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Press Release

Paris, 7 April 2020

CNP Assurances publishes its solo and Group SFCRs at 31 December 2019

CNP Assurances has today published its Solvency and Financial Condition Reports (SFCRs) in French, as required by the regulations. These 2019 reports were approved by CNP Assurances' Board of Directors at its meeting on 7 April 2020. The English-language versions of these reports will soon be available online.

The SFCR is a narrative report intended for public disclosure that insurance undertakings have been required to prepare annually since 2016 in application of the Solvency II directive. Two reports have been prepared:

- A **group SFCR** providing consolidated information for CNP Assurances SA and its main French and international subsidiaries.
- A **solo SFCR** providing information for CNP Assurances SA only, without consolidating the operations of its subsidiaries.

The key points in these reports are as follows:

- The Group and its main subsidiaries enjoy a comfortable solvency position.
- At 31 December 2019, the Group had €34.8 billion of eligible own-funds for group SCR calculations, including a policyholder surplus reserve of €9.1 billion calculated using the method recommended by the insurance supervisor (ACPR). The main subsidiaries have a further €3.2 billion of surplus own-funds that are not recognised by the supervisor at Group level.
- Group SCR amounted to €15.3 billion at 31 December 2019, of which 53% for market risks and 31% for underwriting risks. Risks are mitigated by the diversification effect, estimated at 27% at end-2019.
- The Group SCR coverage ratio stood at 227% at 31 December 2019.
- The Company's solo SCR coverage ratio at the same date was 243%.

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French *société anonyme* with paid-up share capital of €686,618,477 I Registered in Paris, RCS 341 737 062 – Company governed by the French Insurance Code (*Code des assurances*)

In 2020, the spread of the Covid-19 pandemic has revealed a certain number of risks affecting the Group's solvency coverage ratio and earnings. As of 31 March 2020, CNP Assurances' financial strength, resulting from a very conservative risk management policy in line with our long-term strategy, was not compromised and the consolidated solvency coverage ratio remained very high.

1. SCR coverage ratio

The SCR coverage ratio is the estimated amount of own-funds needed to absorb significant losses and provides reasonable assurance to policyholders and beneficiaries that payments will be made as they fall due.

CNP Assurances has chosen to calculate its SCR coverage ratio using the Standard Formula without measuring any equivalent capital requirement and without applying transitional measures, except for grandfathering [1] of subordinated debt. Solvency II is applied to all of the subsidiaries included in the Solvency II scope of consolidation, including those in Brazil, so that risks are measured in the same way throughout the Group.

The SCR coverage ratios of the main Group subsidiaries were as follows at 31 December 2019:

Country	Scope	Eligible own-funds for SCR calculations (€bn)	SCR (€bn)	SCR coverage ratio at 31 Dec. 2019	*SCR coverage ratio at 31 Dec. 2018*
Group	CNP Assurances Group	34.8	15.3	227%	187%
France	CNP Assurances SA	35.7	14.7	243%	201%
Brazil	Caixa Seguradora[2]	3.1	1.3	231%	271%
Italy	CNP UniCredit Vita	0.9	0.4	229%	208%
Ireland	CNP Santander Insurance Life	0.2	0.1	171%	189%
Ireland	CNP Santander Insurance Europe	0.3	0.2	161%	149%

Eligible own-funds for group SCR calculations now include the policyholder surplus reserve (€9.1 billion at 31 December 2019) qualified as Tier 1 own-funds.

The Group SCR coverage ratio is calculated on the basis of 100% of the SCR of the Group's main subsidiaries, even those that are not wholly owned by CNP Assurances (CNP UniCredit Vita in Italy is 57.5%-owned and CNP Santander in Ireland is 51.0%-owned). **It does not include the surplus own-funds of the main subsidiaries over and above their contribution to the Group SCR**, which are not recognised by the supervisor at Group level due to the unfungibility rules. At 31 December 2019, these surplus own-funds represented €3.2 billion including non-controlling interests [3] or 21% of the Group SCR. The effect of excluding these funds is to treat the subsidiaries as having a 100% SCR coverage ratio for the purpose of calculating the Group ratio.

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[1] *Subordinated notes issued before Solvency II came into effect are included in Tier 1 capital (undated notes) and Tier 2 capital (dated notes) for a period of ten years ending on 1 January 2026*

[2] *CNP Assurances applies Solvency II to Caixa Seguradora, without using the Brazilian solvency regulation, solely for the purpose of Group solvency calculations. Caixa Seguradora's SCR coverage ratio has no regulatory impact for the Brazilian insurance undertakings*

[3] *Of which €2.2 billion of surplus own-funds in Brazil*

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CNP Assurances' solo SCR coverage ratio at 31 December 2019 represented 243%. This was even better than the Group's 227% ratio, reflecting the fact that CNP Assurances SA's eligible own-funds are not affected by the unfungibility rules unlike those of the Group. The SCR coverage ratios of the main Group subsidiaries were also comfortably above 100% at 31 December 2017.

2. MCR coverage ratio

The MCR is the amount of eligible own-funds below which the insurer may have its authorisation withdrawn.

CNP Assurances calculates its MCR in accordance with Solvency II. MCR is a metric based on premiums, claims, and benefits and capital at risk. Each subsidiary's MCR represents between 25% and 45% of its SCR. The Group MCR is determined by consolidating the MCRs of all the subsidiaries without taking into account any inter-subsidiary diversification benefits.

The MCR coverage ratios of the main Group subsidiaries were as follows at 31 December 2019:

Country	Scope	Eligible own-funds for SCR calculations (€bn)	MCR (€bn)	MCR coverage ratio at 31 Dec. 2019	*MCR coverage ratio at 31 Dec. 2018*
Group	CNP Assurances Group	29.9	7.7	388%	317%
France	CNP Assurances SA	30.6	6.6	463%	384%
Brazil	Caixa Seguradora[4]	3.1	0.3	923%	1,083%
Italy	CNP UniCredit Vita	0.9	0.2	524%	450%
Ireland	CNP Santander Insurance Life	0.2	0.0	498%	549%
Ireland	CNP Santander Insurance Europe	0.3	0.0	561%	520%

The Group MCR coverage ratio was 388% at 31 December 2019.

CNP Assurances' solo MCR coverage ratio at the same date was 463%. The MCR coverage ratios of the main Group subsidiaries were also comfortably above 100% at 31 December 2019.

[4] *CNP Assurances applies Solvency II to Caixa Seguradora, without using the Brazilian solvency regulation, solely for the purpose of Group solvency calculations. Caixa Seguradora's MCR coverage ratio has no regulatory impact for the Brazilian insurance undertakings*

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

The Solvency II directive includes transitional measures to allow insurance undertakings time to adapt to the new regulations and smooth the financial impacts over time. The CNP Assurances group has not applied the transitional measures concerning interest rates and technical reserves.

A static volatility adjustment (VA) has been applied to correct the risk-free interest rate curve used to measure technical reserves.

The following table presents the impact of these measures on the Group's solvency indicators at 31 December 2019:

	Impact of transitional measures on technical reserves	Impact of transitional measures on interest rates	Impact of the volatility adjustment at 31 Dec. 2019	*SCR Impact of the volatility adjustment at 31 Dec. 2018*
Group SCR coverage ratio	n/a	n/a	+8 pt	+21 pt
Group SCR (€bn)	n/a	n/a	-0.3	-1.0
Eligible own-funds for SCR calculations (€bn)	n/a	n/a	+0.6	+1.3

To obtain our SFCR reports:

- Visit the CNP Assurances website, The CNP Assurances Group / Newsroom / Publications / Finance
- Contact a dedicated correspondent at infofi@cnp.fr (see the "Contacts" section below)

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Investor Calendar

- Annual General Meeting: Friday, 17 April 2020
- First-quarter 2020 results indicators: Friday, 15 May 2020 at 7:30 a.m.
- First-half 2020 premium income and profit: Monday, 3 August 2020 at 7:30 a.m.
- Nine-month 2020 results indicators: Thursday, 19 November 2020 at 7:30 a.m.

This press release, along with all of CNP Assurances' regulated information published in accordance with Article L.451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq. *of the Autorité des Marchés Financiers' General Regulations, is available on the Group's investor information website at* www.cnp.fr/en/investor-analyst.

About CNP Assurances

A benchmark player in the French personal insurance market, CNP Assurances is active in 19 countries in Europe and Latin America, with a significant presence in Brazil, its second largest market. Acting as an insurer, co-insurer and reinsurer, CNP Assurances develops innovative personal risk/protection and savings/pensions solutions. It has more than 37 million personal risk/protection insureds worldwide and more than 14 million savings/pensions policyholders. In line with its business model, the Group's solutions are distributed by multiple partners. The solutions are aligned with each partner's physical or digital distribution model, while also being tailored to local clients' needs in each country.

CNP Assurances has been listed on the Paris Stock Exchange since October 1998. The Group reported net profit of €1,412 million in 2019.

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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.

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

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