAV) governed by Article L.214-4 of the French Monetary and Financial Code (*Code monétaire et financier*)
   - decide how the shares to be issued will be paid up and set their dividend entitlement date (which may be retroactive)
   - take such measures to complete capital increases, carry out such formalities relating to the capital increases, amend the Articles of Association accordingly, and generally do whatever is necessary
   - on its decisions alone, after each increase, deduct the costs that arise in connection with the capital increase from the related premiums and deduct from this amount the amounts required to bring the balance of the legal reserve to one tenth of the new capital
   - enter into all agreements, carry out all transactions and formalities, either directly or through an agent
   - prepare all reports describing the final conditions of the transaction in accordance with the law
8. note that this delegation of authority complies with Article L.225-129-6 of the French Commercial Code.

This authorisation is granted for a period of twenty-six (26) months.

Eleventh resolution

(Authorisation to be given to the Board of Directors to make share grants to employees within a limit of 0.05% of the share capital)

Having considered the Board of Directors' report and the Statutory Auditors' special report, the General Meeting, deliberating in accordance with the quorum and majority requirements for Extraordinary General Meetings,

- authorises the Board of Directors, in accordance with and under the conditions provided for in Articles L.225-197-1 to L.225-197-5 of the French Commercial Code and Article L.3332-25 *et seq.* of the French Labour Code, to make free grants of the Company's existing shares to members of the Company's staff or certain categories of such staff, and to employees of companies that are affiliated with the Company under the conditions provided for in Article L.225-197-2 of the French Commercial Code
- decides that the total number of CNP Assurances shares that may be granted may not exceed 0.5% of the share capital; this percentage takes into account the shares granted
- decides that the Board of Directors will have a period of no more than thirty-eight (38) months as from the date of this General Meeting to use, on one or more occasions, the authorisation referred to above.

The Annual General Meeting:

- decides that the shares granted to their beneficiaries will fully vest at the end of a vesting period which will be determined by the Board of Directors and which will be at least equal to the period provided for by law and regulations on the grant date
- decides that the cumulative duration of the lock-up period and holding period of the shares by the beneficiaries, which will be set by the Board of Directors, will not be shorter than the period provided for under the applicable laws and regulations; the Board of Directors may reduce or eliminate the holding period depending on the beneficiaries concerned
- decides that in the event of disability of the beneficiary corresponding to classification in the second or third category of disability as defined in Article L.341-4 of the French Social Security Code (*Code de la sécurité sociale*), the shares will vest to the beneficiaries prior to expiry of the vesting period.

The General Meeting gives full powers to the Board of Directors, within the limits set above, in order to:

- determine the identity of the beneficiaries or the category or categories of beneficiaries of the share grants, it being specified that shares may not be granted to employees who hold over 10% of the share capital and that the grant of shares may not lead to any of such employees crossing the threshold of a holding of more than 10% of the share capital
- allocate the rights to the grant of shares on one or more occasions and at the times it considers appropriate
- set, where applicable, the conditions and criteria for allocation of the shares including, but not limited to, the conditions of length of service, conditions relating to maintaining in effect the employment contract or corporate office during the vesting period, and any other individual or collective financial or performance condition
- set the final durations of the vesting period and the lock-up period for the shares in compliance with the minimum limits set above by the General Meeting
- record, where applicable, the free shares in a registered share account in the name of their holders, mentioning the unavailability of such shares and the lock-up period
- assess compliance with the performance criteria according to which the shares will be granted and add, if necessary, any conditions and criteria that it deems fit
- purchase the shares required under the share buyback programme and allocate them to the share award plan
- take any appropriate measures to ensure that the beneficiaries comply with the holding requirements
- in the event that financial transactions covered by the provisions of the first paragraph of Article L.228-99 of the French Commercial Code are carried out during the vesting period, implement all measures that may preserve and adjust the rights of the beneficiaries of the share grants, in accordance with the terms and conditions provided for by this Article
- and generally, do whatever is necessary for the implementation of this authorisation in accordance with the applicable regulations.

Pursuant to Articles L.225-197-4 and L.225-197-5 of the French Commercial Code, a special report will inform the Ordinary General Meeting each year of transactions carried out in accordance with this authorisation.

ORDINARY RESOLUTIONS

Twelfth resolution

(Powers for formalities)

The General Meeting gives full powers to the bearer of a copy of or an extract from the minutes of these decisions to carry out all the formalities required by applicable law and regulations.

7.2 Summary table of the authorisations granted by the Annual General Meeting to the Board of Directors of CNP Assurances

PERIOD OF VALIDITY AND USE IN 2014

Type of authorisation	Purpose	Duration	Ceiling	Utilisations in 2014
Share buyback programme	Buy and sell CNP Assurances shares	Granted by the AGM of 25 April 2013 (9th resolution) Duration: 18 months Expires: 25 October 2014	10% of share capital outstanding at the date of purchase	At 30 April 2014, 214,425 shares held in treasury (0.03% of share capital)
	Buy and sell CNP Assurances shares	Granted by the AGM of 6 May 2014 (7th resolution) Duration: 18 months Expires: 6 November 2015	10% of share capital outstanding at the date of purchase	At 31 December 2014, 454,823 shares held in treasury (0.07% of share capital)
Employee rights issues, stock options, share grants (1)	Issue of shares to members of an employee share ownership plan	Granted by the AGM of 25 April 2013 (11th resolution) Duration: 26 months Expires: 25 June 2015	3% of share capital	None
	Share grants	Granted by the AGM of 6 May 2011 (13th resolution) Duration: 38 months Expires: 6 July 2014	0.5% of share capital outstanding at the date of the AGM	None
Rights issue	Issue of ordinary shares with pre-emptive subscription rights	Granted by the AGM of 25 April 2013 (10th resolution) Duration: 26 months Expires: 25 June 2015	€50,000,000 (nominal amount)	None

(1) Two share grant plans were set up, on 5 July 2006 and 19 June 2007 respectively. Following this second rights issue, the free shares granted (120 shares for each non-executive employee and 60 for each executive employee) vested on 19 June 2009, i.e., at the end of the two-year vesting period. A total of 202,260 CNP Assurances shares were delivered to 2,385 employees. These shares have been freely transferable since June 2011, which marked the end of the holding period.
At 31 December 2014, CNP Assurances employees held 0.23% of the share capital (0.29% at end-2013)

Registration Document concordance table

The table below provides cross references between the pages in the CNP Assurances Registration Document and the key information required under European Commission Regulation No. 809/2004 (EC) implementing Directive 2003-71/EC.

Key information required under Annex 1 of European Commission Regulation No. 809/2004		Pages
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5.2.2.	*Principal investments in progress, geographic distribution of these investments (home and abroad) and method of financing (internal or external)*	*8; 12; 22; 45; 67; 171; 266; 323*
5.2.3.	*Information concerning the issuer's principal future investments on which its management bodies have already made firm commitments*	-
6.	**Business overview**	
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21.1.5.	*Information about any terms of any acquisition rights and/or obligations over authorised but unissued capital or an undertaking to increase the capital*	*338*
21.1.6.	*Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option*	*n/a*
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* *The following information is incorporated by reference in this Registration Document, in accordance with Article 28 of European Commission Regulation No. 809/2004/EC dated 29 April 2004:*

- *the consolidated financial statements of CNP Assurances for the year ended 31 December 2012 and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2012, as presented on pages 130 to 227 of Registration Document No. D.13-0283 filed with the AMF on 4 April 2013*
- *the financial statements of CNP Assurances for the year ended 31 December 2012 and the Statutory Auditors' report on the financial statements for the year ended 31 December 2012, as presented on pages 228 to 279 of Registration Document No. D.13-0283 filed with the AMF on 4 April 2013*
- *the consolidated financial statements of CNP Assurances for the year ended 31 December 2013 and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2013, as presented on pages 150 and 151 of Registration Document No. D.14-0321 filed with the AMF on 10 April 2014*
- *the financial statements of CNP Assurances for the year ended 31 December 2013 and the Statutory Auditors' report on the financial statements for the year ended 31 December 2013, as presented on pages 203 and 204 of Registration Document No. D.14-0321 filed with the AMF on 10 April 2014*

n/a: not applicable

Information relating to the management report of CNP Assurances

This Registration Document includes all items from the Report of the Board of Directors that are required by law. The following table presents the items from the Report of the Board of Directors of CNP Assurances to the Ordinary and Extraordinary General Meeting of 6 May 2014.

n/a: not applicable

Annual Financial Report thematic cross-reference table

The following table lists the information required by the AMF with respect to the Annual Financial Report (Articles 212-13 VI and 222-3 of the AMF's General Regulations).

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Appendices

For more information, go to www.cnp.fr

Find out more about CNP Assurances, its businesses, its commitments and performance, read its latest news, find out about its innovations, obtain answers to your questions about life insurance, pensions and personal risk insurance.

The new site has specific pages dedicated to your information needs depending on your profile (individual, partner/professional, journalist, individual shareholder or investor/analyst).

The site, in French and English, complies with computer accessibility standards and can also be viewed on tablets and smartphones, reflecting CNP Assurances' commitment to insuring the future.

All Group financial information is available in the Investor/Analyst (http://www.cnp.fr/en/Investor-Analyst) and Individual Shareholder (http://www.cnp.fr/en/Individual-shareholder) sections.

They offer a wide range of downloadable information and presentations including the CNP Assurances share price, shareholder information, press releases, financial calendar, presentations to analysts and details of the General Meeting.

Email queries can be sent directly to the investor relations team at actionnaires@cnp.fr for private shareholders and infofi@cnp.fr for investors.

Comprehensive financial and shareholder publications

The Registration Document, the Shareholders' Guide, the Shareholders' Letter, the Annual Report and the Corporate Social Responsibility Report are available on request or can be downloaded from the CNP Assurances website.

Spaces dedicated to shareholders

Shareholders can join the Shareholders' Club *(Cercle des actionnaires)* at www.cnp-lecercle.fr. This site provides information on special services and Club events for members.

In France, a toll-free number N° Vert 0 800 544 544 (toll-free only from a landline) provides shareholders with real-time CNP Assurances share prices, the latest benchmark index values and access to a recorded telephone news briefing updated regularly.

Shareholders can also select 4 on the toll-free number menu to contact the shareholder relations helpdesk (Monday to Friday) for information on the Company, or to request membership of the Shareholders' Club, request financial documentation or register a change of address.

2015 Investor Calendar

6 May

- Annual General Meeting at the Palais Brongniart in Paris, France

7 May

- First-quarter 2015 revenue and profit indicators

15 June

- Le Revenu Bordeaux Shareholders' Meeting

30 July

- First-half 2015 revenue and results

6 October

- Le Revenu Lille Shareholders' Meeting

5 November

- Nine-month revenue and profit indicators insuring all our futures