28 November 2016

SOLVENCY II METHODOLOGY INVESTOR PRESENTATION

insuring all our futures

CNP assurances

DISCLAIMER

Some of the statements contained in this presentation may be forward-looking statements referring to projections, future events, trends or objectives that, by their very nature, involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated in such statements by reason of factors such as changes in general economic conditions and conditions in the financial markets, legal or regulatory decisions or changes, changes in the frequency and amount of insured claims, particularly as a result of changes in mortality and morbidity rates, changes in surrender rates, interest rates, foreign exchange rates, the competitive environment, the policies of central banks or governments, legal proceedings, the effects of acquisitions and the integration of newly acquired businesses, and general factors affecting competition. Further information regarding factors which may cause results to differ materially from those projected in forward-looking statements is included in CNP Assurances' filings with the *Autorité des Marchés Financiers*. CNP Assurances does not undertake to update any forward-looking statements presented herein to take into account any new information, future event or other factors. Certain prior-period information may be reclassified on a basis consistent with current year data. The sum of the amounts presented in this document may not correspond exactly to the total indicated in the tables and the text. Percentages and percentage changes are calculated based on unrounded figures and there may be certain minor differences between the amounts and percentages due to rounding. CNP Assurances' final solvency indicators are submitted post-publication to the insurance supervisor and may differ from the explicit and implicit estimates contained in this document.

CNP ASSURANCES' PARTICIPANTS

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AGENDA

1.

Executive summary

EXECUTIVE SUMMARY

- **The new Solvency II (SII) regime has been in force since 1st January 2016**

- **CNP Assurances has deliberately chosen to use the standard formula without transitional measures, except for grandfathering of subordinated debt, in order to disclose a transparent and conservative view of its solvency to all stakeholders**

- **CNP Assurances applies SII to all subsidiaries within the Group, even in Brazil, so as to have consistent risk-metrics worldwide**

- **Group SCR coverage ratio was 192 % at the end of 2015 and 165 % at the end of June 2016, negatively impacted by lower interest rates in Europe and lower equity markets. This volatility reflects, as anticipated, the market-consistency of SII metrics in a particularly turbulent year**

- **Risk management of the Group takes into account SII impacts of all day-to-day management actions (underwriting policy, reinsurance program, asset allocation, hedging program, etc.) and the Board of Directors closely monitors SII coverage ratio, both at Group level and at legal entity level**

- **So far, CNP Assurances has chosen not to give any target or range related to SII coverage ratio, so as not to link strategic decisions to a volatile metrics in an automatic way, and to keep strategic flexibility in a quickly-changing environment**

EXECUTIVE SUMMARY

CNP Assurances calculates its consolidated SCR coverage ratio as follows:

- **Using static Volatility Adjustement (VA)** which is a positive (or negative) spread added (or deducted) to the discount curve used to value insurance liabilities
- **Using Credit Risk Adjustment (CRA)** which is negative spread between -35 and -10 bps deducted from the swap curve to take into account the counterparty risk of banks
- As authorized by the standard formula, **using equity dampener** which is a counter-cyclical adjustment between -10% and +10% of the equity capital charge (39% for listed equities, 49% for non-listed equities)
- **Taking into account 100% of insurance subsidiaries' SCR**, although CNP Assurances only owns 51.75% of Caixa Seguradora (Brazil), 57.5% of CNP UniCredit Vita (Italy) or 51.0% of CNP Santander Insurance (Ireland)
- **Without taking into account local excess capital** (€2.1bn gross of minorities i.e. 17 % of Group SCR, as of 31 Dec 2015) not recognized by the regulator at Group level due to the non-fungibility rule. However, from an economic point of view, CNP Assurances gets regular dividends upstreamed by its insurance subsidiaries (€233m in 2015)
- **Net of current year's dividend*** calculated *pro-rata temporis,* including not only dividends paid to CNP Assurances shareholders but also dividends paid by our subsidiaries to non-controlling interests

** Foreseeable dividends are based on previous year figures and should not be interpreted as a commitment.*
Each year, dividends are proposed by the Board of Directors in its discretion and then submitted to the Annual General Meeting for approval.

2.

Solvency II

Balance Sheet & Eligible Own Funds

SOLVENCY II BALANCE SHEET

(€ bn)

ASSETS	
Investments and Derivative Instruments	372.9
Technical Provisions: Reinsurers' Share	24.4
Deferred Tax Assets (DTA)	3.7
Other Assets	11.1
Total Solvency II Assets	**412.1**

LIABILITIES	
Excess of Assets over Liabilities	19.0
Subordinated Debt	7.2
Technical Provisions: Risk Margin (RM)	5.5
Technical Provisions: Best Estimate (BE)	341.8
Derivative Instruments	4.8
Deferred Tax Liabilities (DTL)	6.7
Other Liabilities	27.1
Total Solvency II Liabilities	**412.1**

- Asset and liability valuation is a key phase in determining the amount of eligible own funds covering the **Solvency Capital Requirement (SCR)** and the **Minimum Capital Requirement (MCR)**
- All Solvency II assets and liabilities are carried at their **economic value**
- The **economic value of Assets less the economic value of Liabilities** forms part of the Basic Own Funds (BOF) included in **Eligible Own Funds (EOF)**

As of 31/12/2015

SOLVENCY II INVESTMENTS AND DERIVATIVE INSTRUMENTS BY GEOGRAPHICAL AREA

Investments and derivative instruments (€ bn)	IFRS VALUE	SII VALUE	DIFFERENCE (%)
France	348.0	350.0	0.6%
Latin America	9.2	9.5	2.5 %
Europe outside France	13.6	13.5	-1.0%
TOTAL	**370.9**	**372.9**	**0.5%**

- Most of the Group's financial instruments are quoted on an active market (89% are classified in Level 1 of the IFRS fair value, whereas 11% are classified in Level 2)
- Held to maturity investments, loans & receivables and assets accounted at amortized cost under IFRS are valued at fair value under SII
- Differences in scope of consolidation between IFRS and SII

As of 31/12/2015
Level 1 financial instruments are measured using quoted prices in active markets. Level 2 financial instruments are measured by standard valuation techniques using mainly observable inputs. Level 3 financial instruments are measured using inputs not based on observable market data (unobservable inputs).

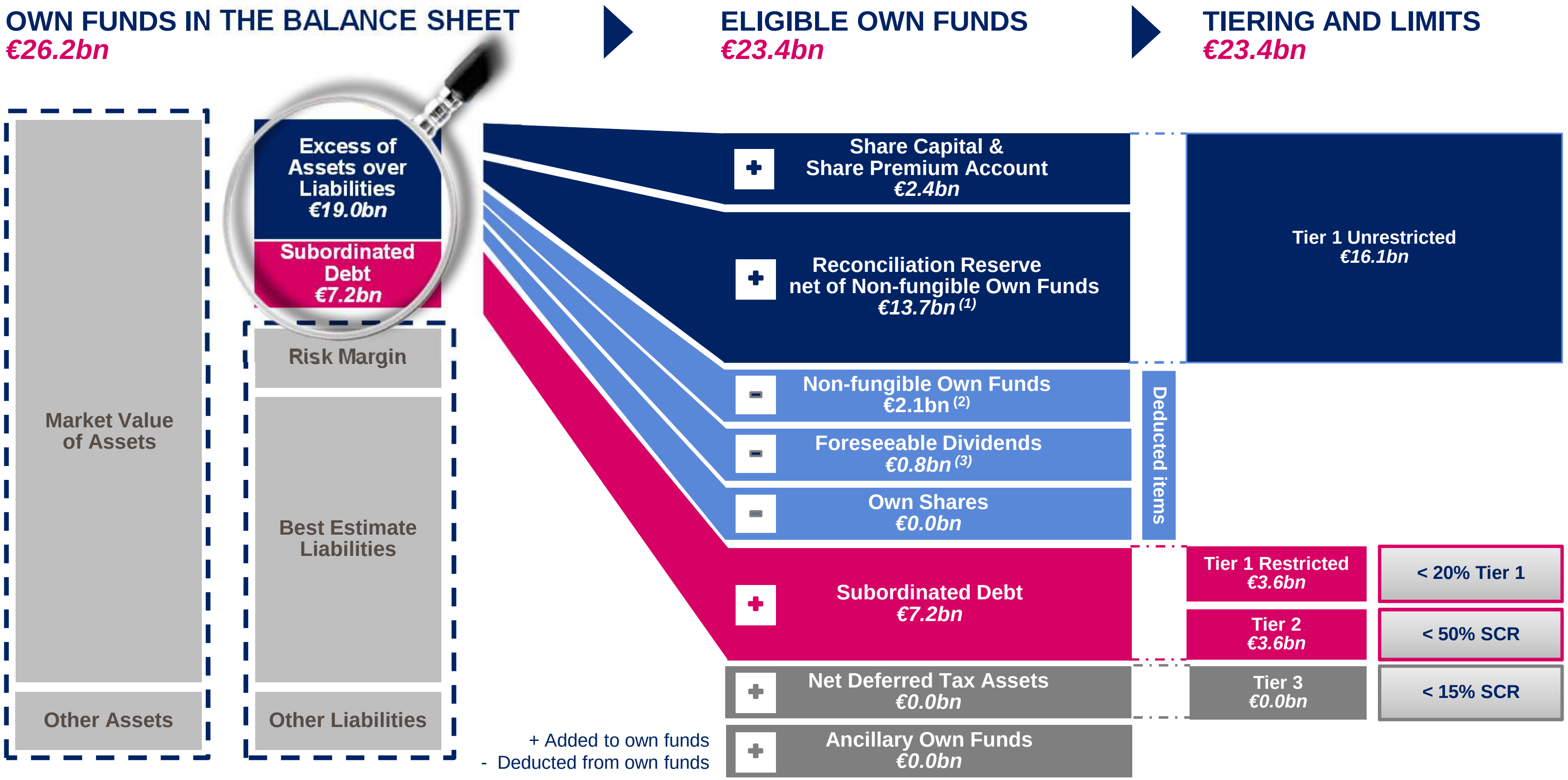
SOLVENCY II BEST ESTIMATE AND RISK MARGIN BY GEOGRAPHICAL AREA

Gross of reinsurance and gross of tax (€ bn)	BEST ESTIMATE	RISK MARGIN	RISK MARGIN / BEST ESTIMATE
France	320.5	5.2	1.6%
Latin America	7.0	0.3	4.0%
Europe outside France	14.5	0.1	0.6%
TOTAL	**341.8**	**5.5**	**1.6%**

- To compute the Risk Margin, CNP Assurances uses a Cost of Capital of 6% as prescribed by EIOPA
- As a reminder, the Risk Margin is based on the SCR of each insurance operating company within CNP Assurances Group, and does not benefit from diversification between these entities (e.g. between France and Brazil)
- The Group being currently exposed to lower interest rates SCR (and not higher interest rates SCR), a marginal increase of the PPE* has limited positive impact on the SII ratio. The sensitivity to PPE could increase in a situation of higher interest rates
- Historically, for MCEV and SII purposes, the Group has used an Economic Scenario Generator (ESG) that does not allow negative nominal interest rates. Given the current context, CNP Assurances is in the process of testing several alternative ESGs allowing negative interest rate, with a goal to implement one of them by the end of 2016

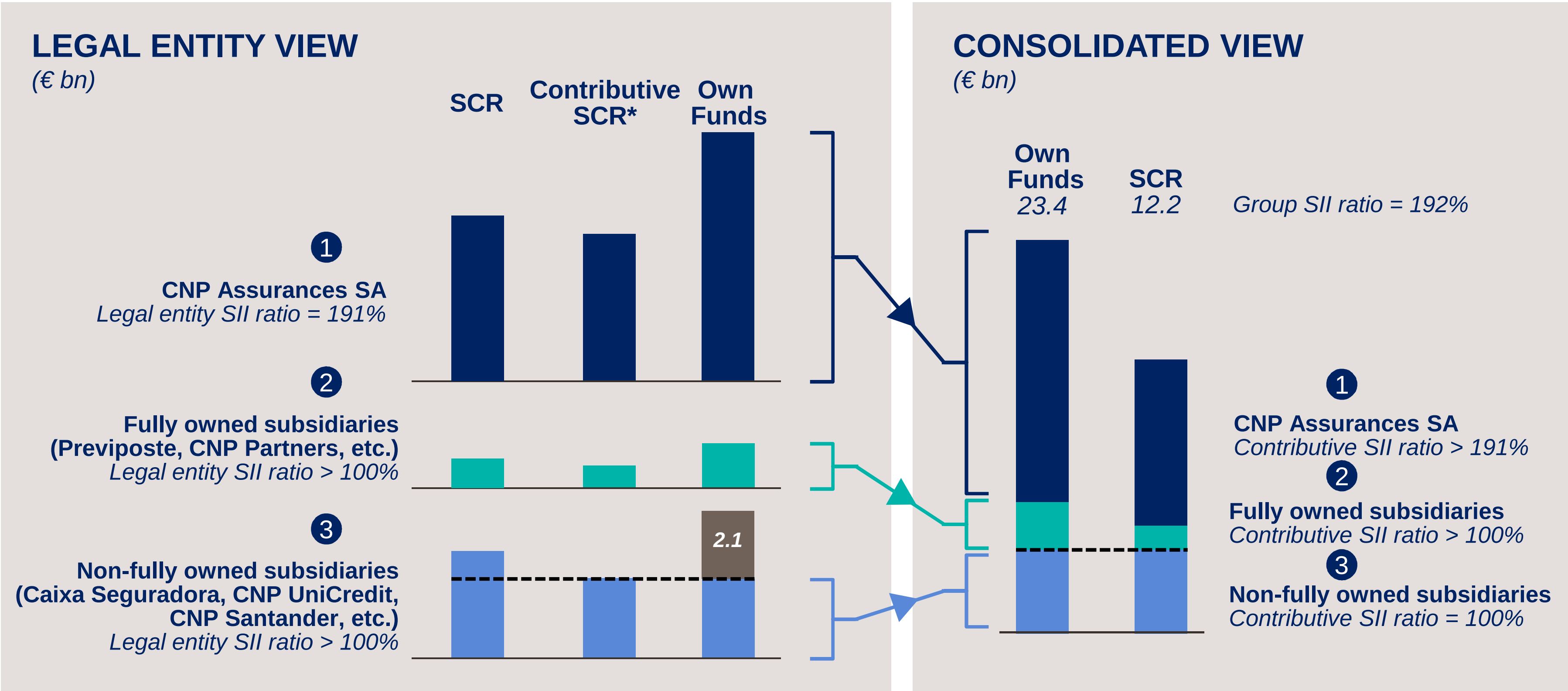
As of 31/12/2015
** PPE (Provision pour Participation aux Excédents) or PSR (Policyholder Surplus Reserve)*

ELIGIBLE OWN FUNDS COVERING THE SCR



As of 31/12/2015
(1) The reconciliation reserve encompasses in particular retained earnings and profit for the period
(2) Of which €1.2bn from Brazil
(3) Of which €0.5bn to be paid to CNP Assurances shareholders and €0.2bn to be paid by subsidiairies to non-controlling interests

FUNGIBILITY OF OWN FUNDS AT GROUP LEVEL



* **Contributive SCR** corresponds to the SCR effectively consolidated at group level, including diversification benefit and net of intra-group transactions

1 2 For CNP Assurances SA (mother company) and fully owned subsidiaries, own funds are fully consolidated at Group level.

3 Excess capital of non-fully owned subsidiaries (own funds in excess of contributive SCR) is not considered as available at Group level if there are some restrictions in the transferability of own funds.

As of 31/12/2015
The structure of the Group is presented p.34

3.

Reconciliation with IFRS

SOLVENCY II BALANCE SHEET IS DIFFERENT FROM IFRS BALANCE SHEET

SOLVENCY II BALANCE SHEET

(€ bn)

ASSETS	
Investments and Derivative Instruments	372.9
Technical Provisions: Reinsurers' Share	24.4
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Other Assets	11.1
Total Solvency II Assets	**412.1**

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IFRS BALANCE SHEET

(€ bn)

ASSETS	
Intangible Assets	0.8
Investments and Derivative Instruments	370.9
Technical Provisions: Reinsurers' Share	11.3
Deferred Tax Assets (DTA)	0.3
Other Assets	10.4
Total IFRS Assets	**393.7**

LIABILITIES	
Total Equity	18.6
of which Subordinated Debt	*2.6*
Subordinated Debt	4.0
Insurance and Financial Liabilities	349.8
Derivative Instruments	4.8
Deferred Tax Liabilities (DTL)	1.3
Other Liabilities	15.2
Total IFRS Liabilities	**393.7**

- Investments and derivative instruments net of negative fair value = €368bn of SII value vs. €366bn of IFRS value
- Technical provisions net of reinsurance = €323bn of SII value vs. €338bn of IFRS value (difference in 2015 is mainly due to the fact that the 10% quota-share reinsurance agreement with BPCE on the savings back-book is taken into account at the end of 2015 under SII, and only at the beginning of 2016 under IFRS)
- DTL net of DTA = €3bn of SII value vs. €1bn of IFRS value (calculation based on the difference between the value in the SII balance sheet and the value of each asset or liability item for tax purposes, according to IAS12)

As of 31/12/2015

RECONCILIATION BETWEEN IFRS AND SOLVENCY II

(€ bn)

IFRS Equity Group Share	**17.1**
Non Controlling Interests	1.5
Total IFRS Equity	**18.6**
Differences in Scope of Consolidation	(0.2)
Reclassification of Subordinated Debt Accounted as Equity	(2.6)
Elimination of Intangible Assets and Deferred Acquisition Costs	(1.8)
Full Market Value of Assets	2.5
Technical Provisions Reevaluation	2.8
Subordinated Debt Reevaluation	(0.4)
Other Adjustments	0.1
Solvency II Excess of Assets over Liabilities	**19.0**
Subordinated Debt	7.2
Foreseeable Dividends	(0.8)
Non-Fungible Own Funds	(2.1)
Solvency II Eligible Own Funds (EOF)	**23.4**

- CNP Assurances Group adopted a prudent approach for **intangible assets** in the SII balance sheet and assumes no value for all intangible assets due to the absence of any active market for these items.
- **Subordinated debts** are valued at economic value, corresponding to the value of future cash flows discounted at a rate equal to the sum of the risk-free interest rate and initial credit spread paid to noteholders.

As of 31/12/2015

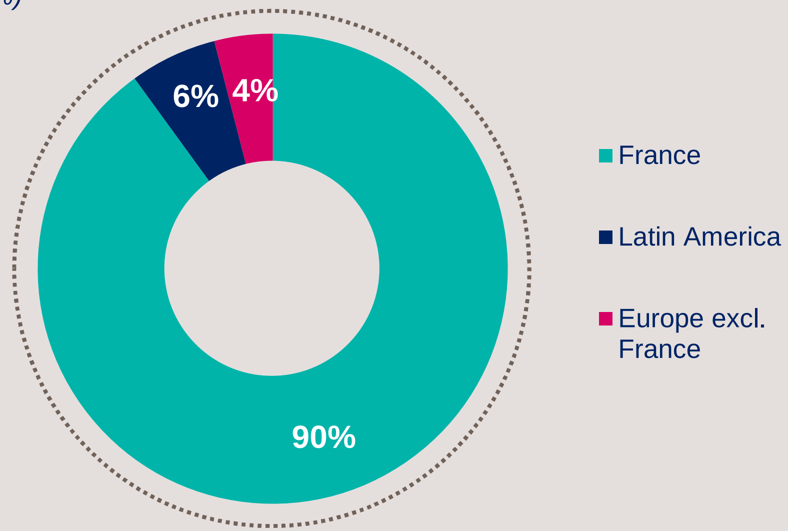
4.

Solvency II SCR

BREAKDOWN OF GROUP SCR

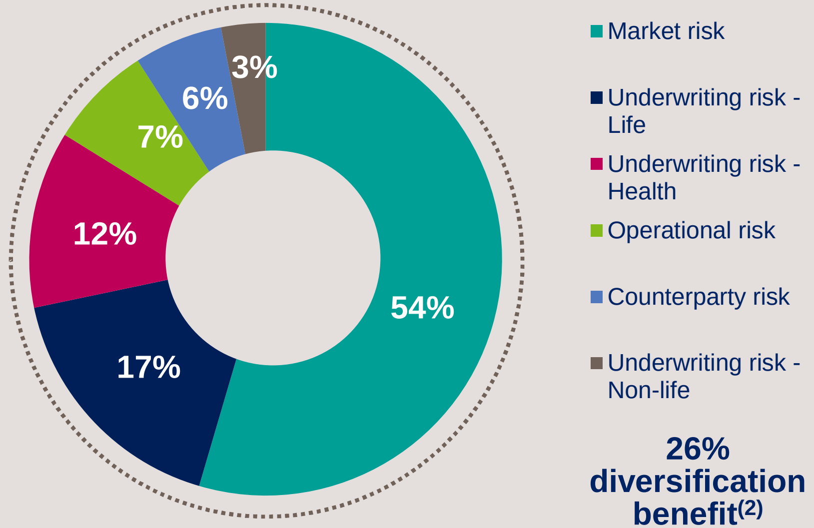
SCR BY GEOGRAPHIC AREA

(%)



SCR BY RISK[1]

(%)



26% diversification benefit[2]

- Market risk is the main component of Group SCR. Any potential change in asset allocation at Group level would have a visible impact on consolidated SCR coverage ratio (e.g. a 1% decrease of equity allocation would lead to + 5 pts of SII ratio at the end of June 2016)
- Given the small contribution of Latin America (<10%) to Group SCR and the non-fungibility rule, the sensitivity to Brazilian real exchange rate vs. euro is limited
- Given the small proportion of pensions within technical reserves, the sensitivity to UFR is limited (-4 pts if UFR is down by 50 bps)

As of 31/12/2015

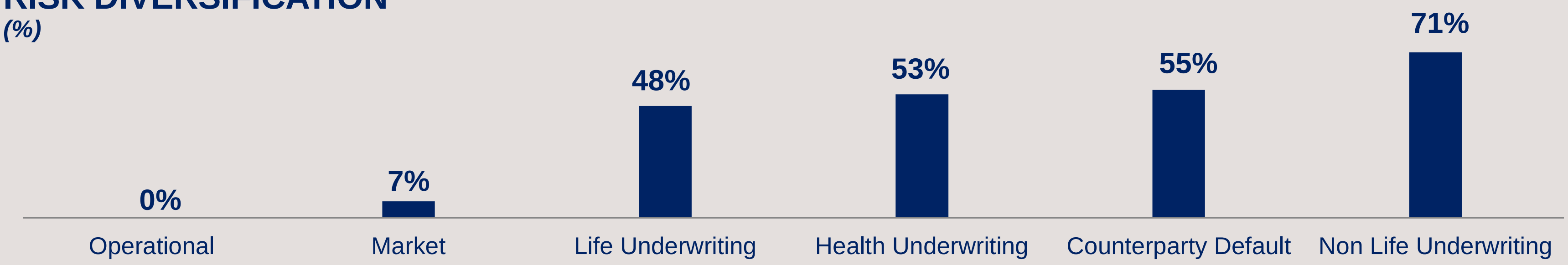
(1) Breakdown presented before diversification

(2) Diversification benefit = [sum of net SCR excluding Operational Risk SCR - net BSCR] / sum of net SCR excluding Operational Risk SCR

FOCUS ON DIVERSIFICATION BETWEEN RISKS

RISK DIVERSIFICATION

(%)



Low diversification:
additional SCR on these specific risks has a significant impact on total Basic SCR

High diversification:
additional SCR on these specific risks has a low impact on total Basic SCR

- E.g. a €100m increase of Market SCR leads to a €93m increase of Basic SCR, because 7% are absorbed by diversification benefit
- Diversification of market risks is low and these risks represent more than half of the group SCR, which makes them the main tool to reduce capital requirement if necessary

- E.g. a €100m increase of Non Life Underwriting SCR leads to a €29m increase of Basic SCR, because 71% are absorbed by diversification benefit
- Diversification of underwriting risks (non-life, health, life) is high, which makes it possible to increase the volumes without increasing too much the capital requirement

As of 31/12/2015
Levels of diversification depend on the volume of each specific SCR and on correlation matrices

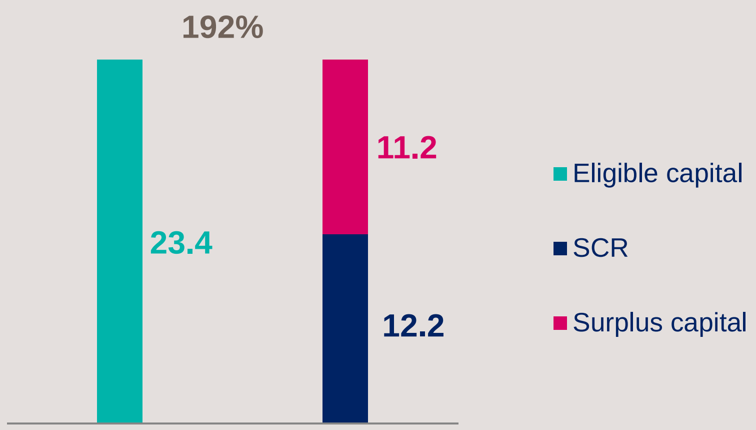
5.

Dynamics of Solvency II SCR Coverage Ratio

DYNAMICS OF CONSOLIDATED SCR COVERAGE RATIO

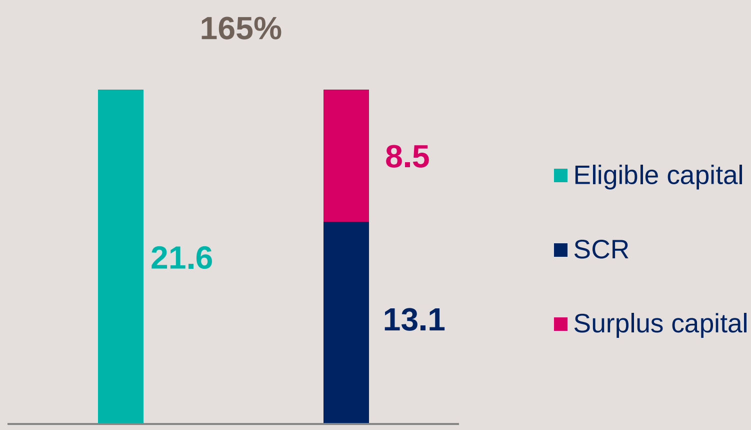
CONSOLIDATED SCR COVERAGE RATIO 31 DECEMBER 2015

(€ bn)



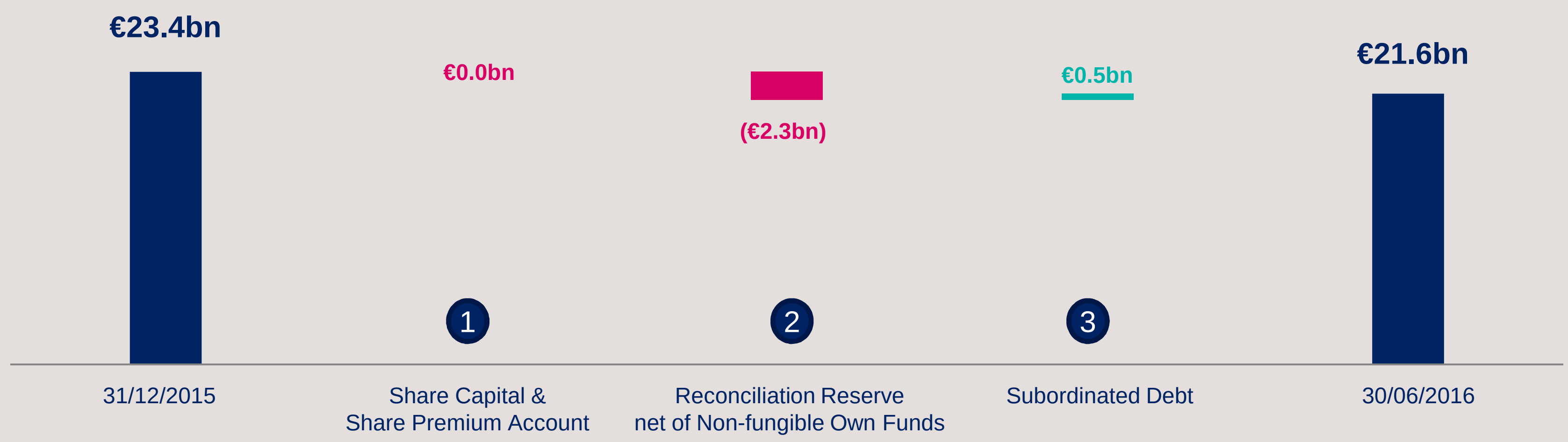
CONSOLIDATED SCR COVERAGE RATIO 30 JUNE 2016

(€ bn)



- Eligible capital and SCR affected by sharp fall in interest rates in Europe and deteriorating stock markets

DYNAMICS OF GROUP ELIGIBLE OWN FUNDS



8% decrease of Group Eligible Own Funds in the first-half of 2016 (- €1.8bn)

1. No variation of share capital and share premium account
2. Decrease of the reconciliation reserve, mainly due to lower future profits on savings/pension contracts. Decrease of interest rates leads to higher cost of options and guarantees embedded in these contracts (guarantee on the capital + minimum guaranteed rate in certain cases)
3. Issuance of $500m Tier 2 subordinated notes in January 2016

DYNAMICS OF GROUP SCR

7% increase of Group SCR in the first-half of 2016 (+ €0.9bn)

1 €0.4bn decrease of Market SCR

- €1.0bn decrease of Equity SCR, due to the countercyclical equity dampener (listed equities capital requirement goes down from 37% to 32%, whereas non-listed equities capital requirement goes down from 47% to 42%) partly off-setted by:
- €0.2bn increase of Interest Rate SCR (due to lower Euro Swap rates over the period)
- €0.7bn increase of Spread, Property and Currency SCR (due to lower loss-absorbing capacity of technical provisions)

2 3 €0.4bn decrease of Underwriting and Counterparty SCR (due to business mix)

4 €1.4bn decrease of loss-absorbing capacity of deferred taxes (due to lower future profits on savings/pensions products)

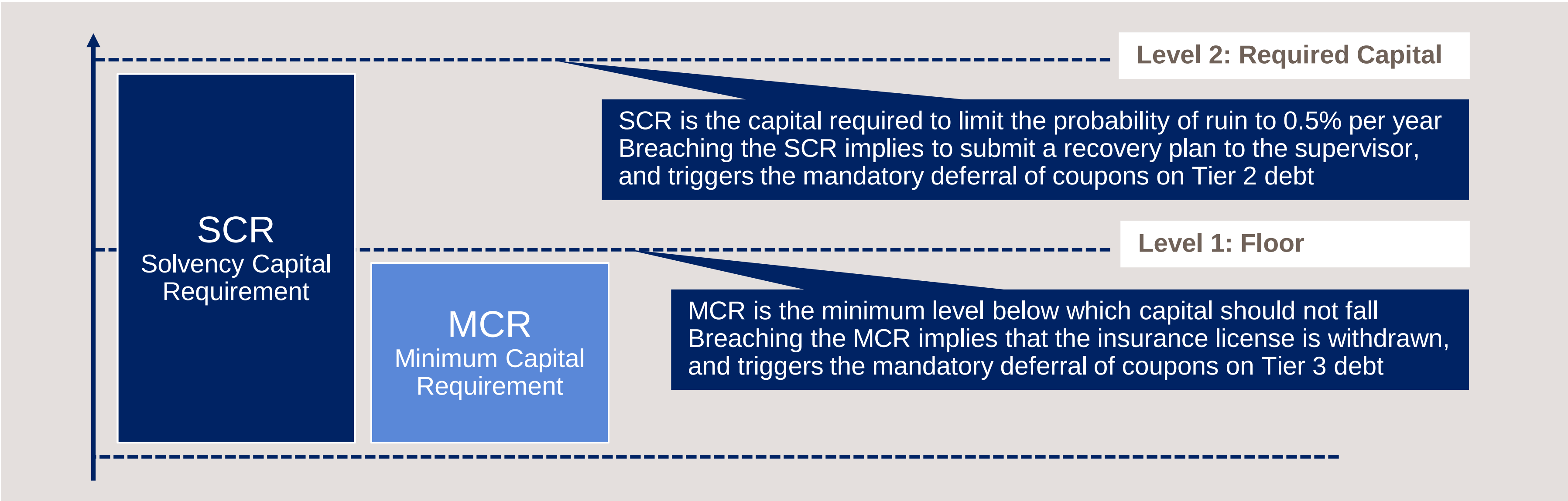
5 €0.2bn decrease of diversification (due to lower SCR before taxes)

SCR are net of loss-absorbing capacity of technical provisions

6.

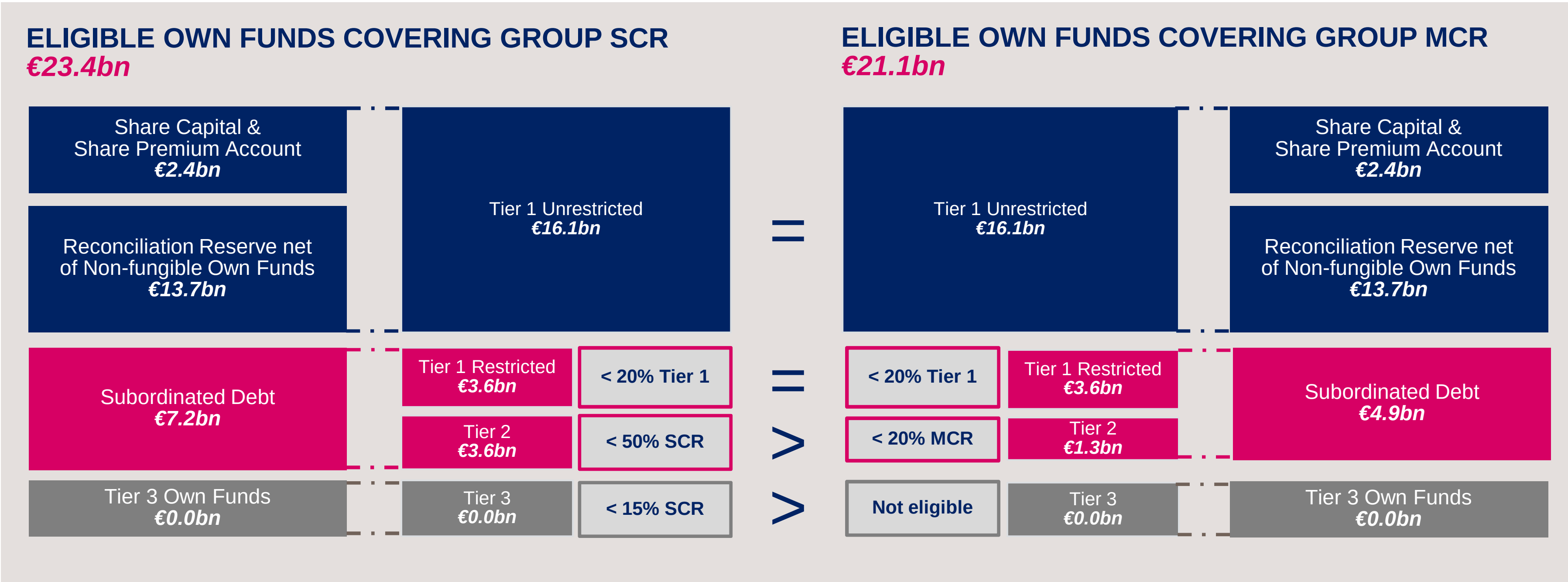
Dynamics of Solvency II MCR Coverage Ratio

DIFFERENCE BETWEEN SCR AND MCR



- MCR is a volume-based metrics computed with a simple formula in % of technical reserves, capital at risk and premium income
- At legal entity level, the MCR is floored at 25% of the SCR, and capped at 45% of the SCR
- At Group level, the Group MCR consolidates all legal entities' MCR without taking into account any diversification benefit

DIFFERENCES BETWEEN OWN FUNDS COVERING SCR AND MCR



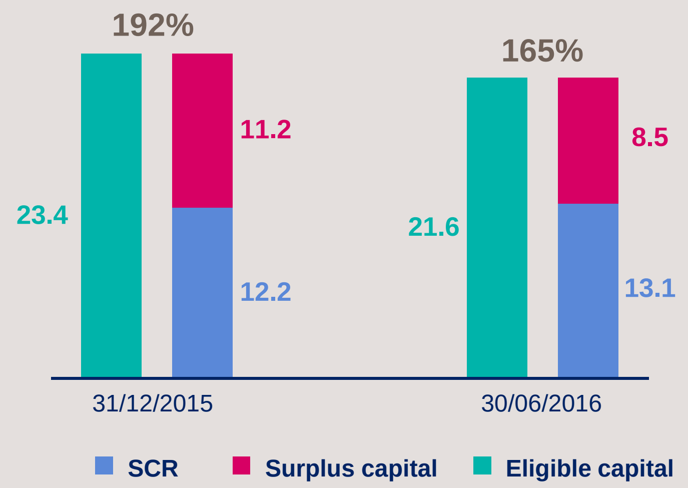
- Quantitative limits for own funds covering the MCR are more restrictive than the ones for covering the SCR:
  - Tier 3 Own Funds are not eligible to cover the MCR
  - The eligible amount of Tier 1 items shall be at least 80% of the MCR
  - The eligible amounts of Tier 2 items shall not exceed 20% of the MCR
- These limits lead to lower Eligible Own Funds covering the MCR (€2.3bn of Tier 2 subordinated debt are deducted)

As of 31/12/2015

DYNAMICS OF CONSOLIDATED MCR COVERAGE RATIO

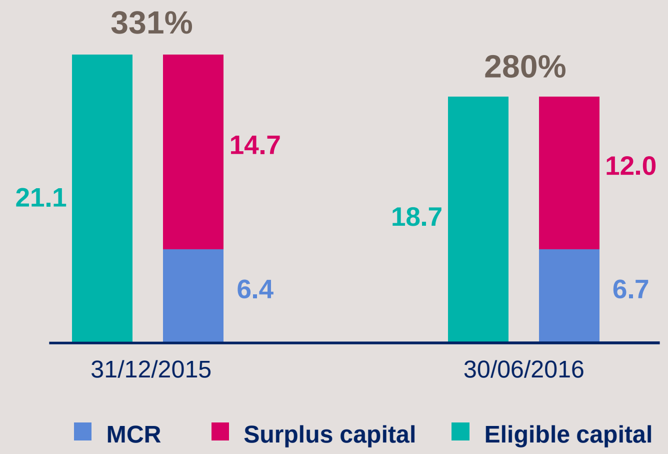
CONSOLIDATED SCR COVERAGE RATIO

(€ bn)



CONSOLIDATED MCR COVERAGE RATIO

(€ bn)



27 pts decrease of consolidated SCR coverage ratio in the first-half of 2016:

- 8% decrease of Group Eligible Own Funds (- €1.8bn)
- 7% increase of Group SCR (+ €0.9bn)

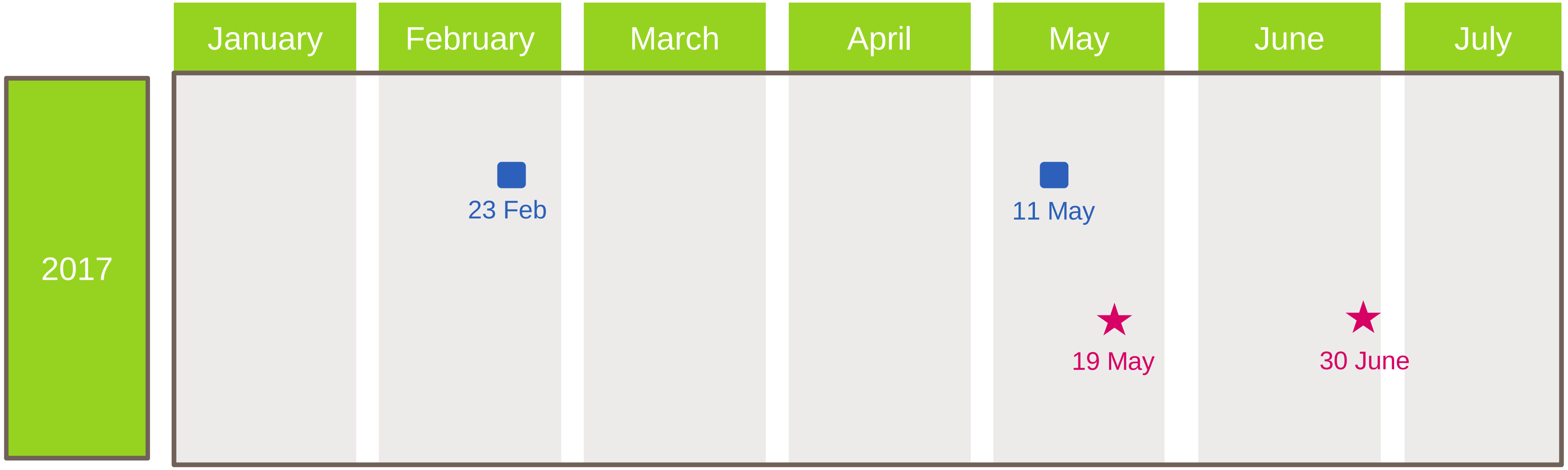
51 pts decrease of consolidated MCR coverage ratio in the first-half of 2016:

- 11% decrease of Group Eligible Own Funds (- €2.4bn)
- 5% increase of Group MCR (+ €0.3bn)

7.

Solvency II Public Disclosures

2017 FINANCIAL CALENDAR



- **23 Feb 2017**
  CNP Assurances FY 2016 annual results, including consolidated SCR coverage ratio as of 31 Dec 2016 and sensitivities
- **11 May 2017**
  CNP Assurances Q1 2017 results indicators, including consolidated SCR coverage ratio as of 31 March 2017
- **Before 19 May 2017**
  public disclosure of SII SFCR[1] and QRT[2] as of 31 Dec 2016 for each European insurance operating company within the Group
- **Before 30 June 2017**
  public disclosure of SII SFCR and QRT as of 31 Dec 2016 for CNP Assurances Group

(1) SFCR: Solvency and Financial Conditions Report
(2) QRT: Quantitative Reporting Template

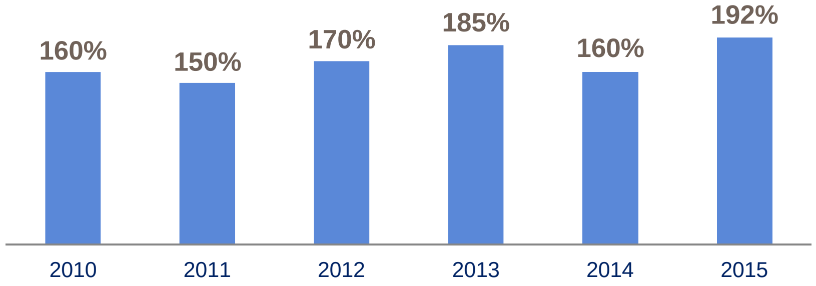
8. Conclusion

DIFFERENT WAYS OF ASSESSING CNP ASSURANCES' SOLVENCY

1. Regulatory risk-weighted metrics

SII consolidated SCR coverage ratio

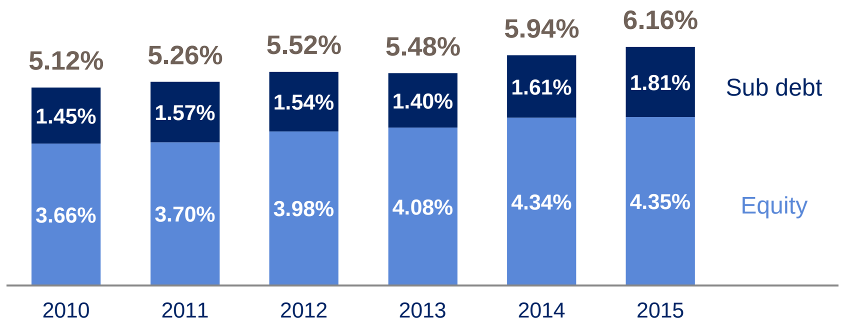
(%)



2. Non-risk weighted leverage ratio

IFRS equity and sub debt as a % of total AUM

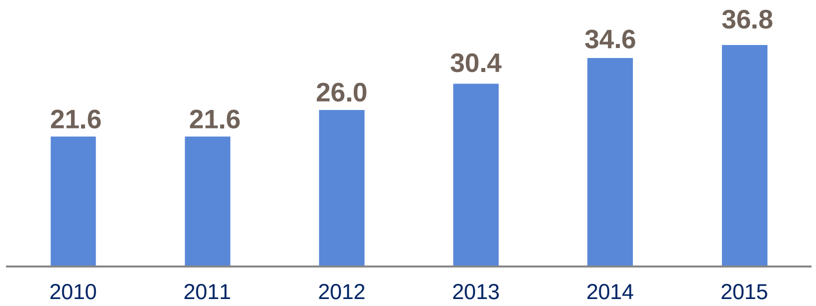
(%)



3. Rating agency risk-weighted metrics

S&P Total Adjusted Capital

(€ bn)



1. SII ratio volatility reflects the sensitivities to financial markets
2. Since the crisis, CNP Assurances has reinforced its balance sheet, with IFRS equity now representing 4.35% of AUM, up 19% since 2010
3. CNP Assurances financial risk profile has been revised upwards by S&P from "moderatly strong" to "strong" in February 2014. S&P Total Adjusted Capital is close to 'A' capital requirement since 2014
4. ORSA* is not publicly disclosed but drives the capital management of the Group and is closely followed by the Board of Directors and the Supervisor. ORSA is a 5-year prospective and stressed view of the SII ratio, and is therefore more conservative. ORSA provides more stability in the medium term capital management compared to SII ratio as it includes more efficient countercyclical measures

** Own Risk and Solvency Assessment*

9.

Q&A

10.

Appendices

GROUP STRUCTURE

(€ bn)

CNP Assurances SA
France

Premium Income: 23.5
Balance Sheet : 335.0

	Main French Subsidiaries			Main Foreign Subsidiaries				
% of Ownership	**100%** Previposte	**65%** MF Prevoyance	**39.95%** Arial CNP Assurances	**51.75%** Caixa Seguradora	**57.5%** CNP UniCredit Vita	**51.0%** CNP Santander	**50.1%** CNP CIH	**100%** CNP Partners
Foot Print	France	France	France	Brazil	Italy	10 countries in Europe	Cyprus	Spain and Italy
Premium Income	0.2	0.1	NA	3.2	2.6	0.5	0.1	0.2
Balance Sheet	7.3	1.3	NA	10.9	13.6	1.9	0.8	1.2

- CNP Assurances SA is the listed entity and the main Operating Company of the Group (~80% of the consolidated balance sheet)
- No pure Holding Company, unlike some other insurance groups

As of 31/12/2015

TWO SOLVENCY ASSESSMENT MODELS

- **CNP Assurances has a strong loss-absorbing capacity due to its liabilities structure** (with-profit contracts and unit-linked policies accounts for 80% of consolidated liabilities)
- **These features are taken into account with an economic balance sheet approach**

	S&P Rating Agency ***based on IFRS Balance Sheet***	**Solvency II** ***based on Regulatory Balance Sheet***
ELIGIBLE CAPITAL		
Core Equity net of intangibles	Yes	Yes
Subordinated debt	Yes	Yes
Policyholder Surplus Reserve (PSR)	Yes	Yes, partly included in VIF
Value of In Force (VIF)	50%	100%
Unrealized gains on equity and real estate portfolio	100%	Yes, partly included in VIF
Unrealized gains on bond portfolio	No	Yes, partly included in VIF
REQUIRED CAPITAL		
Function of balance sheet size and premium volume	Yes	Yes
Function of asset allocation	Yes	Yes
Function of loss-absorbing capacity of technical provisions	No	Yes
Function of loss-absorbing capacity of deferred taxes	No	Yes
Function of minimum guaranteed rate on technical provisions	No	Yes
Function of hedging program	No	Yes
Function of reinsurance program	Yes	Yes
Diversification benefit	Yes	Yes
CNP Assurances H1 2016 Solvency	**Close to ‘A’ rating**	**165%**

CNP ASSURANCES SUBORDINATED DEBT CALL DATE / MATURITY SCHEDULE

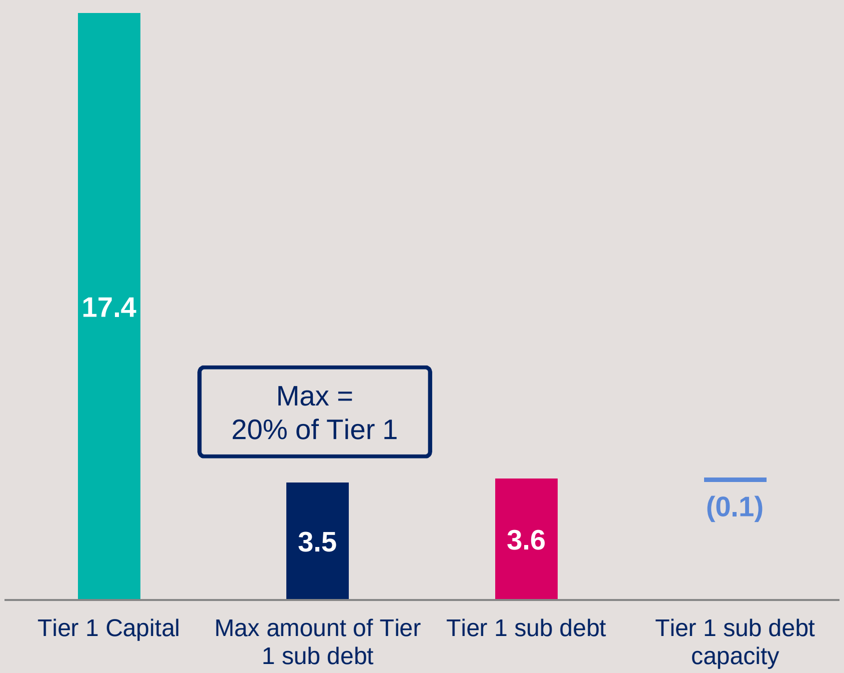
Nominal amount and exchange rate as of 31/10/2016

[1] First call date already passed

SUBORDINATED DEBT ISSUANCE CAPACITY UNDER SII AS OF 30 JUNE 2016*

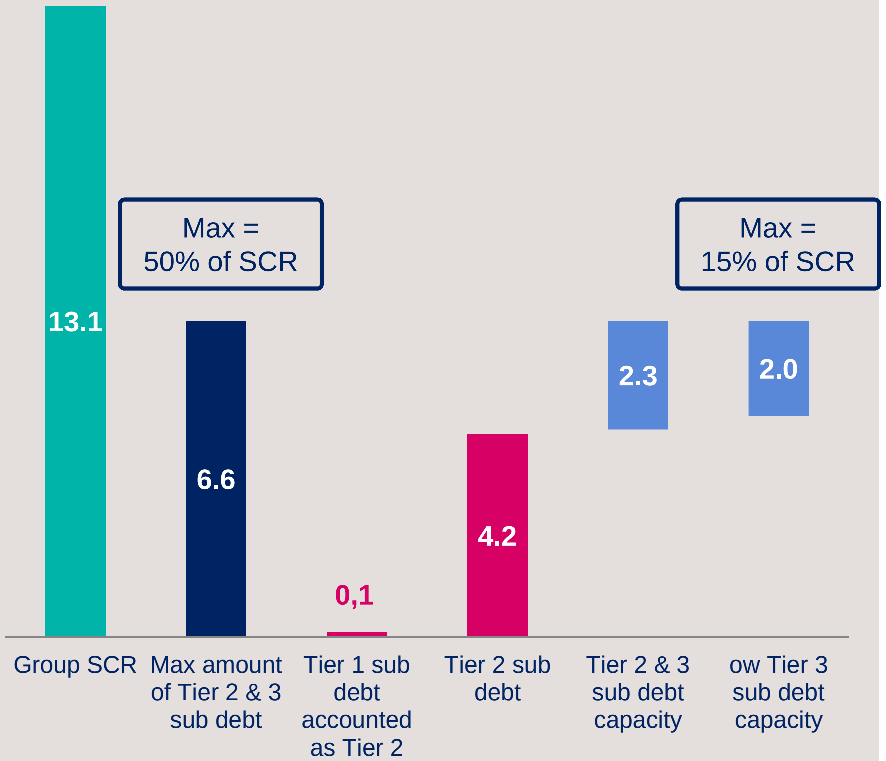
TIER 1

(€ bn)



TIER 2 & TIER 3

(€ bn)

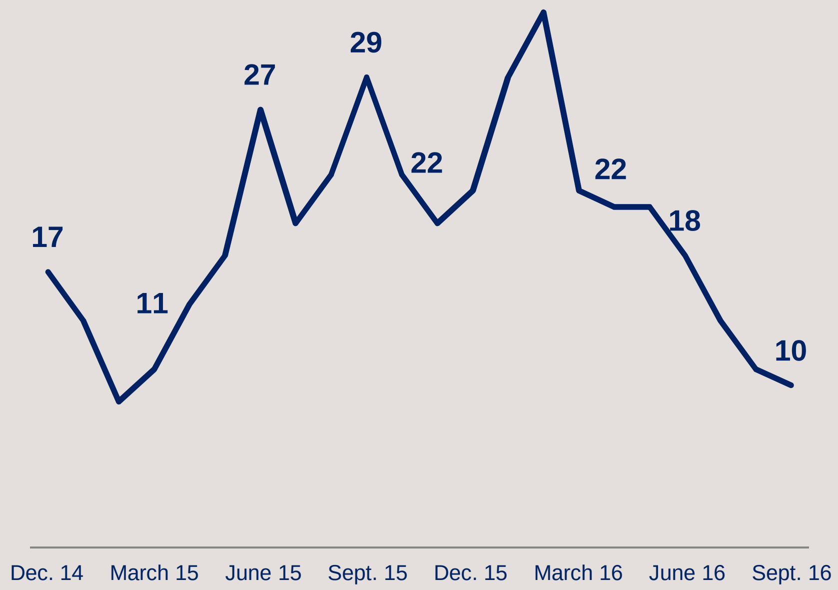


* *Without taking into account the issuance of €1,000mn Tier 3 notes in October 2016, and the planned redemption of €870m Tier 1 notes in December 2016. All else being equal, debt issuance capacity as of 31 Dec 2016 should be around €0.8bn of Tier 1 and €1.3bn of Tier 2 & 3 , of which €1bn of Tier 3.*

SII ECONOMIC PARAMETERS

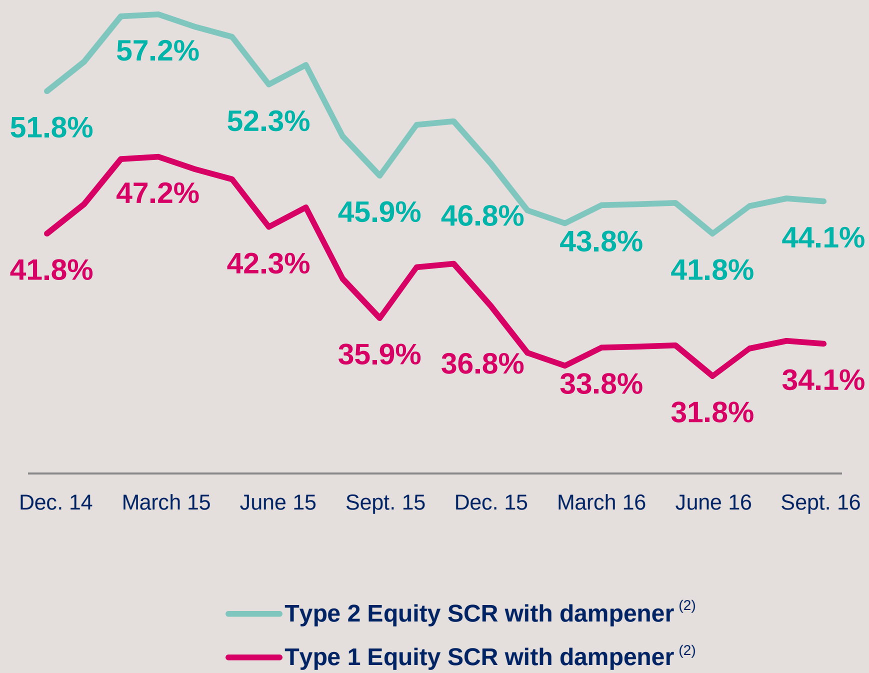
VOLATILITY ADJUSTEMENT (1)

(bp)



EQUITY SCR WITH DAMPENER (1)

(%)



(1) *Source: EIOPA*

(2) *Type 1 equities comprise equities listed in regulated markets in countries which are members of EEA or OECD. Type 2 equities comprise all other equities, and indirect exposures where a look-through approach is not possible*

DIVERSIFICATION BETWEEN RISKS

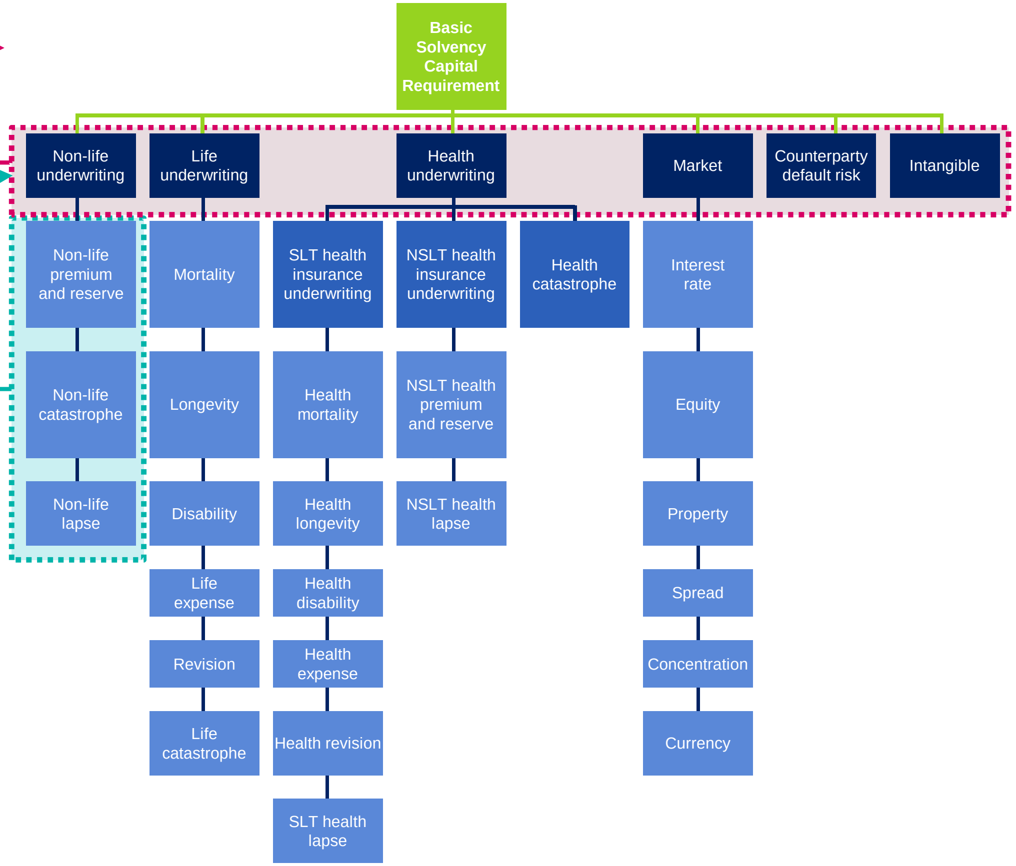
- In the standard formula, a capital amount to cover a 1-in-200 risk event is calculated for each sub-risk
- Then, the capital requirements for each risks are combined using correlation matrices to capture diversification benefit, as defined in Annex IV to Directive 2009/138/EC

CORRELATION BETWEEN RISKS

	MARKET	DEFAULT	LIFE	HEALTH	NON-LIFE
Market	1	0.25	0.25	0.25	0.25
Default	0.25	1	0.25	0.25	0.5
Life	0.25	0.25	1	0.25	0
Health	0.25	0.25	0.25	1	0
Non-Life	0.25	0.5	0	0	1

CORRELATION BETWEEN SUB-RISKS

	NON-LIFE PREMIUM AND RESERVE	NON-LIFE CATASTROPHE	NON-LIFE LAPSE
Non-life premium and reserve	1	0.25	0
Non-life catastrophe	0.25	1	0
Non-life lapse	0	0	1



SCR COMPUTATION

- **CNP Assurances calculates its SCR using the standard formula, in accordance with the delegated acts**
(chapter 5 Solvency Capital Requirement standard formula - articles 83 to 221)

SCR = BSCR + SCR Operational + $\underbrace{\text{Adj TP} + \text{Adj ID}}_{\text{Negative items}}$

- **The Basic SCR is calculated with gross SCR (cash flows relating to discretionary participation in future profits remain identical to those of the central scenario), taking into account:**
  - Correlations / diversification between risks
  - Risk mitigation techniques such as reinsurance or derivatives

- **To calculate the SCR, two adjustments are taken into account:**
  - Adjustment for the loss-absorbing capacity of technical provisions (Adj TP)
  - Adjustment for the loss-absorbing capacity of deferred taxes (Adj ID)

LOSS-ABSORBING CAPACITY OF TECHNICAL PROVISIONS & DEFERRED TAXES

1. ADJUSTMENT FOR THE LOSS-ABSORBING CAPACITY OF TECHNICAL PROVISIONS

$$Adj_{TP} = -max(min(BSCR - nBSCR\,;FDB)\,;0)$$

- ***BSCR*** denotes the Basic SCR
- ***nBSCR*** denotes the net Basic SCR (contrary to BSCR, the sub-modular SCRs underlying the calculation of nBSCR are computed with net SCRs, i.e. taking into account the capacity to lower the discretionary participation in future profits compared to the central scenario)
- ***FDB*** denotes the future discretionary benefit included in the Best Estimate

2. ADJUSTMENT FOR THE LOSS-ABSORBING CAPACITY OF DEFERRED TAXES

AT LEGAL ENTITY LEVEL

The loss-absorbing capacity of deferred taxes is calculated as the sum of:

- Net Deferred Tax Liabilities (DTL) on Solvency II balance sheet, and
- Taxes on future profits not already booked on Solvency II balance sheet and evaluated in a conservative way, based on the business plan in a stress scenario

The loss-absorbing capacity of deferred taxes:

- is limited to SCR x legal corporate tax rate
- is subject to recoverability test of tax benefits

AT GROUP LEVEL

The loss-absorbing capacity of deferred taxes is calculated by consolidating loss-absorbing capacity of all legal entities, adjusted for diversification benefit on SCR and intra-group transactions

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