

Open

Annual Report
2019 / 2020

What will the protection
of the future look like?

Should enhanced-return
savings vehicles be trusted?

Could digital actually bring
us closer to customers?



Insuring
a more
open world

CNP Assurances

A multi-country, multi-partner, multi-channel and multi-solution personal insurer

19 countries in Europe and Latin America

350 distribution **partners**

5,350 employees

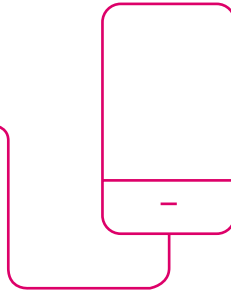
38 million personal risk and protection policyholders and

12 million savings and pension policyholders worldwide

To protect people and everything that matters to them over the long term, we and our partners are thinking outside the box to devise new solutions that reach out and cater to everyone's life journey. That's our mission.



Welcome to a world that is changing faster than ever



The COVID-19 crisis has transformed how we see life, the world and the future. How can we guard against unknown risks? Where can we put our savings in such a turbulent economy? What level of risks can an insurer take on without upsetting its prudential equilibrium? How can you reboot insurance when you are 170 years old?

At CNP Assurances, we believe we owe our longevity to our ability to adapt constantly. It demonstrates we can deliver solutions to the big questions facing insurers of how to provide protection over the long term.

In this review, we aim to show how we are engaging with others and the future that awaits us.

What if insurance...



QUESTION #1

What will the protection of the future look like?

Initial initiatives and outlook



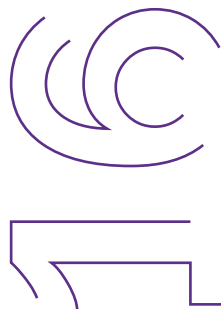
In conversation with Antoine Lissowski,
Chief Executive Officer
of CNP Assurances



QUESTION #2

Should enhanced-return savings vehicles be trusted?

Promising results with the savings vehicles of the future
First avenues being explored, new investment vehicles

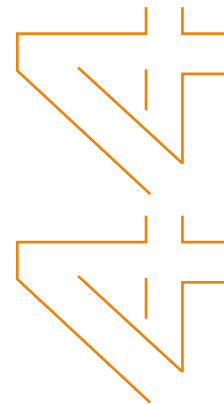




QUESTION #3

Can responsible investment deliver real change?

Buildings, forests, real economy, etc.
Our investments in pictures



2019 in review

Our partners
Our global presence
Our financial performance
Our contribution to society and the environment



QUESTION #4

Could digital actually bring us closer to customers?

End-to-end overhaul of the customer experience
Partnership-based relationships break the mould
Homeworking is changing employees' lives



CNP Assurances – July 2020. Strategic Marketing, Communication and Sponsorship department.
Design and production: HAVAS PARIS – Photo credits: Aldo Sperber; Gettyimages / ArtMarie, Carlos Sanchez Pereyra, Dusanpetkovic, Eva-Katalin, Federico Rostagno, Ferrantraite, Heshphoto, Hinterhaus Productions, Innocenti, Isadora Romero, Jonas Hoffmann, EyeEm, Julief514, Lechatnoir, Luis Alvarez, Maskot, Morsa Images, Nick David, Ozguncankaya, Peathegee Inc., Ronnie Kaufman, Shen wei, Silke Woweries, SolStock, Thomas Barwick, Tom Werner, Tommaso Tagliaferri, Vgajic, Westend61, Yulkapopkova.



In conversation with

Antoine Lissowski

CHIEF EXECUTIVE OFFICER
OF CNP ASSURANCES

“An insurer's role is to shield people from the effects of crises and also to ride out the storm.”

People needed to lean heavily on insurers during the pandemic crisis. How did CNP Assurances step up?

A. L. We immediately swung into action – together with our partners – to support our policyholders. We gave both business and self-employed customers breathing space by extending their premium payment periods. We automatically postponed the term creditor insurance payments for young people qualifying for postponement of their student loan repayments, with no loss of their cover. Together with our fellow insurers in France, we covered time off work for policyholders with long-term illnesses and pregnant women. Going beyond the contractual arrangements, we decided to cover time off work where policyholders had to stay home to look after children from the very first day on which the schools closed. We also reached out to those in need by taking various measures for people badly hit by the crisis, such as carers, students, elderly people living on their own and women at risk of domestic abuse.

Insurers face a growing burden of expectations. What role do you see for personal insurers in today's world?

A. L. An insurer's role is to shield its customers from the effects of crises. It is also to ride out the storms battering society, and we are currently looking at how to establish innovative public/private partnerships to deal more effectively with such extreme scenarios. Personal insurers such as CNP Assurances also need to stay one step ahead of changes in society. Here I'm thinking about an ageing population, loss of independent living skills and the divisions that are emerging within society, and insurers need to provide constructive, effective solutions over the long term that are affordable for as many people as possible.

What are the main priorities for the insurance sector?

A. L. Persistently low interest rates, a real drag on the savings of the middle classes are the first priority. We need to enhance the returns we offer savers in France, while keeping their savings safe, channel a higher proportion into carefully selected unit-linked products, and provide security without sticking purely to euro-denominated vehicles. The second priority for the insurance sector is addressing the emergence of a new category of planet-wide risks – the pandemic with its myriad consequences and global warming. Guarding against such universal risks is part of our role as an insurer, and we have called for an open dialogue between public and private partners to devise novel protection mechanisms. It's up to insurers to invent ways of keeping people safe.

What have you learned from the pandemic?

A. L. It really impressed me how we reached out to those in need and found new ways of doing things. Together with all our stakeholders, we faced unprecedented challenges, but responded by raising our game in our insurance activities and forging even closer relationships with policyholders.

"I was really impressed by how we reached out to those in need and found new ways of doing things."

The pandemic prompted us to accelerate all the changes underway in our organisation: it made them more vital, more urgent and more accessible too. There's no going back on them – they're here to stay! We intend to take homeworking to the next level. With our partners, we plan to capitalise on the recent experience of 100% digital working and pursue the development of seamless relationships with policyholders throughout the life of their policy. We have set up workgroups to enhance our value proposition through an overhaul of our savings & pension and personal risk & protection offerings and the customer experience. Lastly, recent events have given us an even keener sense of our responsibilities as a major investor and made us more determined to shift our focus towards the real economy, the environmental transition and, in a nutshell, people.

CNP Assurances has committed to spend €300 million to help revitalise the economy. Why?

A. L. At the height of the crisis, we contributed €24 million to the solidarity fund established by the industry to help micro-companies and independent

professionals weather the storm. In the future, they will have to repay state-guaranteed emergency treasury loans from a reduced revenue stream. Unlisted and family-owned businesses, the backbone of our economy, will be short of capital. At our instigation, Caisse des Dépôts reintroduced the NOVO investment funds. Under the programme, insurers will devote €1.5 billion to increasing SMEs' capital base and support the healthcare and tourism sectors. We are one of the largest contributors to the country's economic and social reconstruction programme, and we are proud to be involved in reshoring the healthcare industry and funding hospitals and nursing homes as part of our core mission of protecting people.

CNP Assurances has consistently met its green targets. How far do you intend to go in this direction?

A. L. Ultimately, we want to make our investment portfolio completely carbon-neutral. And when we joined the Net-Zero Asset Owner Alliance, we committed to doing so by 2050. We have met almost all our climate commitments for 2021 and immediately raised the bar as we hit

them. Our plans for a complete withdrawal from thermal coal are already in place. We intend to double our green investments – in forests, renewables, green bonds, and so on – to €20 billion by 2023. By doing so, we hope to give our planet's climate a real chance while enabling our policyholders to make a difference with their savings.

In its new communications campaign, CNP Assurances thinks outside the box to find ways of insuring a more open world. For what? And for whom?

A. L. We are open to and engage with the changes in society. In today's world, our lives no longer take a smooth path from point A to B. For example, some people have several different jobs, and co-habiting is no longer just for young people – it's now an option pensioners on low incomes are considering. We see these new paradigms and seek to protect people, ignoring any taboos and without passing any judgement. We are open to and engage with the world thanks to our multi-partner, international business model. Our new ownership structure and our new plans for the future alongside La Banque Postale, as part of a major European bancassurance group dedicated to meeting regions' and citizens' needs, also underpin our outward-looking approach. ■

**A salutary shake-up
of our ownership structure**

We draw our strength from being part of the public-sector financial grouping marshalled by Caisse des Dépôts and from our revitalised ownership structure. With La Banque Postale, we now form a leading pan-European bancassuror that can meet the needs of regions and their citizens. Working with our distribution partners and all our stakeholders, we strive to break new ground by providing more and more effective protection for people and everything that matters to them. We will do so by constructively engaging with the future – a future all of us must build.




(1) Wholly-owned subsidiary of Le Groupe La Poste (66%-held by Caisse des Dépôts and 34%-held by the French State).

“We intend to give our planet's climate a real chance while enabling our policyholders to make a difference with their savings.”

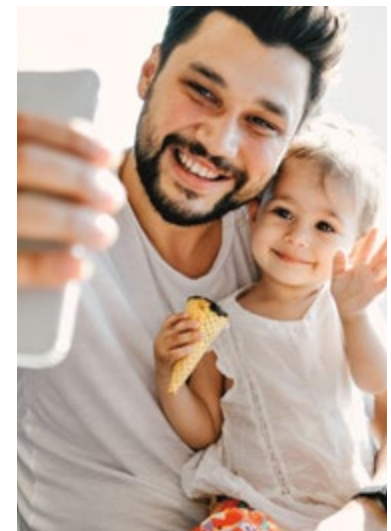
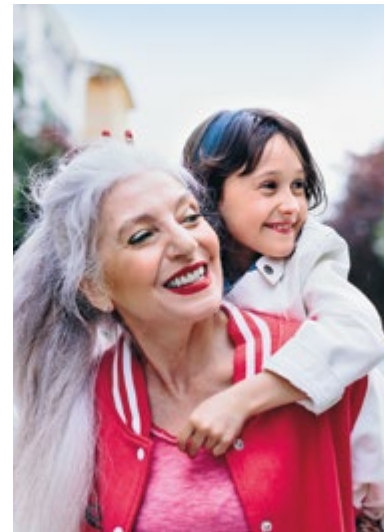
Question #1



The pandemic has transformed policyholders' needs and ways of doing things, prompting CNP Assurances to revitalise and reinvigorate its protection solutions for people.



What will the protection of the future look like?



While there are many uncertainties about the world of the future, CNP Assurances

is completely clear about a number of things. With the looming economic crisis, purchasing power, and thus pricing, will become crucial factors. Health and safety will be most people's priorities for several years. Technology will play a key role going forward. It has been welcomed into most homes after proving its effectiveness with online shopping, classroom and track & trace solutions.

The effects of the crisis on the personal risk decisions people in France make are already coming to the fore.

We could well see greater interest in cover against loss of employment, which is not currently very popular (4%). What surveys⁽¹⁾ already indicate is that people in France are now more mindful of their own mortality and interested in arranging financial cover for that scenario.

The big unknown is whether households will be able to afford this type of non-mandatory cover,

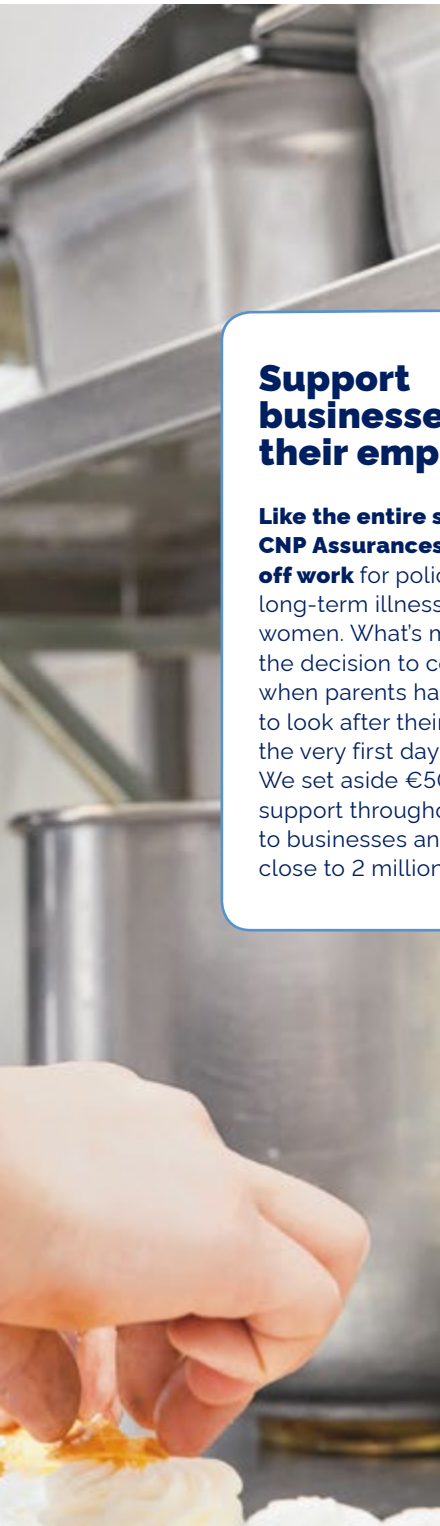
as opposed to mandatory term creditor insurance, and also motor and home insurance. Insurance buyers could be put off as a result of the tough household budgeting decisions they face, which will depend on the length and depth of the looming recession.

We have set up a strategic initiative to devise the protection solutions of the future.

Its remit is to analyse experiences of the pandemic and predict policyholders' future needs. It is opening the door to a wide-ranging overhaul of the cover, services and processes we deliver, while always considering the affordability of our insurance.

Initial initiatives to deliver the protection of the future





Support businesses and their employees

Like the entire sector in France, CNP Assurances covered time off work for policyholders with long-term illnesses and pregnant women. What's more, we made the decision to cover time off work when parents had to stay at home to look after their children from the very first day of school closures. We set aside €50 million to provide support throughout the pandemic to businesses and non-profits with close to 2 million employees in total.

Guarantee access to healthcare

At the height of the COVID-19 crisis, the French Red Cross decided to set up an H4D Consult Station® in its health centre in Villeneuve-la-Garenne, an area identified as a medical desert, with just 11 general practitioners covering a population of 25,000. This provided a perfect opportunity to demonstrate how the connected telemedicine booth, an innovation by the H4D startup we have supported, can ease the burden on hospitals running at full tilt and give everyone access to a doctor in real time, while limiting face-to-face contact.

CNP Assurances took unprecedented measures to shield policyholders caught up in the storm unleashed by the pandemic.

Maintain affordability

The economic recession will cut into policyholders' purchasing power and potentially hamper their access to the costliest forms of healthcare, such as eyecare. The partnership between the Lyfe digital health and well-being platform and Sénèque, an independent service putting people in contact with opticians, will make a telling contribution. It helps people find the best-value glasses and can deliver savings of 20% to 25% by comparing the estimates provided by listed opticians. This free service complements the rapid arrangement of an ophthalmologist appointment by Point Vision. It adds a new layer of protection for the more than 1,700,000 members of our group insurance partners (mutuals, employee benefit institutions and businesses).

Mapping out how the protection of the future may look



A focused strategic initiative

CNP Assurances intends to reinvigorate its personal protection offering and expand its range of solutions to reflect the lessons of the COVID-19 crisis. A multi-

disciplinary workgroup is exploring new avenues. The initiative will look closely at new types of cover and new solutions, changes to the service offering and more agile business processes. The first avenues being explored are adding loss of income cover to term creditor protection and incorporating special arrangements, and cover for pandemics in personal risk policies, such as scrapping deferral periods and automatically activating personal services, including home meal delivery.

Pandemic insurance in the pipeline

An insurance industry taskforce has mapped out the contours of an insurance regime covering businesses against the financial effects of a catastrophic event. This "Catex" insurance would cover events such as a pandemic, as well as terrorist attacks, urban unrest and natural catastrophes. The regime would be underpinned by a partnership with the government since insurers alone would not be able to cover events on this scale. It would be available only for SMEs and micro-companies, which are more vulnerable. They would receive rapid payouts in the form of adjustable "resilience capital" based on the gross margin earned by the business. Lastly, it would be underwritten by paying an additional premium on an existing multi-risk business policy or business interruption cover. This insurance sector proposal is intended as a contribution to the public debate.

General loss of autonomy insurance

As a leading player in the long-term care market, we are in pole position to tackle the challenges posed by today's longer life expectancy. In a presentation at the Reavie 2019 industry event, we backed the industry-led call for universal loss of autonomy insurance funded on a pay-as-you-go basis. This solution, based on a model of mandatory collective enrolment, would pool risk to provide a basic level of cover for everyone in France. The cost of paying out a €500 monthly income to people who have lost the ability to care for themselves would require a monthly contribution of €10 from everyone aged over 20 in France.

Working together with its partners and insurance stakeholders, CNP Assurances is overhauling its offering to meet changing expectations.

Question #2

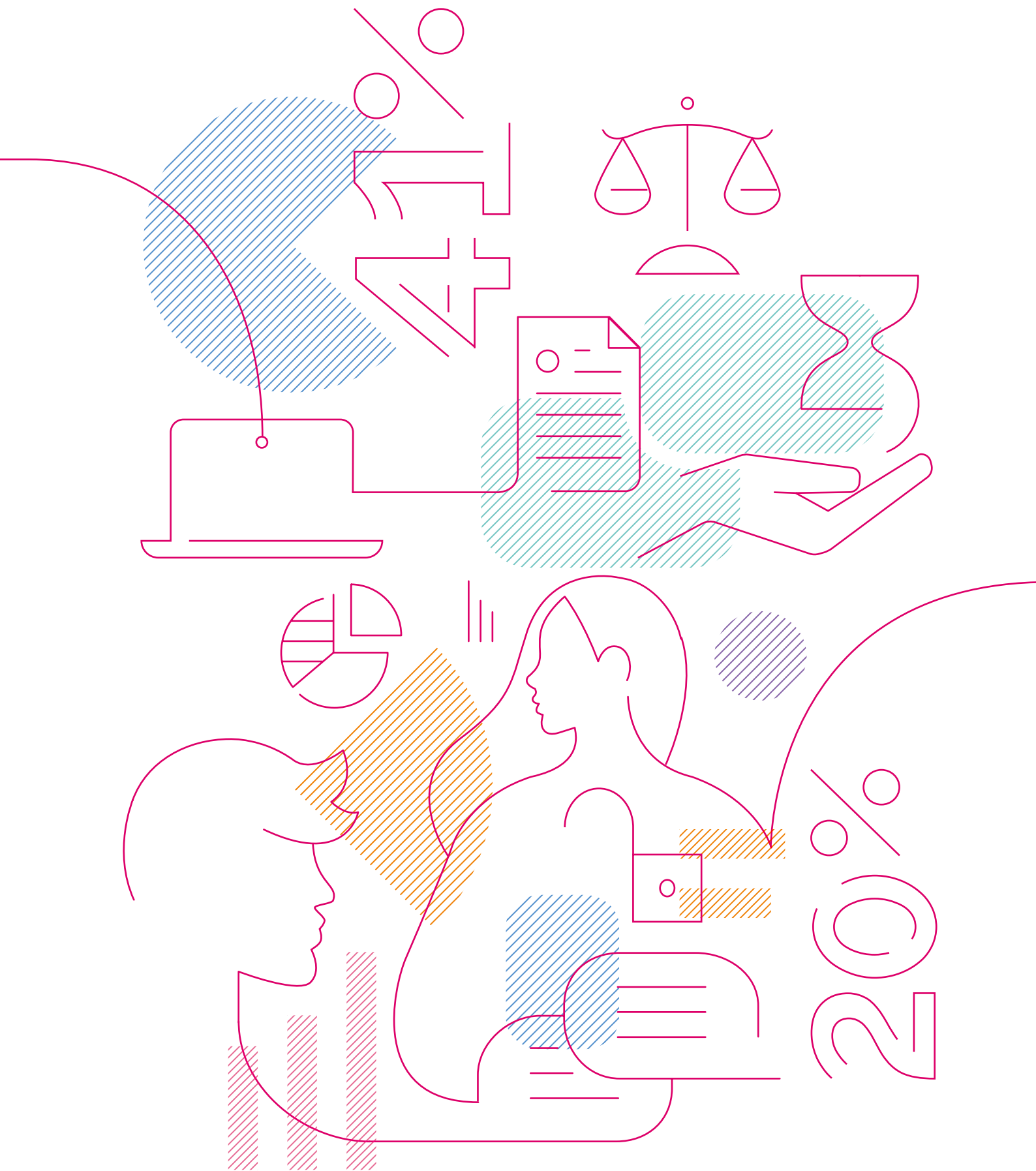



Unit-linked vehicles gave life insurance a new lease of life after low interest rates had taken their toll, but turbulent stock markets have now curbed enthusiasm again.



Should enhanced-return savings vehicles be trusted?







With today's low and even negative interest rates, insurers are deterring investors from 100% euro-denominated policies by charging high fees and by making access to them conditional on purchasing unit-linked investments too. With unit-linked products, investors' capital is not guaranteed since it is invested in asset classes such as equities, bonds and property. In 2019, unit-linked investments' share of new life insurance policies in France rose from 23% in January to 41% by December.

During the first quarter of 2020, the pandemic brought the economy to a standstill and sent all the world's stock markets into a tailspin, causing investors to switch into lower-risk life insurance vehicles. As a result of the lockdown, savings leapt 20% in France, with around €60 billion being channelled into current accounts, passbook savings and other PEL home-savings accounts paying minimal, if any, returns.

With the future fraught with uncertainties, savers are turning to the most secure and liquid investments. That poses yet another challenge for life insurance, which, it is now clear, will have to deal with a net outflow in 2020.

CNP Assurances is pushing ahead with the overhaul of its savings business.

It wants to get the message across that "unit-linked" does not necessarily mean "equities" and the "stock market" and thus high risks. Its goal is to persuade investors to diversify their long-term savings and to help them protect their capital without sticking solely with capital-guaranteed euro-denominated products. It has established a strategic initiative with a creative, no-holds-barred approach to restore savers' trust in enhanced-return investments.

Promising initial results for the savings vehicles of the future

We are focused on revitalising our savings solutions, with brand new offerings, next-generation unit-linked and euro-denominated funds, and a fresh purpose.



CNP UNICREDIT VITA

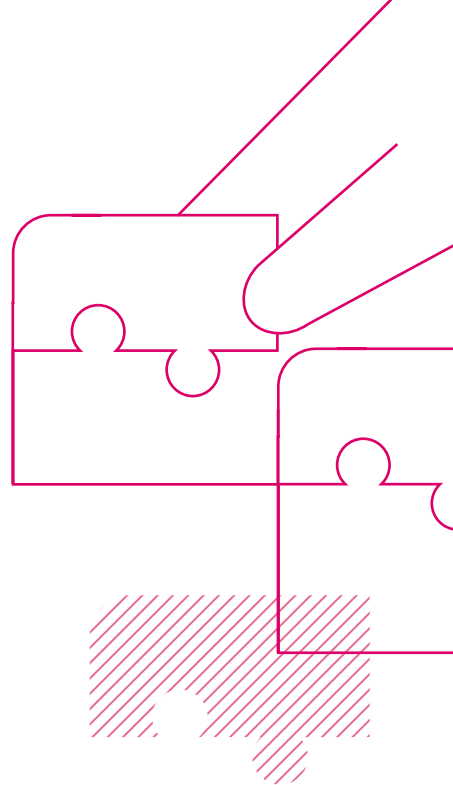
62%
of policies in
force invested
in unit-linked
investments

71%
of 2019
premium income
derived from
unit-linked policies

Building trust in unit-linked vehicles in Italy

CNP UniCredit Vita has pulled out all the stops to promote enhanced-return savings.

It has introduced dedicated sales and marketing arrangements, with advisors explaining the benefits of investing over the long term. It has built an extremely diversified 100% unit-linked range directing savers towards assets matching their target exposure and risk profile. The stock market turbulence caused by the health emergency did not trigger any panic selling or wholesale withdrawals, illustrating the greater maturity of Italian savers. A new multi-vehicle solution was launched in early 2020 to round out the range. It combines the safety of euro-denominated savings (up to 50%) with the potentially higher returns of unit-linked investments plus a guaranteed minimum payout in the event of death. By early June, multi-vehicle life insurance inflows had risen 20% compared with the same period of 2019 despite the crisis.





Striking the right balance with Pergola 90

CNP Patrimoine's wealth management specialists have now been brought together with the investment engineering teams. Thanks to the closer relationship between them, we can draw inspiration from existing products and innovations previously reserved for high-net-worth individuals and replicate them so that everyone has access to investment vehicles of a type and calibre that high-end

investors have come to expect. The secure Pergola 90 vehicle is the first example. **It can harness opportunities in the financial markets while locking in a floor value of 90% of the highest level** recorded by the investment and providing the daily liquidity that allows investors to exit at any time. It was originally launched in late 2019 for CNP Assurances' high-net-worth clients, and a mainstream version will be introduced during 2020 with an attractive balance between guarantee and returns.

Investing with a purpose via Easy Actions Citoyen

EasyBourse, La Banque Postale's online broker, now offers investors the chance to view the environmental and social footprint of their investment

if they set up an EasyVie life insurance policy with a 100% SRI management agreement. Savings are invested in funds with the French Government's SRI accreditation, and a non-financial management report is published semi-annually so that investors can track the positive impact of their savings, including CO₂ emissions, water consumption, workforce trends, etc. A minimum investment of just €500 applies to this management agreement that "does the right thing".



First avenues being explored, new investment vehicles

More secure unit-linked options

CNP Assurances is focusing its research on unit-linked vehicles **that are less influenced by the CAC 40 but deliver returns over the long term in sectors such as property.** It designs composite baskets of more balanced, less volatile composite unit-linked vehicles. In addition, these provide unit-linked exposure to contemporary investing themes, such as the environment, to enable everyone to make a difference with their savings.

New types of cover

CNP Assurances' goal is to give savers peace of mind in line with the number one expectation of most customers – **the initial level of capital invested in unit-linked vehicles should be contractually 100% guaranteed**, come what may. The other way of reassuring investors who agree to diversify their long-term savings would be to provide pandemic cover against any losses suffered in the event of a withdrawal caused by a fresh pandemic crisis.





Make a difference

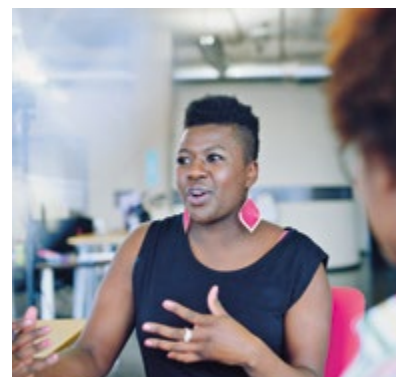
Giving contractual guarantees will no longer suffice. Going forward, unit-linked savings will need **to be given a purpose by allowing clients to choose the assets matching their convictions.**

Investing in sustainable development, in French infrastructure, in ageing well or simply in property, a safe haven. A difference can be made at every level, from the investment to the management agreement and even the insurance policy.



Expert management

While we can get savers to invest more in unit-linked products, we also need to give them the chance **to hand over their asset allocation to experts in order to maximise their returns.** Discretionary management will be gradually introduced on consumer agreements and rolled out for distribution partners. At La Banque Postale, for example, this will focus on the nine themes in the Conviction range to adapt to the saver's position on the risk/return spectrum.



A core theme to suit every saver global, real economy, sustainability, Europe, property, ageing well, infrastructure, emerging markets and investing for the future.



Question #3

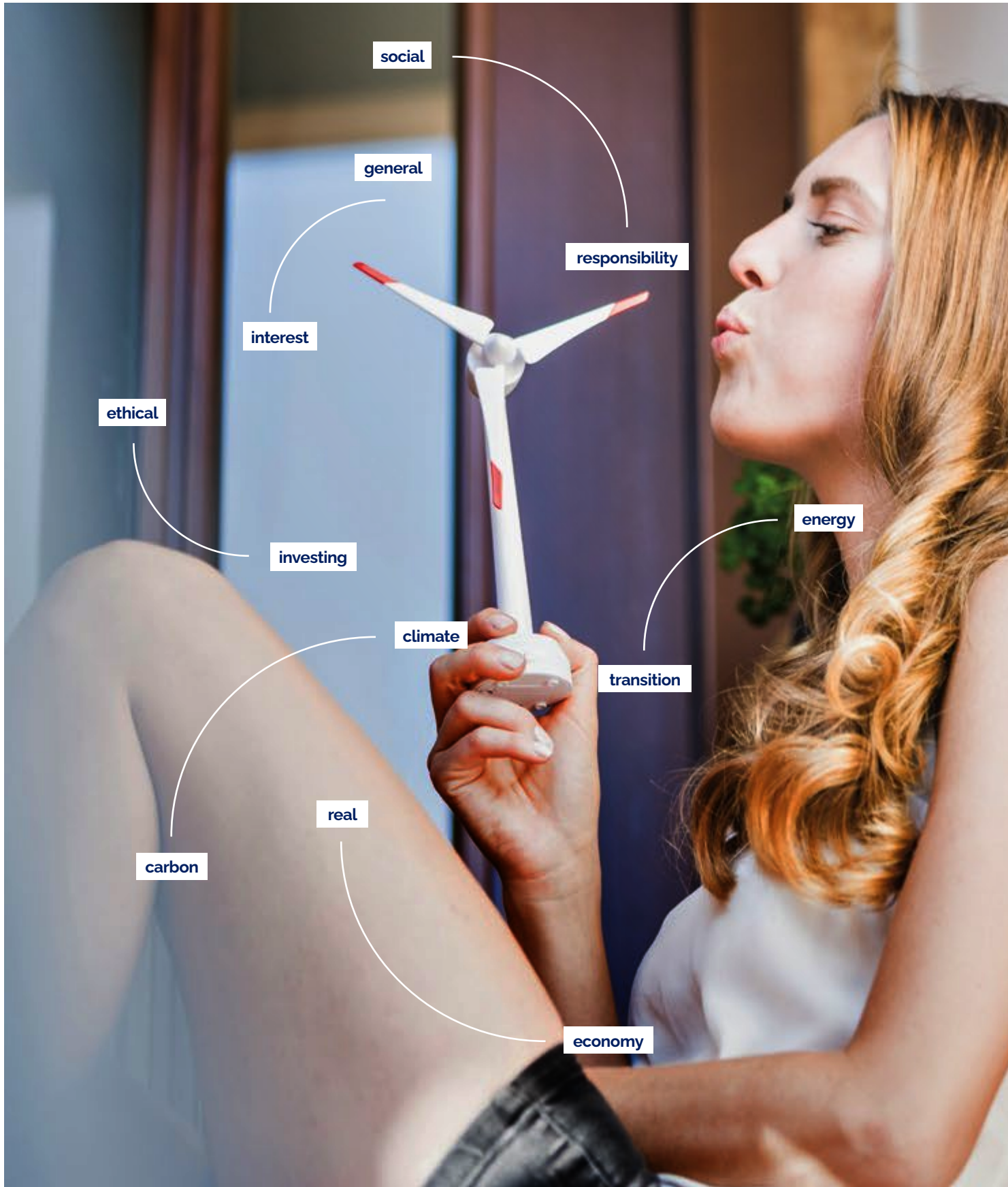


The rising tide of interest in environmental and local issues is guiding CNP Assurances' efforts to live up to its responsibility as a large-scale and long-term investor.



Can responsible investment deliver real change?







Although responsible investment has really taken off recently, CNP Assurances has long been an active proponent of the approach. Because insuring people for the past 170 years has given us a keen sense of our responsibility to society. Because our strategy is naturally guided by the common good as we are a public-sector company. Because investing hundreds of billions of euros in savings gives us real clout. And because in today's world policyholders want to know how their money is being used.

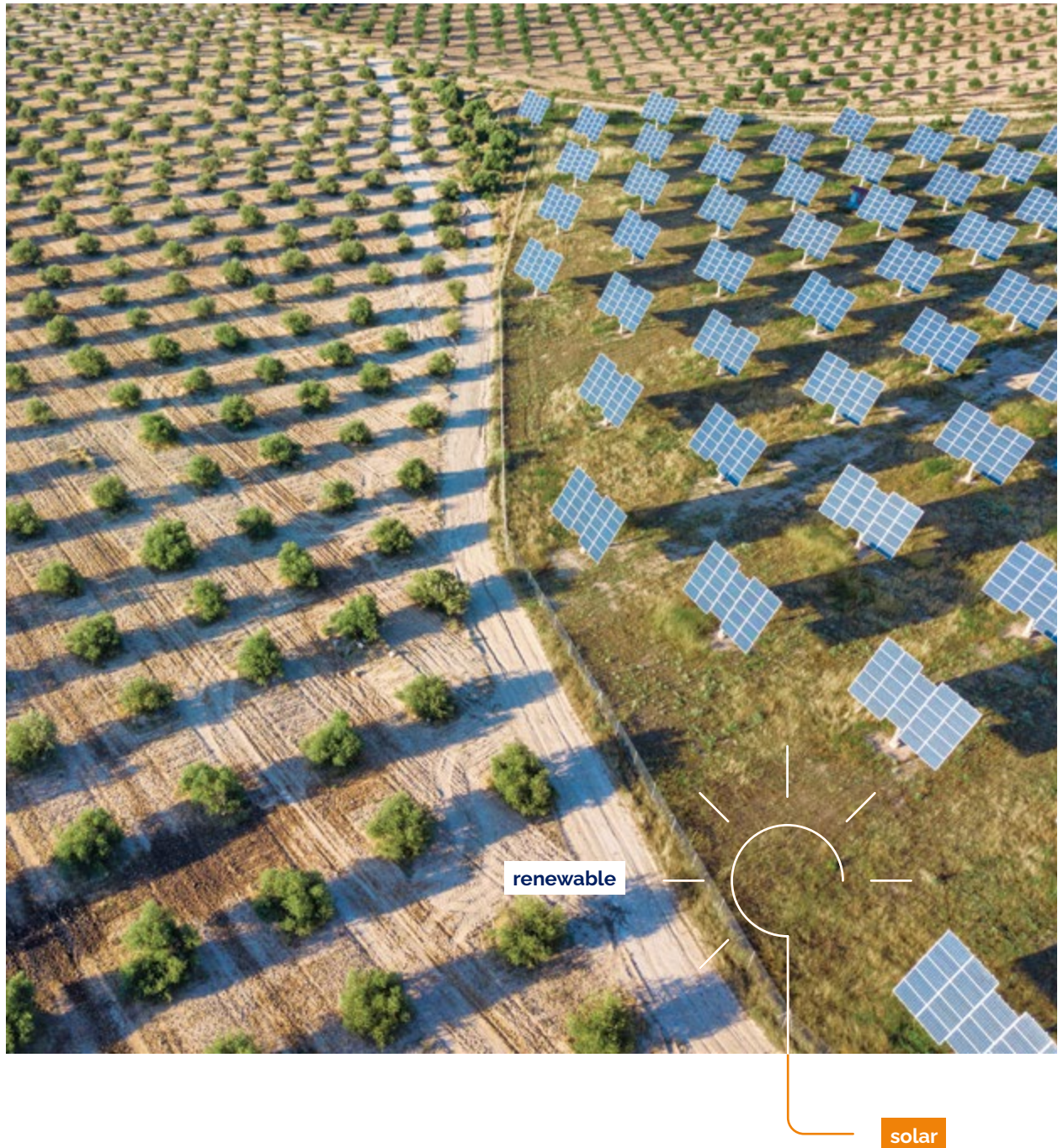
We first adopted an ESG approach and screened our entire equity portfolio using environmental, social and governance filters back in 2006. Then exclusions were incorporated, firstly for anti-personnel mine manufacturers in 2008, then for offshore financial centres in 2014, for coal in 2015 and finally for tobacco companies in 2020, to sharpen up the ethical footprint of our investments.

We rallied to the climate cause in 2015, setting ambitious targets for green investments, pulling out of thermal coal and decarbonising our asset portfolios. We reached and even exceeded most of them ahead of schedule and have raised the bar even further to support the energy and environment transition.

The real economy is another focal point for us. At year-end 2019, €131 billion in policyholders' savings flowed into the French economy, with close to €4.5 billion channelled into SMEs and job-creating startups across the regions, and into the property and infrastructure that are making France more competitive.

€20 billion
in green investments
is what CNP Assurances
has pledged to make by 2023





Sustainable buildings accounted for **49%** of our energy and environmental transition investments in 2019. We have been renovating our property portfolio for the past fifteen years to achieve our target of reducing our CO₂ emissions by 40% between 2006 and 2021. The target is now well within our reach since our emissions were down 37% at year-end 2019. Our new headquarters currently under construction in the Issy-les-Moulineaux eco-district, a project with five quality accreditations and featuring positive-energy buildings, will cut our environmental footprint even further from 2022.

Renewable energies, including wind, solar and geothermal, accounted for **26%** of our energy and environmental transition investments in 2019. One year to the day after the Paris market's declaration of its commitment to green and sustainable finance, we adopted in July 2020 our plan to withdraw completely from thermal coal in European Union and OECD countries by 2030 and worldwide by 2040.





tonnes of CO₂

sustainable management

Forests and woodland CNP Assurances is France's largest private owner of woodland, with 56,537 hectares at year-end 2019. It has entrusted Société Forestière with managing them sustainably. As a result, it stored between 14 and 16 million tonnes of CO₂ by year-end 2019 – a significant contribution to combating climate change.



mobility

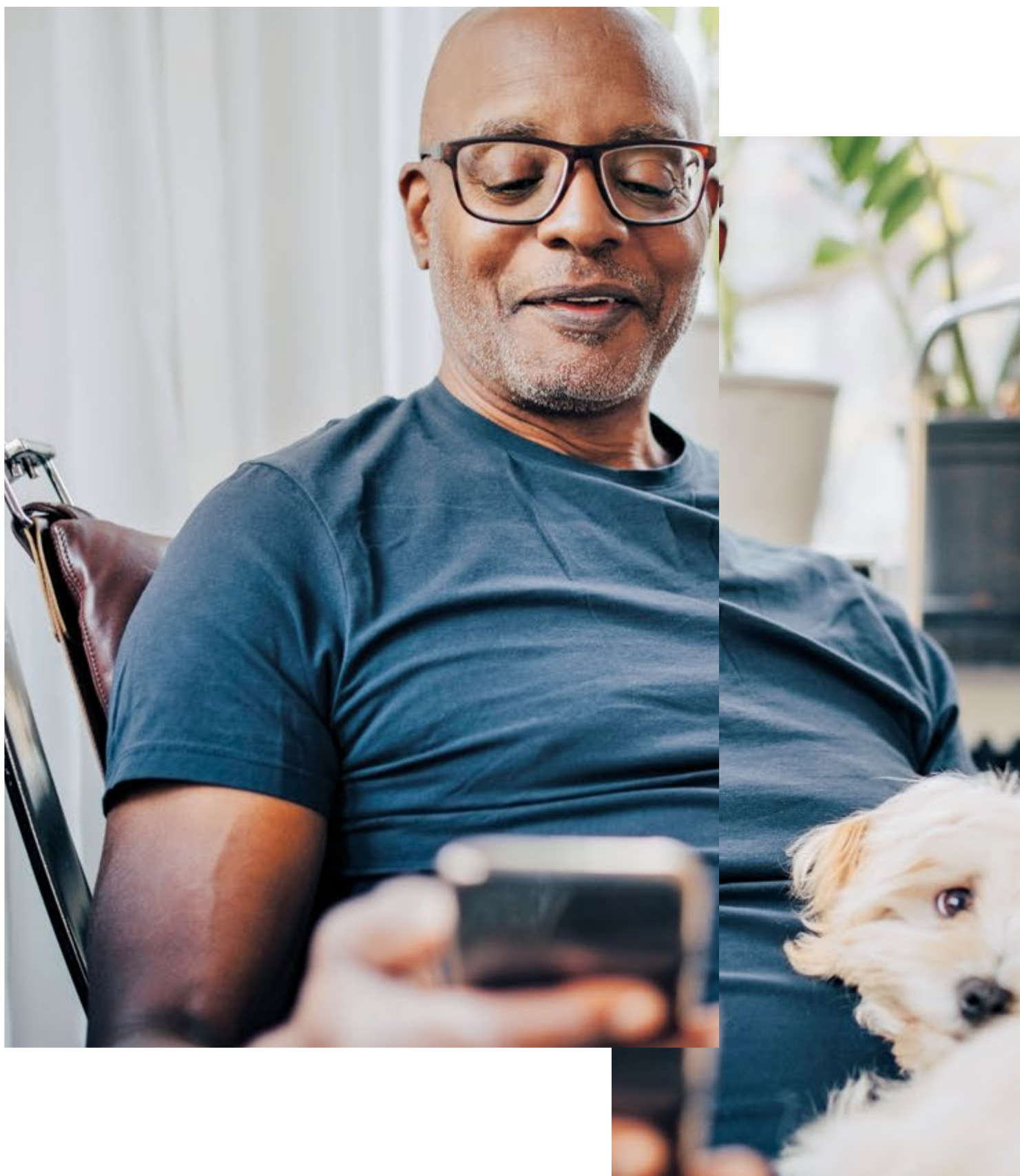
innovative projects

Transport and sustainable mobility CNP Assurances supports various innovative projects, including green gas, biomethane, hydrogen and green electricity, led by key French players in sustainability mobility and the environmental transition. We also invest in major French rail network projects, with high-speed lines chief among them. Transport and sustainable mobility accounted for **14%** of our energy and environmental transition investments in 2019.

Real economy We support businesses – from the CAC 40 to family-owned SMEs –, giving them the time they need to grow and develop, to adapt to technological change so they can sustain local jobs and to innovate for the benefit of future generations. We have now committed **€300 million** to the so-called NOVO funds reactivated by Caisse des Dépôts to shore up businesses' capital base and to invest in the health and tourism sectors, which were badly hit by the pandemic.



Question #4



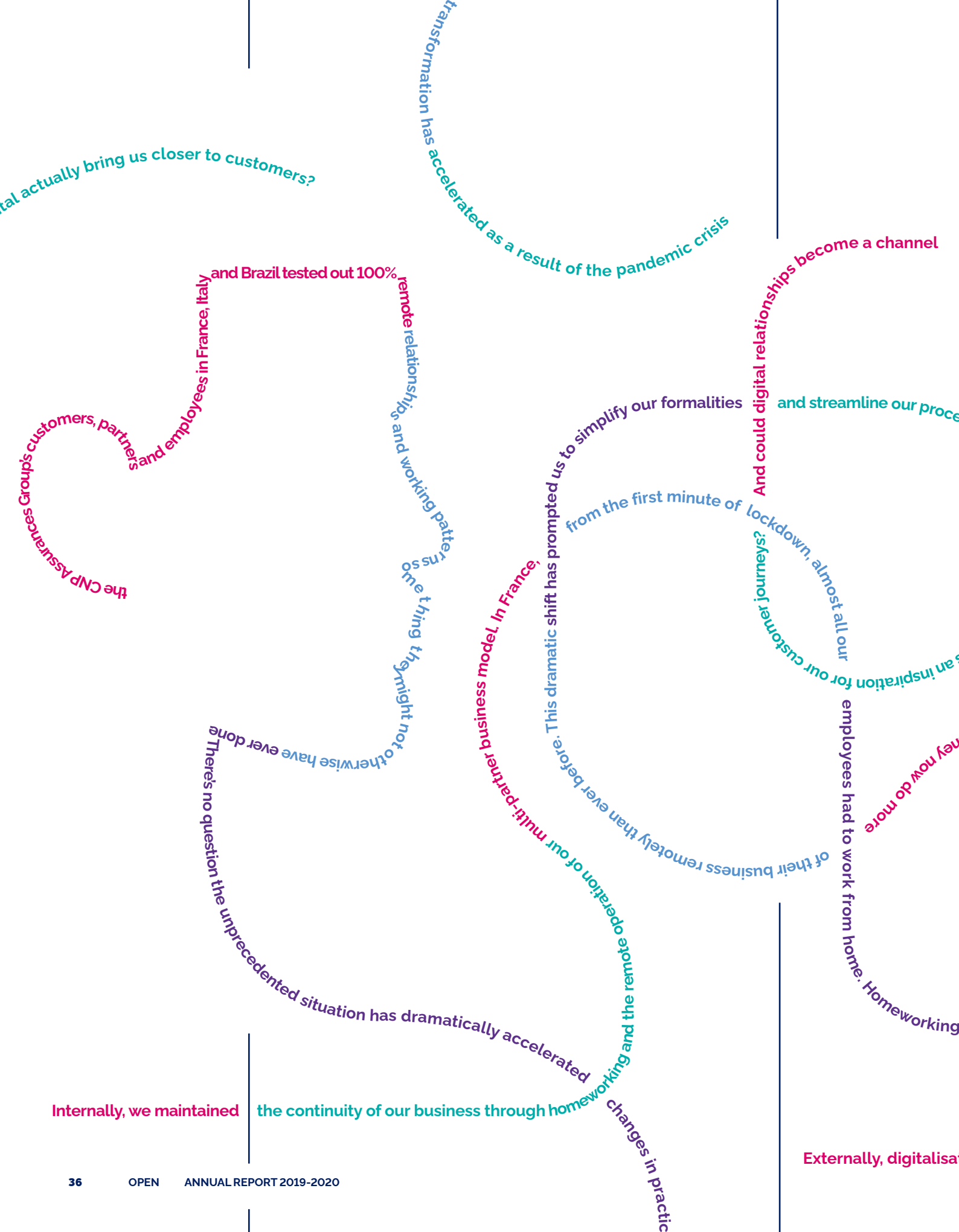
The pace of our digital transformation has accelerated as a result of the pandemic crisis. We are looking to achieve a new equilibrium point, forging closer, yet "remote" relationships with customers.

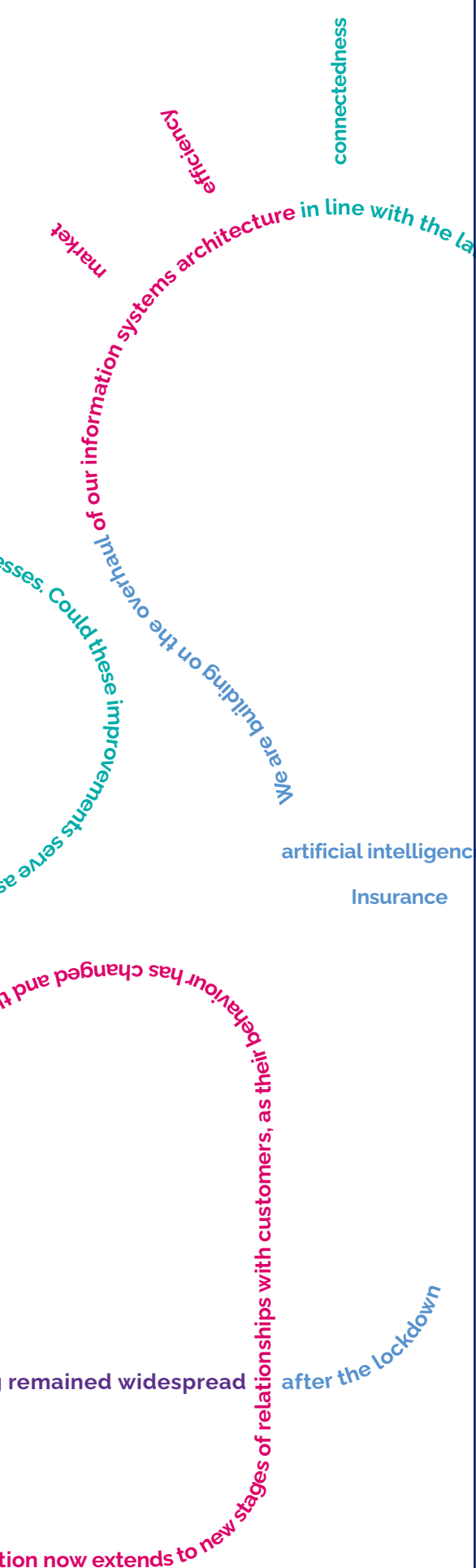


Could digital

actually bring us

closer to customers?





During the strict lockdown, the CNP Assurances Group's customers, partners and employees in France, Italy and Brazil tested out 100% remote relationships and working patterns

– something they might not otherwise have ever done. There's no question the unprecedented situation has dramatically accelerated changes in practices, processes and tools, and made them better.

Internally, we maintained the continuity of our business through homeworking

and the remote operation of our multi-partner business model. In France, from the first minute of the lockdown, almost all our employees had to work from home. Homeworking remained widespread after the lockdown measures were officially eased, sparking discussions with our union partners on how work will be organised in the future.

Externally, digitalisation now extends to new stages of relationships with customers, as their behaviour has changed and they now do more of their business remotely than ever before. This dramatic shift has prompted us to simplify our formalities and streamline our processes. Could these improvements serve as an inspiration for our customer journeys? And could digital relationships become a channel on an equal standing with conventional solutions? A strategic initiative has been set up to explore policyholders' shifting behaviours and tweaks to our customer experience.

We are building on the overhaul of our information systems architecture, in line with the latest market standards and looking with industry partners at ways to unlock the highest possible levels of efficiency and connectedness with customers.

End-to-end overhaul of the customer experience

For CNP Assurances, the shift to digital technology is primarily about being as people-friendly as we can.





ng for four major

...subscription process

Customer experience, claims management and the risks arising from longer life research

to electronic signature.

as 15 minutes to go from quote

100% affinity-based, 100% online

In France, the Anticipa supplementary health and personal risk protection plan

was developed specially to cover civil servants working for four major French ministries. It can be set up via an online subscription process on a dedicated website where it takes as little as fifteen minutes to go from quote to electronic signature. A chatbot answers any questions potential subscribers may have before and after sign-up, and the Anticipa team is on hand to take calls and respond to emails.

Insurance as agile as it gets in Brazil

Youse, the 100% digital subsidiary of Caixa Seguridade,

is a technological and customer-experience trailblazer. In a first for the Brazilian market, its motor insurance customers can tweak the cover provided by their policy directly online, without having to contact the call centre.

Focus on customer experience

Spurred on by the lockdown, **we took steps to simplify and streamline our business processes.**

We reduced the number of questions we ask and the amount of supporting paperwork we require for new policies, and cut down on the administration involved in the smallest claims. We have set up a workgroup to look at ways of making our remote interactions smoother and examining the key issue of which channel matches up best with which application. At CNP Assurances, our aim is to strike the right balance between the remote channel's growing share of customer journeys and the human interaction people need at crucial times in their life, when only a face-to-face meeting with an advisor will do.

AI coming into play

CNP Assurances is supporting the new DIALog⁽¹⁾ research chair

in partnership with the University of Lyon-1 and the Risk Foundation. The chairholder will explore key issues for the insurance industry arising from behavioural and environmental changes that affect the way we live our lives in an age of digital technology and artificial intelligence. Customer experience, claims management and the risks arising from longer life expectancy are three areas of research that will benefit.

(1) Digital Insurance And Long term risk.

Digital reinforcing our partnership approach

Things changed with the COVID-19 pandemic as all business had to be conducted through direct contact whenever the customer desires

Warmth of the relationship

applications requiring closer analysis, we undertook to get back to them within 24 hours

ed remote health questionnaire, a tried and tested solution

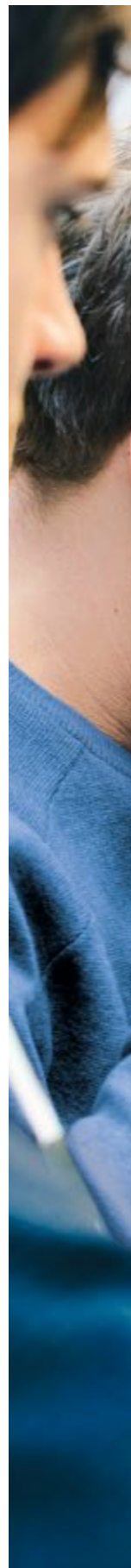
The pandemic crisis has dispelled certain taboos and forced CNP Assurances and its partners to think outside the box.

Multi-channel approach embraced in Italy

UniCredit, CNP Assurances' banking partner, had reservations about introducing phone or social media channels for insurance. Things changed with the COVID-19 pandemic as all business had to be conducted electronically. A top priority is to restore the warmth of the relationship through direct contact whenever the customer desires. CNP UniCredit Vita set up a dedicated phone line and online banking service as new channels of interaction for the bancassurance sector. Today, our subsidiary is incorporating these in its processes and training its advisors in its new relationship mix.

Help businesses secure emergency funding

The benefits of integrating BPCE's and CNP Assurances' processes came to the fore with applications by businesses for the state-guaranteed loans (PGE) to raise the cash they need to ride out the COVID-19 crisis. In 70% of cases, their insurance application was accepted straight away. For applications requiring closer analysis, we undertook to get back to them within 24 hours. Using the electronically signed remote health questionnaire, a tried and tested solution for term creditor insurance, we were able to rise to the challenge and provide over 100,000 businesses with PGE loan insurance cover.





Deliver 100% digital transactions together with our partners

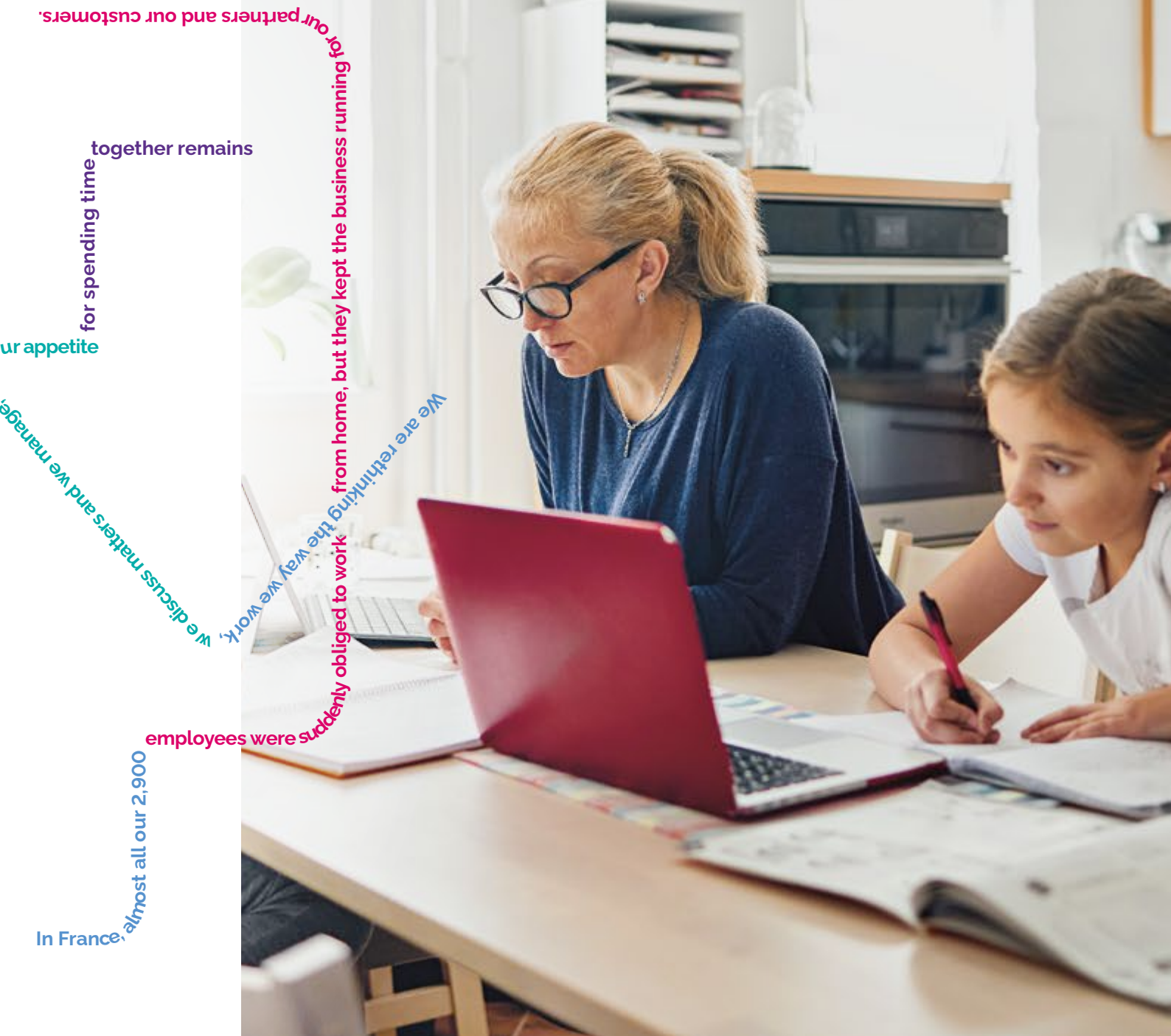
It must be possible to do everything online, and all services must be available remotely – that's what lockdown has taught us. And it poses a challenge for our partnership-based model. We need to share the same tools – from front to back office – to forge an integrated processing chain. We also need to share what we know about customers to build a complete picture of their needs, of their interactions with CNP Assurances, and handle their needs seamlessly. It is a new dawn for our partnership-based way of working, which is overcoming the technical, legal and economic hurdles.

The ethics of AI

Artificial intelligence is a technology that can deliver benefits right across an insurer's value chain. CNP Assurances has decided to put people and ethical practices at the forefront of its approach. To this end, it has appointed an artificial intelligence ethics officer and set up an AI Ethics Committee.

based way of working, which is overcoming the technical, legal and economic hurdles

Homeworking is changing employees' lives



for our partners and our customers.

together remains

for spending time

ur appetite

we discuss matters and we manage

We are rethinking the way we work,

from home, but they kept the business running for

employees were suddenly obliged to work

almost all our 2,900

In France,



The pandemic crisis brought
into relief the sources of vulnerability

Guidance making sure we put people first

The pandemic crisis brought into relief the sources of vulnerability that we need to address. We have to make sure employees feel a connection with their colleagues and staunch the erosion of our corporate culture as we transform our organisation. Reviewing management practices and designing new working environments will help. Recent events have shaken everything up, including plans for the Group's new Issy-les-Moulineaux headquarters. It will not now be one big open space for everyone, but a patchwork of large rooms and flexible spaces that can be used for discussions, training, project building and even socialising. In future, employees will not come into the office to sit down and think about things on their own, but to meet up, move around and get CNP Assurances moving.

Digital transformation clearly on track

In France, almost all our 2,900 employees were suddenly obliged to work from home, but they kept the business running for our partners and our customers. Supported by business specialists, the Executive Committee met every morning by phone as a crisis cell to monitor our KPIs. And we performed well, demonstrating that our digital transformation had been effective. Now the question is how to extend the option of homeworking and support the changes introduced. Our distribution model is well-suited to remote working. But we are not looking to switch over to 100% homeworking. Together with our unions, we are considering ways of introducing it across the board for two or three days a week through a bottom-up approach.

We are rethinking the way we work, we discuss matters and we manage, and our appetite for spending time together remains undiminished.



Our longstanding major partnerships were extended for very long periods in 2019. Roll-out of the new arrangements will begin in 2020. CNP Assurances' business model will be open. It will be partnership-based and international, robust and supportive.

Our partners

CNP Assurances' model is predicated on long-term partnerships with banks and social protection providers in France and around the world. By bringing to bear their in-depth customer knowledge together with our insurance expertise, we are able to create truly effective solutions.

5 MAJOR BANKING PARTNERS

FRANCE

La Banque Postale

CNP Assurances' majority shareholder (62.1%)

25.5%

BPCE

a longstanding CNP Assurances shareholder (16.1%)

19.2%

INTERNATIONAL

Caixa Econômica Federal

in Brazil (20.1%)

UniCredit

in Italy (9.1%)

Santander Consumer Finance

in 12 European countries (2.3%)

31.5%

ANALYSIS OF 2019
PREMIUM INCOME

21.5%

350 NON-EXCLUSIVE PARTNERS IN FRANCE

Over 100 social protection organisations
205 lenders
40 wealth management companies

2.3%

Others,

including Amétis,
CNP Assurances' employee network

Our global footprint

We protect people and everything that matters to them on two continents with very different economies, societies and cultures, and that helps us to come up with novel solutions.

Latin America

15 million
personal risk
and protection
policyholders

4 million
savings
and pension
policyholders

Young people
in Brazil
are tending to
think more and
more about
their pension.



Partnership agreements with Caixa Econômica Federal, Brazil's number two public bank, have been extended until 2046.

Brazil

57,000
outlets

100%
digital Youse
insurance platform

Under-24s
account for 38%
of the population

Source: CIA World Factbook,
December 2019.

Europe

23 million
personal risk
and protection
policyholders

8 million
savings
and pension
policyholders

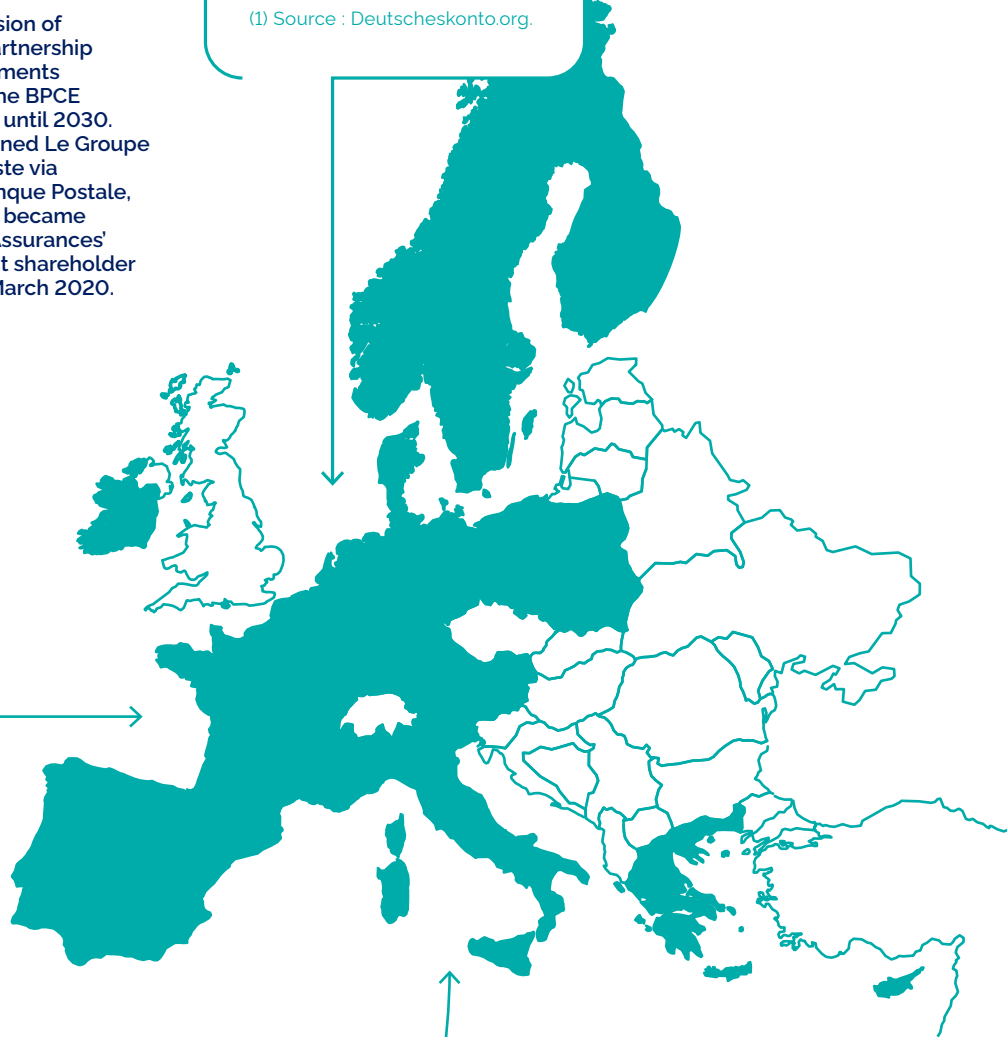
Over-65s
account for 18%
of the population
Source: Ined 2019 estimates.



Extension of
the partnership
agreements
with the BPCE
group until 2030.
We joined Le Groupe
La Poste via
La Banque Postale,
which became
CNP Assurances'
largest shareholder
on 4 March 2020.

In Germany,
over 95%⁽¹⁾
of new cars
are bought
on credit.

(1) Source : Deutscheskonto.org.



Even with returns
close to zero, life
insurance continues
to provide peace
of mind for savers
in France.

In Italy, policyholders
have shown faith in their
advisor by switching
over to enhanced-return
unit-linked savings.

CNP Assurances'
subsidiary **in Cyprus**
possesses unrivalled
property insurance,
and we lead the
market there.

Our financial performance 2019

CNP Assurances' 2019 results show the strength of our business model, which flows from our diverse businesses and our relationships with our partners around the world. We are actively involved in efforts to establish a major public-sector financial grouping by maintaining substantial financial clout and resolutely combating global warming.

Robust results

EARNINGS BEFORE INTEREST AND TAXES (EBIT)

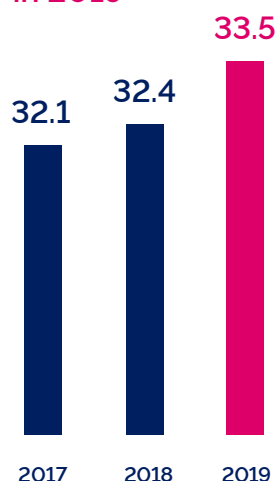
€3,041 million
up 4%

ATTRIBUTABLE NET PROFIT

€1,412 million
up 3.3%

GROUP PREMIUM INCOME (in € billions)

€33.5 billion
in 2019



Increase of
3.5%
premium income
powered by:

**5.6% rise in term
creditor insurance**
growth in premium income
across all regions recorded
by our main partners

**42.3% unit-linked
products in savings
& pensions**
share of Group savings & pension
premium income generated
by unit-linked solutions

NET AVERAGE TECHNICAL RESERVES IN 2019

€321 billion
up 2.4%

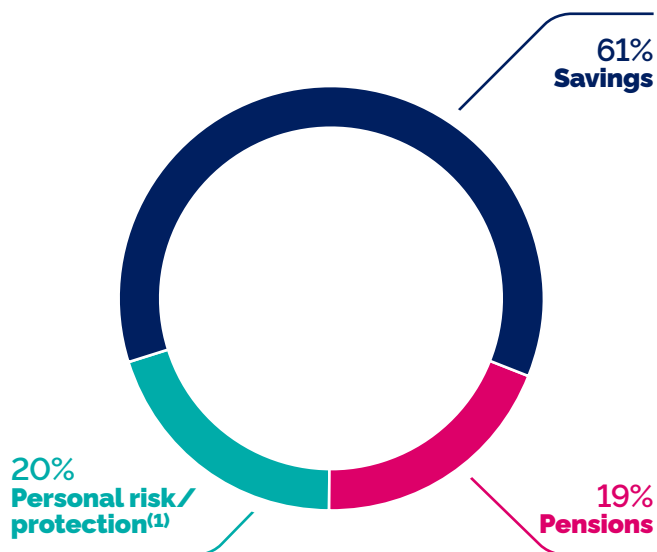
DIVIDEND

On the recommendation of CNP Assurances' Board of Directors, the Annual General Meeting of 17 April 2020 approved appropriation of the full amount of 2019 earnings to retained earnings rather than paying out a dividend of €0.94 per share (up 5.6%, vs. 2018) as initially proposed. The Board of Directors will consider the possibility and arrangements for paying out a dividend over the next few months.

Diversification paying off

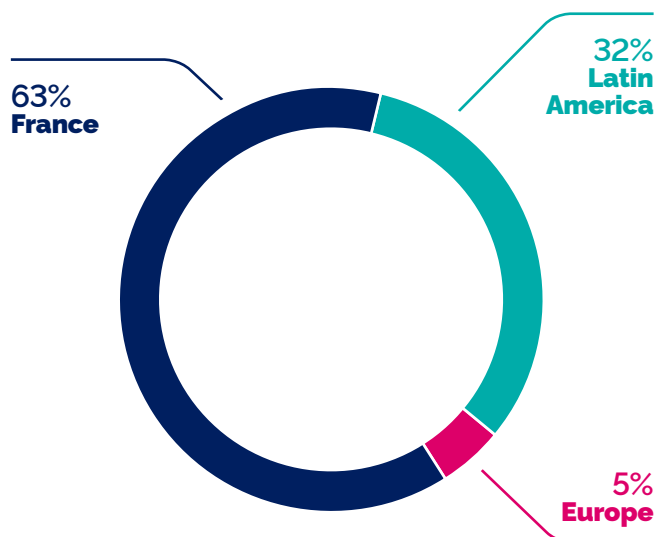
The strength of CNP Assurances' position derives from its diverse geographical base and product mix combined with tight cost control.

BREAKDOWN OF EBIT BY SEGMENT

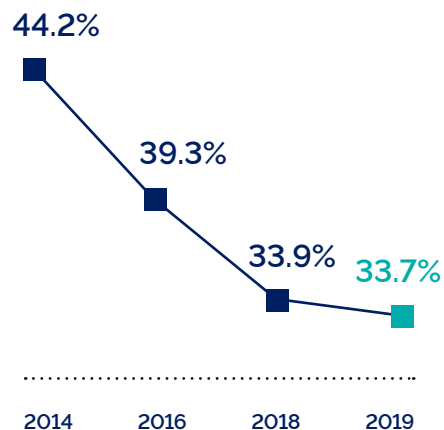


(1) Personal risk, health, term creditor and property and casualty insurance.

BY GEOGRAPHICAL AREA



STEADY REDUCTION IN THE COST/INCOME RATIO IN FRANCE⁽¹⁾



(1) This indicator measures operational efficiency based on administrative expenses. It is calculated by dividing administrative expenses by net insurance revenue. A lower ratio indicates an improvement in operational efficiency.

CONSOLIDATED SCR RATIO (SOLVENCY II)

227%

This ratio reflects the strength of the Group's balance sheet.

FINANCIAL STRENGTH CONFIRMED BY THE RATING AGENCIES

A

stable outlook
Standard & Poor's
(December 2019)

A1

stable outlook
Moody's
(November 2019)

Our contribution to society and the environment in 2019

CNP Assurances is a major public provider of protection solutions for people, a keen supporter of the energy and environmental transition and a corporate sponsor of initiatives to level up health outcomes. It acts in line with the general interest and the UN Sustainable Development Goals.

38
million personal
risk/protection policyholders
worldwide

97%
of the Group's employees
are covered by a collective
bargaining agreement and 96% have
a permanent employment contract

€6 million
donated Group-wide
to health and social
inclusion projects

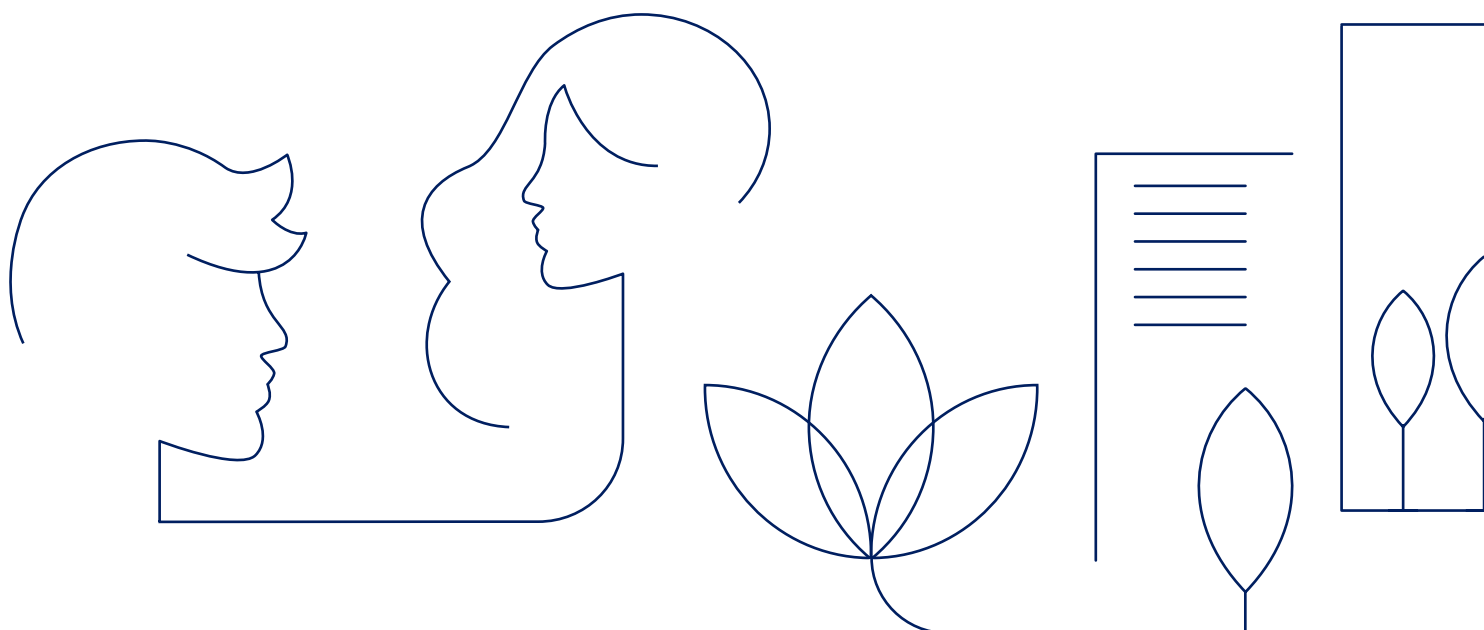
3 GOOD HEALTH
AND WELL-BEING



8 DECENT WORK AND
ECONOMIC GROWTH



10 REDUCED
INEQUALITIES



AN APPROACH HAILED BY NON-FINANCIAL RATING AGENCIES

61/100

Vigeo Eiris

(March 2020)

**No. 5 of 49 insurers
in Europe**

AAA

MSCI

(December 2019)

**Highest consistently
maintained rating**

Prime B-

ISS – ESG

(September 2019)

**Top 3 ranking among
173 insurers worldwide**

82%

of investment
portfolios

*screened using environmental,
social and governance (ESG) filters*

€14.4 billion

in green investments
under management

*by year-end 2019,
€20 billion by year-end 2023*

94

countries excluded from
investment portfolios

*owing to the lack of tax transparency,
corruption or failure to respect
democratic rights and freedoms*

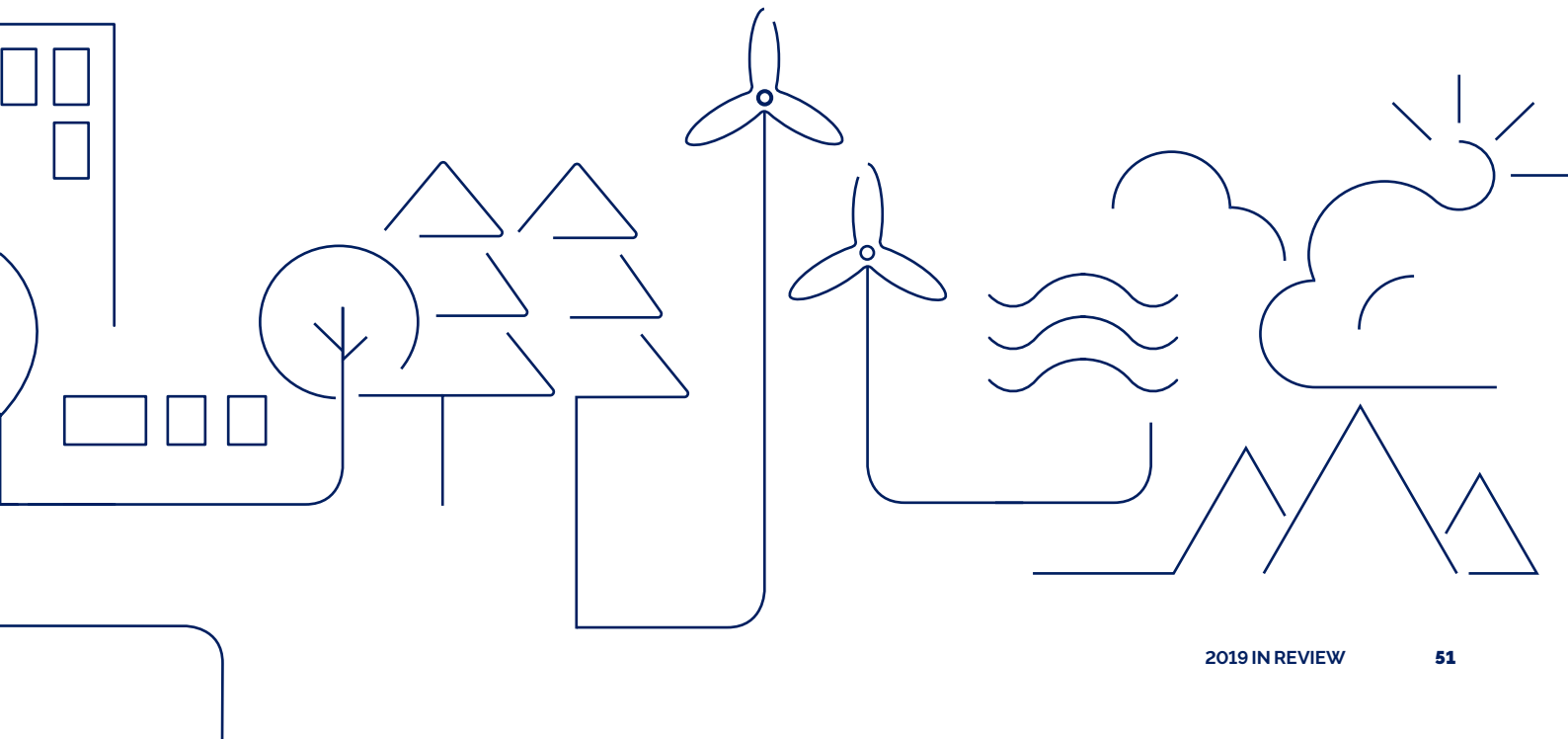
12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



To find out more

Have a look at our Essentials 2020 reports on the [cnp.fr](https://www.cnp.fr) website.



CNP Assurances' corporate sponsorship and philanthropy

Its core beliefs, its initiatives and its Foundation committed to levelling up health outcomes and saving lives.



Your lives have changed, and so have we!

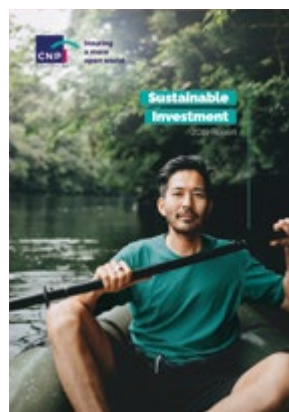
We are shaking up insurance and rebooting how we work with our partners so we can support and guide you along the path to a more open, peaceful and sustainable world.



Find out more about saving responsibly from our Q&A

The world is embracing environmental and social priorities, and so are responsible investors.

Share and embrace our commitments.



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Visit our website

at **cnp.fr**

**Insuring
a more
open world**



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Société anonyme (joint-stock company) with fully paid-up share capital of €686,618,477
Registered in the Paris Trade and Companies Register under no. 341 737 062
Company governed by the French Insurance Code (Code des assurances)